




Vasavi Kanyaka Parameswari

**Endaro Mahanubhavulu
Andariki Vandanamulu
to the leaders
and the participants
of NRIVA**



BY
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INVESTMENT ADVISOR



**ALL MY SLIDES
WILL BE AVAILABLE AT
NRIVA.ORG AND
GRANDHE.ORG
WITHIN 24 HOURS**



**You have to save on
brokerage commissions**

e.g., [FIRSTRADE.COM](https://www.firsttrade.com)

No minimum


No commissions for stocks, ETFs,

Options and mutual funds

SIPC insured



**Try to invest in IRA,
401 K, Pension Trusts
So that the growth
is not taxed**

Decorative white lines consisting of several parallel lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.

WHAT IS AN ETF?

**IT IS A COLLECTION OF
SECURITIES..**

**IT TRACKS THE
UNDERLYING INDEX**

A decorative graphic consisting of several parallel white lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.

**AS OF MARCH 2019
THERE ARE MORE THAN
5000 ETFs**



**BLACKROCK, INC,
THE LARGEST HAS OVER
800 ETFs**

**MARKET CAP > \$1 Tr
VANGUARD IS THE SECOND
LARGEST IN ETFs WITH
MARKET CAP > \$1 Tr**



TYPES OF ETFs

REGULAR (eg. QQQ)

QQQ INVESTS IN IN NASDAQ 100 INDEX;
IT GOES UP WHEN NASDAQ 100 GOES UP.

CONTRA ETF (eg. PSQ)

WHEN NASDAQ 100 GOES DOWN
PSQ GOES UP



2X LEVERAGED

REGULAR (eg. QLD)

WHEN NASDAQ 100 GOES UP BY \$1, QLD
GOES UP BY \$2

& 2X LEVERAGED CONTRA (eg. QID)

WHEN NASDAQ 100 GOES DOWN BY \$1,
QID GOES UP BY \$2



3X LEVERAGED

REGULAR (eg. TQQQ)

WHEN NASDAQ 100 GOES UP BY \$1,
TQQQ WILL GO UP BY \$3

3X LEVERAGED & CONTRA (SQQQ)

WHEN NASDAQ 100 GOES DOWN BY
\$1, SQQQ WILL GO UP BY \$3



CATEGORIES OF ETFs

INDEX ETFs (SMALL CAP, MID CAP, LARGE CAP, MULTI CAP)

STOCK ETFs (SECTOR ETFs,
FOREIGN ETFs)

BOND ETFs

COMMODITY ETFs

CURRENCY ETFs



ETFs

COSTS ARE LOW (eg. ANNUAL EXPENSE
RATIO OF QQQ IS 0.2%, YIELD 0.78%)

NO K-1 FORM SENT TO YOU AT THE END
OF THE YEAR

YOU CAN BUY OR SELL ETF INTRADAY

ETFs INVEST IN MULTIPLE STOCKS AND SO
THERE IS NO INDIVIDUAL STOCK RISK

“If you invested in a very low cost index fund -- where you don't put the money in at one time, but average in over 10 years -- you'll do better than 90% of people who start investing at the same time”.

Warren Buffett

“A good investor always plays the long game.

Moving around is not smart in investing. Many investors make the mistake of constantly buying and selling stocks, rather than holding onto their investments to give them time to mature and potentially make more money over time”. Warren Buffett


Buffett says, “If you hold on to a diverse selection of stocks for long enough, then the market should eventually trend upward. I know what markets are going to do over a long period of time: They’re going to go up. But in terms of what’s going to happen in a day or a week or a month or a year even, I’ve never felt that I knew it and I’ve never felt that was important,”

As of January of 2018 the market capitalization of the US stock market is around \$33 trillion. In 2014 it was \$ 18 trillion.

More money is chasing the same number of stocks.



