



## **Summer Internship**

### **Final Report – The Growth Arrow**

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**Batch: MBA – FT (2020-2022)**

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## **Acknowledgement**

I, Samyak Agrawal, would like to extend my gratitude towards the Corporate Relations Cell (CRC) of the Institute of Management, Nirma University (IMNU) and all its associated faculties and staff for providing me with the opportunity for an internship that helped me learn and grow in the field of Equity Research and Analysis.

I thank all the student members of the placement committee for their continuous support during the recruitment process of the summer internship program.

I am grateful to The Growth Arrow and all their employees who directly or indirectly contributed to teaching me all the important aspects of Equity Research and Analysis and providing me the opportunity to work with them.

Finally, I am thankful to my faculty mentor, Prof. Nikunj Patel, and my organization mentor, trainer, and guide, Mr. Meghesh M., for offering their much-needed timely guidance and making sure that my learning experience during the two months of the internship program always remained a smooth one.

## **Executive Summary**

This report aims to highlight my experiences and lessons learned throughout my Summer Internship Program at The Growth Arrow as an Equity Research Analyst intern in the financial services area.

The Growth Arrow is a organization in financial services domain that strives to foster a strong commitment to clients and trainees by setting a new standard in which a simple approach plays a vital part in better understanding and learning about financial services. The words "We are Professionals," "We Are Creative," "We Are Talented," and "We Are Excellent" are all associated with the company. Financial Planning, Advisory Services, Wealth Management, and Training Programs are among the services they provide to clients and students seeking assistance in the financial sector.

My responsibility throughout my internship was to routinely attend instructional sessions and apply what I learned to analyze market or company data utilizing technical, fundamental, and sentimental methodologies and procedures. I was instructed to undertake paper trading with the use of an excel spreadsheet. I was also needed to provide periodical analysis on numerous companies based on their performance, attempting to forecast where it would lead in the future by evaluating various trends and graph patterns, whether during or after trading hours, via a google form.

As part of the work, I was also requested to supply possible prospects with information for educational or clientele objectives. A sufficient amount of training was provided to me so that it would be easier for me to work effectively in the field of equity research and analysis, and to make important and timely decisions to ensure that the analysis provided and the trading done are of excellent quality and can yield future returns using the same techniques and methods.

After completing the internship, I am more confident in my ability to use a variety of technical analysis tools, such as pivot points and candlestick patterns, as well as fundamental analysis tools, such as ratios and market and economic information, to benefit from trading and futures estimation of market and company trade patterns.

However, I am aware that I still need to work on my analytical and predictive skills, as well as learn a lot more about trading and how to analyze and react to a variety of scenarios, in order to advance my career as an Equity Research Analyst.

## **SIP Company and Role**

**Company Name:** The Growth Arrow

**Organization Business Sector:** Financial Service Sector

**Project Title:** Equity Research Analysis.

The project's goal is to evaluate the market and conduct investment analysis using fundamental, technical, and sentimental analysis, and to provide investment recommendations, rationales, and reports based on those findings.

### **About the Company**

Growth Arrow is an independent financial service domain. They aim towards developing a strong commitment towards clients and trainees a new standard where easy manner plays an important role to understand and learn about the financial services in better way. They have developed and implement the various strategies that are proven and useful to many clients. This means they stand for an innovative platform which towards development and making of wealth and prosperity.

The company has more than a thousand clients throughout the world which stands the best testaments. Growth Arrow is an innovative platform for educating and mentoring the theory towards wealth and prosperity.

The company stands for the following:

1. We are Professionals, which means they give importance to integrity, trust, and expertise providing service.
2. We are Creative, which the that the company employees merge their wisdom of working with risk advisors , and uses their up-to-date knowledge gained by their expertise and partners in order to create new strategies which have proven and are useful.
3. We are Talented, this means the company's partners and professionals have more than 10

years of experience in the financial sector domain.

4. We are Excellent, this means that they aim to maintain and improve the professional knowledge and skills of themselves and of the clients and trainees.

### **Services offered by Growth Arrow**

The offers many services to clients and students seeking help in the financial sector domain. The following are the services offers by the company are as follows,

1. Financial Planning – Discovering an amazing investment opportunity
2. Advisory Services - Portfolio Advisory Services of Capital & Global Market.
3. Wealth Management - Customized Investment Strategy
4. Training Program - Training, education and Knowledge.

# Financial Sector

The financial sector is a segment of the economy that includes a variety of businesses and institutions that provide financial services to both commercial and retail consumers. This industry includes a variety of businesses such as banks, investment firms, and real estate firms. This industry generates money by providing loans, mortgages, and interest to a variety of business and retail consumers. Furthermore, any country's economy is primarily dependent its financial sector; if this sector is strong, the economy will be strong; if this sector is weak, the economy will be weak.

## Finance Sector in India:

The Indian financial sector can be broken down into three broad categories:

1. Banking Sector
2. Insurance Sector
3. Financial Services

## A Banking Sector

There are 12 public sector banks, 22 private banks, 46 foreign banks, 56 regional rural banks, 1485 urban cooperative banks, and 96000 rural cooperative banks in India's banking system. The Reserve Bank of India regulates all of these financial institutions. According to them, India's banking sector is adequately financed and highly regulated.

