… THE INVESTigator

A bi-monthly newsletter published by Swap Consultants Pvt. Ltd., Nagpur

Vol. 15 No. 6 February - March 2019

LIST OF STOCKS OWNED BY MORE THAN 100 MF SCHEMES

Investors keep asking for fundamentally good stocks that they should buy and keep for long term. Given below is the list of 78 stocks that were part of the portfolios of at least 100 MF schemes, including ETF's, as on 31 January 2019.

The list includes some obvious choices like HDFC Bank [535], ICICI Bank [528], SBI [465] and Axis Bank [450 schemes].

Among others, IT major Infosys, FMCG giant ITC and engineering conglomerate L&T were owned by more than 400 schemes.

Also, on the list are Maruti Suzuki, Reliance Industries, Kotak Mahindra Bank, HDFC, Mahindra & Mahindra, Tata Consultancy Services, Sun Pharma, Bharti Airtel, NTPC, Bajaj Finance & HUL, which were held by over 250 schemes.

Despite the fall in inflows, equity fund managers stayed put on stocks like HCL Technologies, Asian Paints, Tech Mahindra, TATA Steel, Vedanta, Indusind Bank, Titan, GAIL, Tata Motors and Aurobindo Pharma. These stocks featured in the portfolios of more than 200 schemes as of January 2019.

Besides above, Coal India, Power Grid, Hero Moto Corp, Dr Reddys Laboratories, CIPLA, Motherson Sumi, Cummins India, Petronet LNG, Britannia Inds, Grasim, Bajaj Finserv, M&M Financial Services, Hindalco, Yes Bank, Ultratech Cement, ONGC, Bank of Baroda, The Federal Bank, Dabur India, MRF, ACC, Exide, Eicher Motors and UPL were other companies that were owned by atleast 100 mutual fund schemes as of January 2019.

Readers are requested to study 52 week price variations of each stock before taking any decision and buy only during market lows and that too systematically in small quantities.

WWW.SWAPCONSULTING.COM

Company Name	No of schemes	Company Name	No of schemes
HDFC Bank	535	Bajaj Finserv	160
ICICI Bank	528	Nestle India	160
State Bank Of India	465	Mahindra & Mahindra Financial Servi	159
Axis Bank	450	Hindalco Industries	158
Infosys	446	Yes Bank	156
ITC	437	Ultratech Cement	153
Larsen & Toubro	416	Oil & Natural Gas Corporation	150
Maruti Suzuki India	369	Bank Of Baroda	149
Reliance Industries	363	Indian Oil Corporation	149
Kotak Mahindra Bank	356	Hindustan Petroleum Corporation	146
HDFC	332	The Federal Bank	145
Mahindra & Mahindra	312	Dabur India	142
Tata Consultancy Services	303	Shree Cement	141
Sun Pharmaceutical Industries	288	ACC	139
Bharti Airtel	271	MRF	138
NTPC	257	Exide Industries	137
Bajaj Finance	256	Zee Entertainment Enterprises	131
Hindustan Unilever	250	Marico	129
HCL Technologies	230	Eicher Motors	129
Asian Paints	229	UPL	128
Tech Mahindra	220	Voltas	127
Tata Steel	217	Bharat Petroleum Corporation	127
Vedanta	215	Wipro	126
IndusInd Bank	213	City Union Bank	124
Titan Company	210	RBL Bank	122
GAIL (India)	209	Divis Laboratories	121
Tata Motors	202	Colgate-Palmolive (India)	117
Aurobindo Pharma	201	NCC	111
Coal India	194	Bharat Electronics	111
Power Grid Corporation Of India	188	ICICI Lombard General Insurance Co	109
Hero MotoCorp	187	Cholamandalam Investment & Financ	109
Dr. Reddys Laboratories	172	Container Corporation Of India	108
Cipla	167	Adani Ports and Special Economic Zon	105
Bajaj Auto	166	Tata Power Company	104
Motherson Sumi Systems	164	Indraprastha Gas	102
Cummins India	164	Lupin	102
Petronet LNG	162	Havells India	101
Britannia Industries	162	The Ramco Cements	101
Grasim Industries	161	Tata Chemicals	100

INVESTING LESSONS FROM PETER LYNCH

In the world of investing, Peter Lynch is legendary. Lynch ran the Fidelity Magellan Fund from 1977 to 1990, delivering an annualised return of 29% over this period, one of the greatest investing tracks records of all time.