AMONG INDEX ETFs
TWO OUTSTANDING ONES ARE
PSJ (INVESCO DYNAMIC SOFTWARE ETF)
SOFTWARE SECTOR HAS BEEN SUPERB!
QQQ (INVESCO QQQ - NASDAQ 100 ETF)
TECHNOLOGY HAS BEEN GREAT!
BOTH ARE RANKED 5 STAR BY MORNINGSTAR



PSJ

INVESTS IN INTELLIDEX INDEX

COMPRISING OF ABOUT

30 SOFTWARE COMPANIES THE VERY BEST

BASED ON TECHNICAL AND

FUNDAMENTAL BASIS

MARKET CAP \$222 MIL

AVG DAILY VOLUME 80,650

TOTAL EXPENSE RATIO 0.63%



PSJ (INVESCO DYNAMIC SOFTWARE ETF)

INCEPTION DATE 6/23/2005

GROWTH RATE:

PRICE AT INCEPTION: \$15.00


PRICE ON 8/14/2019: \$ 96.00

GROWTH IN 14 YEARS: \$81.00


GROWTH IN 14 YEARS 540%

ANNUALIZED GROWTH 38.6%

**LET US THINK FOR A MOMENT...
IT IS ALMOST IMPOSSIBLE FOR
ANY OF US TO MAKE
38.6% YEAR OVER YEAR FOR
14 YEARS BY BUYING AND SELLING
STOCKS!**



**BEAUTY OF COMPOUNDING
PSJ ANNUAL GROWTH RATE
SINCE INCEPTION ON
6/23/2005
IS 38.6%**

The image features a solid blue background with white text centered in the upper half. On the right side, there are several white diagonal lines of varying lengths and thicknesses, creating a sense of movement and depth.

STRATEGY 1a

INVEST \$6,000 IN PSJ

PER YEAR IN IRA OR PENSION PLAN

(ADD \$6,000 THE START OF THE YEAR)

START AT AGE 25

AT 65 YOU WILL HAVE \$ 12.9 BIL

BELIEVE ME, IT IS REAL!

(COMPOUND RATE CALCULATOR

WWW.MONEYCHIMP.COM)

PSJ Invesco Dynamic Software ETF NYSE

© StockCharts.com

14-Aug-2019

Open 99.81 High 99.99 Low 95.35 Close 95.91 Volume 336.0K Chg -4.34 (-4.33%)