### ➤ Market Size

- As of November 2020, India had 209282 ATMs.
- Public sector bank assets were Rs. 107.83 lakh crore in FY20.
- Bank credit expanded at a CAGR of 3.57 percent to USD 1698.97 billion in FY20.
- Deposits expanded at a CAGR of 13.93 percent to USD 1.93 trillion in FY20.

### ➤ Developments:

- As of February 2021, the number of bank accounts opened under the Pradhan Mantri Jan Dhan Yojna had reached 41.93 crores, with deposits totaling USD 23.07 billion.
- WhatsApp launched its UPI – Unified Payments Interface in November 2020 after receiving approval from the National Payments Corporation of India.
- The government would disinvest from IDBI bank and privatize two public sector banks,

according to the Union Budget for 2021-22.

- The government completed the process of merging the public sector banks into eight.

## **B. Insurance Industry**

LIC – Life Insurance Corporation of India is the largest public firm in India, with 24 life insurance companies and 34 non-life insurance businesses. Life insurers account for about two-thirds of total insurance business, while non-life insurers account for six public firms.

GIC - General Insurance Corporation of India is a public reinsurance company. The SEBI (Securities Exchange Board of India) regulates this industry.

### **➤ Market Size**

- India's total insurance market is estimated to reach USD 280 billion in 2020, with a CAGR of 5.3 percent from 2019 to 2023.
- In FY20, private businesses held 48.03 percent of the market share in general and health insurance, while they held 33.78 percent of the market share in life insurance.
- In FY21, life insurance companies' new premiums totaled USD 31.9 billion.

### **➤ Government Initiatives**

- Instead of 49 percent, FDI (Foreign Direct Investment) has been increased to 74 percent.
- The Finance Minister announced the LIC IPO in the Union Budget for 2021-22. It has the ability to raise Rs. 100000 crores through an initial public offering.
- Crop insurance has been allocated USD 2.20 billion in the Union Budget.

## **C Financial Services**

Commercial banks, NBFCs, pension funds, and mutual funds are all part of this industry.

There is also a substantial increase in the number of new firms entering the market. The Reserve Bank of India and the government have made a number of steps and measures to guarantee that these companies, such as MSMEs, have access to finance.



➤ **Market Size**

- The mutual fund industry's assets under management total USD 438.27 billion.
- Inflows through SIP and equity mutual funds total USD 11.7 billion and USD 114.06 billion, respectively.
- In FY20, the number of companies listed on the NSE and BSE, two stock exchanges, were 1795 and 5377, respectively.
- Inflows from IPOs, Offers of Sale, and other market issuances totaled Rs. 1.76 lakh crore.

➤ **The Road Ahead**

- India is expected to become the fourth largest private wealth market by 2028
- AMFI – Association of Mutual Funds in India – is aiming for a five-fold increase in AUM to USD 1.47 trillion
- The mobile wallet industry is expected to grow at a CAGR of 150 percent to USD 4.4 billion by 2022.
- During the same time period, the transaction will total USD 492.6 billion.

## Title: Equity Research Analysts

As interns, we are expected to conduct equity market research and analysis, evaluate various stocks using fundamental, technical, and sentimental analysis, perform paper trading for training, and monitor trading performance, as well as research and resolve issues in the trading area, trading systems, and techniques. Provide potential investment recommendations, rationales, and reports based on this.

### Tasks Completed:

Tasks Assigned by the Company		
Task	Task Description	Status
1	<b>Monitor Trading Performance of Various Stocks on the Regular basis through various mediums.</b>	Completed
2.	<b>Maintain and Document Activity</b>	Completed
3	<b>Analyzing and Creating New Trading Strategies</b>	Completed
4	<b>Perform Fundamental &amp; Technical Analysis of Various Stocks for Trading Calls</b>	Completed
5	<b>Providing Prospects</b>	Completed

## **Tasks: Work Description:**

### **1 Monitor Trading Performance of Various Stocks on the Regular basis through various mediums:**

Using the company's instruction, I've been examining stocks of various firms in various industries, as well as stocks in the news. The evaluation of the stocks is done using the following:

#### **Fundamental Analysis:**

Analyzing a company using data from annual reports and websites such as moneycontrol.com, in.investing.com, forexfactory.com, bseindia.com, and others, primarily using financial ratios such as the PE ratio, Debt-Equity Ratio, Price-Sales Ratio (Market capitalization /EBITDA), Dividend per share, and so on. – basically examining a company's liquidity, asset management, debt management, profitability, and market value, including the company's position, competitive advantage, stability, and growth.

As well as determining which stocks to invest in for long-term, short-term, or swing trading.

#### **Technical Analysis:**

Using analytical techniques, such as Japanese Candlesticks and their patterns, RSI and Stochastics, Bollinger Bands, Moving Averages, Ichimoku Cloud, Fibonacci retracement, etc., to analyse stocks for potential investment or intra- day, short-term, or swing trading.