When Lynch became Magellan's manager in 1977, the fund had $20 million in assets. It went on to become the largest mutual fund in the U.S. with $13 billion in assets. The ability to manage such a humongous amount and deliver admirably earned him a position in the investing hall of fame, so to speak.

Here are a few nuggets of wisdom taken from an interview and his books One Up on Wall Street and Beating the Street.

All your stocks will not do well. You only need a few good stocks in your lifetime. If you have a lot of stocks, some will do mediocre, some will do okay, and if one of two of them goes up big time, you produce a fabulous result. Some stocks go up 20-30% and investors get rid of it and hold on to the dogs. It is like watering the weeds and cutting the flowers. You have to let the big ones make up for your mistakes.

If you looked at 10 companies, you'd find one that's interesting, if you'd look at 20, you'd find two, or if you look at 100, you'll find 10. The person that turns over the most rocks wins the game.

In this business if you're good, you're right 6/10. You're never going to be right 9/10. This is not like pure science where you go, "Aha" and you've got the answer. You have to take a little bit of risk.

Don't get easily afraid. The unwary investors pass in and out of three emotional states: Concern, Complacency, Capitulation.

Concern after the market has dropped or the economy seemingly falters. This is a hindrance to buying good companies at bargain prices.

When the investor buys at higher prices, complacency sets in because the stock price keeps rising higher. Ironically, this is the time when one should be cautious, and fundamentals checked. Finally, when the stock crashes to prices below the buying price, the investor capitulates and sells in a snit.

Such investors fancy themselves to be long-term investors but only until the next big drop, at which point they quickly become short-term investors and sell out for huge losses.

People who succeed in the stock market accept periodic losses. Calamitous drops do not scare them out of the game. The trick is not to trust your gut feelings, but to discipline yourself to ignore them.

Researching fundamentals will help keep you grounded. Invest in a company after you have done the homework on the company's earnings prospects, financial condition, competitive position, plans for expansion and so forth. Stand by your stock as long as the fundamental story behind it has not changed.

Don't look at economics to predict the future. If you spend 13 minutes a year on economics, you've wasted 10 minutes. Focus on your companies. If you own auto stocks, you should be very interested in used car prices. If you own aluminium companies, you ought to be interested in what's happened to inventories of the metal. If your stock are hotels, you research should lead you to find out how many people are building hotels. Deal with facts, not forecasting the future. That's crystal ball stuff. That doesn't work. Futile.

If you think you can play the market, you will get played. People who are not good at picking stocks are the very ones who say they are "playing the market," as if it is a game. When you "play the market" you are looking for instant gratification, without having to do any work. You are seeking the excitement that comes from owning one stock one week and another the next. "Playing the market" is an incredibly damaging pastime.

The public looks at stocks differently than they look at everything else. When they buy a refrigerator, they do research. They spend weeks planning a trip and hours studying their frequent flier plans. When they buy a microwave oven, they do research. They'll get consumer reports and ask other individuals on what they favourite kind of oven is or what kind of car would they buy and why. But they will invest $10,000 in some zany stock that they heard on a bus on the way to work. And they do it before sunset with no clue what the company does. And then wonder why they lose money.

This is sloppy and ill-conceived. More often than not, they are chronic losers with a history of playing their hunches.

In the end, they are more convinced than ever that investing in stocks is a game, but that's because they have made it one.

Reliance Power (Rs.10.50/-) STOCK WATCH **Yes Bank (Rs. 230/-)**

Book - Post

To,

From :
The Investigator
Swap Consultants Pvt.Ltd.
Above NCC Office, VCA Complex, Civil Lines,
Nagpur - 1 Ph. : 0712 - 6641111, 6641166 / 67
email : swapconsultants@yahoo.com

Published & Printed by Swap Consultants Pvt. Ltd., Civil Lines, Nagpur and Printed at Parasnath Computers & Printers, Sadar, Nagpur