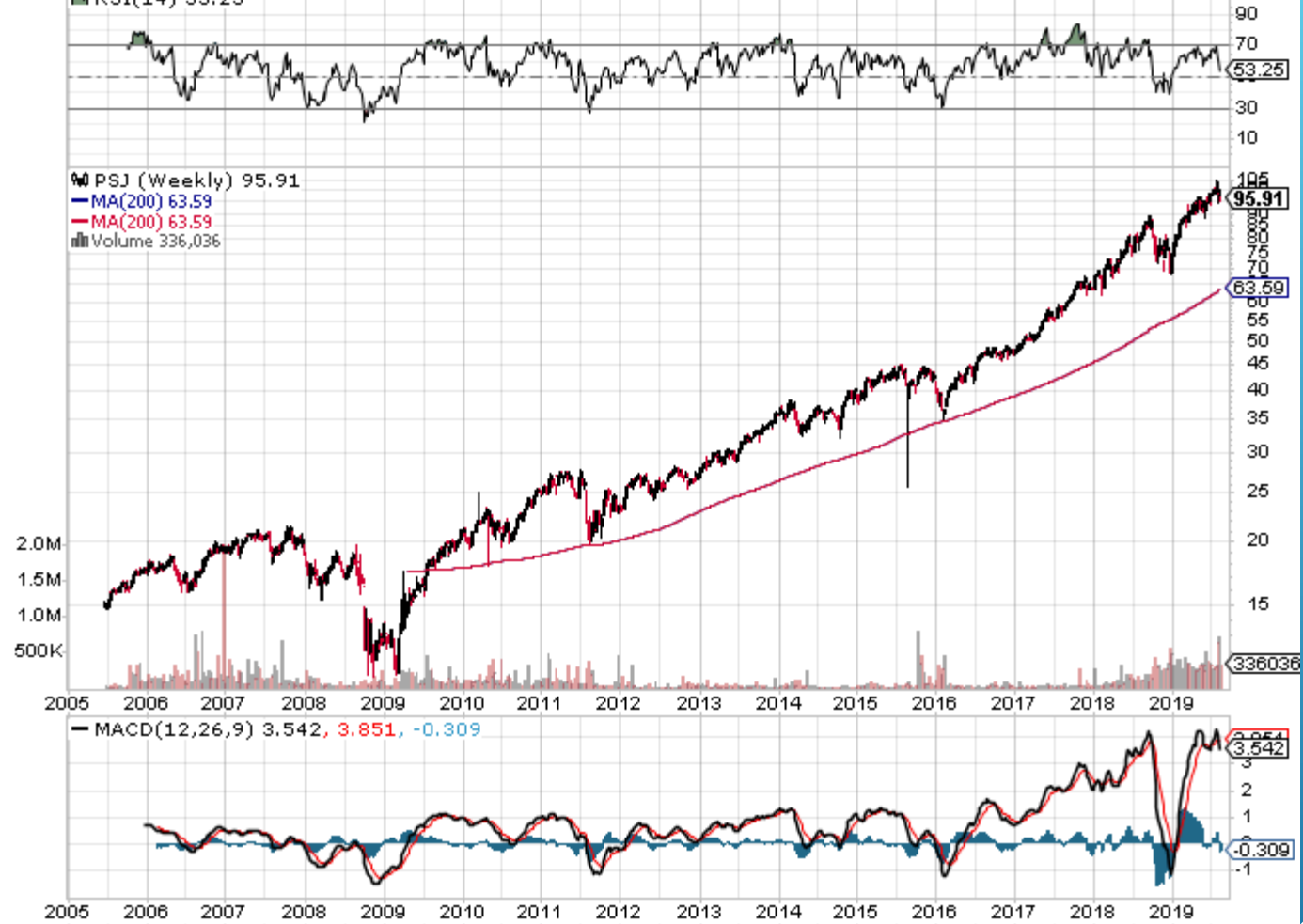
▲ RSI(14) 53.25

■ PSJ (Weekly) 95.91

— MA(200) 63.59

— MA(200) 63.59

■ Volume 336,036



QQQ

INVESTS IN NASDAQ 100 STOCKS LARGE CAP LIKE

MSFT, APPL, GOOGL, FB, AMZN

MOSTLY IN TECH/BIOTECH STOCKS

MARKET CAP \$731 MIL

AVG DAILY VOLUME 30 MIL

EXPENSE RATIO 0.2%; YIELD 0.79%

AVERAGE DAILY VOLUME IS AROUND 39 MILLION

**TOTAL MARKET CAP OF THE 100 STOCKS IN NASDAQ
100 IS \$10 TRILLION IN 8/2019**

INCEPTION DATE 3/10/1999

PRICE ON 6/23/2005 \$ 37

PRICE ON 8/14/2019 \$ 183

GROWTH IN 14 YEARS \$ 146

GROWTH OF 394%

ANNUALIZED GROWTH 28%



STRATEGY 1b

\$6,000 IN QQQ IN IRA

OR PENSION PLAN

(ADD \$6,000 THE START OF EACH YEAR)

START AT AGE 25

AT 65 YOU WILL HAVE \$ 649,379,029

BELIEVE ME, IT IS REAL!