### **2 Maintain and Document Activity:**

I've been keeping a Trade Journal provided by the company for our anticipated sell and buy calls for short-term, long-term, and intra-day trading, with analysis of entry price, exit price, holding period, Stop loss, and Take Profit prices, and calculating Risk percentage, Risk: Return, of the call, stating the rationale and analysis reasons behind the call, and also noting the emotions (state of mind) while calls, for behavioral analysis.

### **3 Analyzing and Creating New Trading Strategies:**

I've been observing many technical tools and approaches to the market and trading, and I've come up with a mix of the Bollinger band and the 9-day exponential moving average (EMA).

(Exponential Moving Average) has proven to be useful in predicting stock movement in 15minute, 30 minute, and 4 hour candlestick charts so far.

#### **Perform Fundamental and Technical Analysis of Various Stocks for Trading Calls:**

Have presented prospective intra-day, short-term, and long-term equity calls on a real-time basis, based on the results of fundamental and technical research of the company's stocks.

#### **Providing Prospects:**

Have successfully registered prospects for the company's training programme batches, have publicised and referenced the company's programmes, and have given possible prospects for the company's training programme batches.

## **Important Takeaways**

- I. Its scope extends beyond technical analysis. The TA concepts can be applied to any asset class that has time-series data.
- II. There are a few key assumptions that TA is based on.
- III. In marketplaces, everything is discounted.
- IV. The why is less important than the how.
- V. Price Movement Trends.
- VI. History has a habit of repeating itself.
- VII. Indicating the open, high, low, and closing prices, which are frequently abbreviated as OHLC, is a good way to illustrate the day's trading activity.

## **Learnings**

In equity research and analysis, there is no one-size-fits-all approach to conducting research and analyzing accessible data for companies. Each person has a unique perspective on how they will do the analysis and what the data implies.

To ensure that investors gain value from their investments at all times, portfolio management, investment information, and instruction on how to interpret data to arrive at the required or expected returns, as well as the extra earnings decisions they make with their savings and/or capital.

The Growth Arrow is constantly attempting to educate and reach out to people, integrating portfolio management, investing, and financial education as much as possible to ensure a seamless flow of information and education.

I became familiar with the Technical Analyses that are essential to trade in the exchange market thanks to the company's lecture sessions. It is a trading discipline that analyzes statistical trends acquired from trading activity, such as price trends, chart patterns, implied volatility, and volume traded, to evaluate assets and uncover trading opportunities.

It aids in the analysis of equities for intra-day, short-term, or swing trading utilizing technical tools such as Japanese Candlesticks and patterns, RSI and Stochastics, Bollinger Bands, Moving Averages, Ichimoku Cloud, Fibonacci retracement, and so on. This discipline can be applied to any security having historical trade data, including stocks, futures, commodities, fixed-income, currencies, and other securities.

Doing paper trading has helped me better understand trading because we had to keep track of our stock purchases and get a sense of when to sell them by keeping a strict trading journal, being active during trading hours, and making the right calls at the right time, or else as an investor, I might miss out on opportunities to profit or lose money or earnings.

However, because there was no chance of losing real money, I was able to take a more relaxed approach to trading, but it did help me comprehend what an investor understands and the pressures they face when the market is in a downward trend.

## **Conclusion**

When analyzing a company's data for investing objectives, we, as investors, cannot disregard the huge content and information, as well as the approaches and methodologies at our disposal.

However, this vastness can be a burden for those looking to invest their money or assets in stocks for short-term gains, extra income, or long-term profits, since they may not be able to properly examine or interpret the data available. This is where my experience as an equity research analyst comes into play. Since its inception, the Growth Arrow has tried and worked to keep up with market demand for investment ideas, options, and decisions, as well as portfolio management of various securities, in order to provide investors and savers with the most up-to-date valuable information about securities and investment decisions for making important saving decisions.

I am more certain that my learnings in the subject of Equity Research and Analysis will help me make good decisions regarding how to seek, evaluate, and understand relevant and usable data on equity shares for investing purposes after working as an intern with The Growth Arrow for two months.

The short length of trading also taught me that most investors will make money while the market is booming or trending higher, but the true essence of trading or investing can only be seen during times of uncertainty or downward trends, as in what investments or trades you undertake as an investor.

This means that I still need to work on my analytical and predictive skills, as well as learn a lot more about trading and how to analyze and react to a variety of scenarios, in order to advance my career as an Equity Research Analyst.

## Certificate of Internship Completion



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**Date: 06-07-2021**

### TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Mr. Samyak Agrawal**, has completed his Internship as "**Equity Research Analyst**" at **Growth Arrow**, Bangalore, from 01-05-2021 to 01-07-2021.

During his tenure he has demonstrated his skills with determination and sincerity. As we observed, he was active and could perform all of assigned tasks effectively.

Moreover, he demonstrated excellent behaviour and attitude during his internship with us. We found him to be sincere, truthful, reliable, and sociable. He was also a pleasant person to talk and work within a team.

We wish him all the best for his upcoming career.

Sr. Branch Manager

Krishna Raju