(COMPOUND RATE CALCULATOR

WWW.MONEYCHIMP.COM)

QQQ Invesco QQQ Trust Nasdaq GM

© StockCharts.com

14-Aug-2019

Open 185.34 High 189.68 Low 182.42 Close 182.76 Volume 115.1M Chg -3.73 (-2.00%)

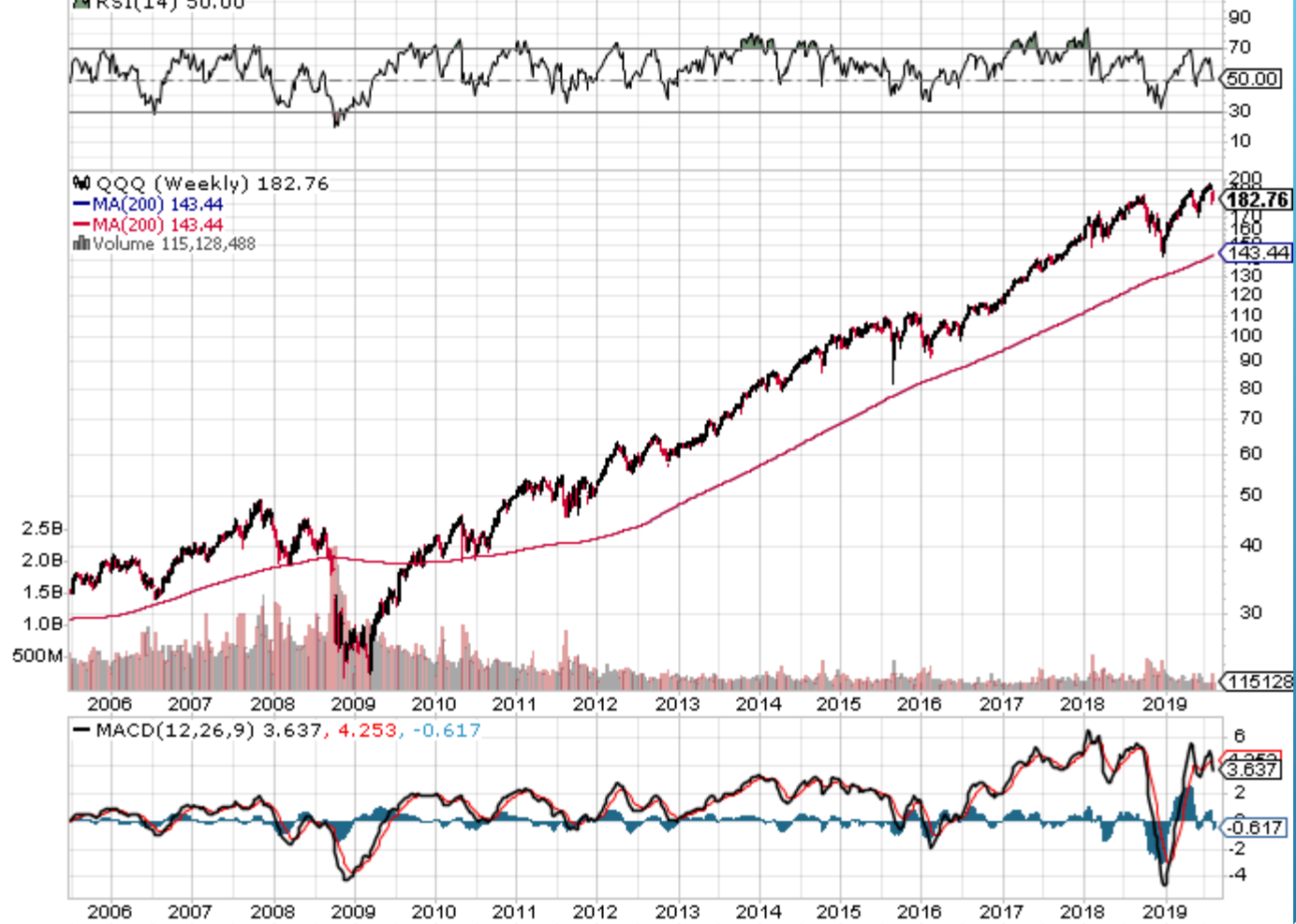
▲ RSI(14) 50.00

📊 QQQ (Weekly) 182.76

— MA(200) 143.44

— MA(200) 143.44

📊 Volume 115,128,488




90
70
50.00
30
10
200
182.76
170
160
150
143.44
130
120
110
100
90
80
70
60
50
40
30
2.5B
2.0B
1.5B
1.0B
500M
2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019
115.128
6
4.253
3.637
0.617
2
-2
-4

**THE RICH KNOW THE VALUE AND
THE POWER OF COMPOUNDING
IT IS THE ROYAL ROAD TO RICHES
IT IS SAFE AND SURE**



**INITIALLY IT IS DULL AND BORING
BUT AFTER 10 YEARS IT WILL BE
AMZING WHEN THE NUMBERS START
BECOMING HUGE
EVENTUALLY THE NUMBERS WILL BE
MIND BOGGLING**



STARTING TO INVEST EARLIER THE BETTER

1. INVEST \$ 14,000 AT AGE 15

NO MORE ADDITIONS

GROWTH RATE 10% A YEAR

AT 65 YOU WILL HAVE \$ 1,643,472

2. INVEST \$14,000 AT AGE 25

NO MORE ADDITIONS

GROWTH RATE OF 10% A YEAR

AT 65 YOU WILL HAVE \$ 633,630

(COMPOUND INTEREST CALCULATOR –

WWW.MONEYCHIMP.COM)

TO BE SUCCESSFUL
YOU HAVE TO STICK TO THE RULES RIGIDLY
YOU HAVE TO HAVE NERVES OF STEEL

BE PATIENT

Confucius:

It does not matter how slowly you go
so long as you do not stop



STRATEGY 2

INVESTING FOR CHILDREN'S EDUCATION

When a child is born, start a Coverdell ESA
(Education Savings Account) in a brokerage firm

Contributions are not tax deductible

(Max \$ 2,000/year)

The growth is not taxed

Withdraw for educational purposes (no tax)

Current principal at birth: \$ 2,000

Annual addition: \$ 2,000

**Make additions at the start
of each year**

Invest in PSJ for 18 years

Growth rate 38.6%

At age 18: \$3,263,548.

(Compound Interest Calculator – Moneychimp.com)

STRATEGY 3

INVESTING FOR CHILDREN'S EDUCATION

529 Plan (Qualified Tuition Program)

No beneficiary age limit

No Federal income tax on withdrawal

Many states do not charge income tax

(Compare the past performance of different plans from different brokerages)

You can contribute \$ 15,000 per individual per year from each parent to each child, without paying gift tax (but contribution is not tax deductible)

You can contribute \$ 75,000 up front instead of contributing for 5 years

You have to use for educational purposes only

INVEST \$ 30,000 one time

In 529 College Plan (in any major brokerage)

You can choose only from portfolios offered

eg. Fidelity MA 500 Index or MA Total Market Index

Last 10 year growth 13.8%

Expense ratio 0.11%

AT BIRTH; NO MORE ADDITIONS

AT AGE 18 YOU WILL HAVE \$ 307,384

(COMPOUND RATE CALCULATOR

WWW.MONEYCHIMP.COM)

Strategy 4

**If you have a 401K managed by your company
investing in mutual funds...**

To protect your assets and make them grow...

Invest in QQQ equivalent (Large cap NASDAQ)



STRATEGY 5

INVESTING IN INDEXED UNIVERSAL LIFE INSURANCE

NO RISK TO THE PRINCIPAL;


ONLY AFTER-TAX MONEY

CAN BE INVESTED;

YOU MAY INVEST IN LUMP SUM


OR OVER A FEW YEARS LIKE 5 OR 10

**AN EMPLOYER OF A CORP NEED NOT
INCLUDE OTHER EMPLOYEES;
GROWTH IS NOT TAXED;
TAX-FREE DEATH BENEFIT;
TAX-FREE RETIREMENT INCOME.**




THERE ARE POLICIES INDEXED TO S&P 500 INDEX

IN THE YEAR S & P 500 GOES UP BY
20% FOR EXAMPLE, THE INSURANCE
COMPANY WILL KEEP 4% AND ADD
THE REST TO YOUR ACCOUNT. IN A
CERTAIN YEAR IF S & P HAS A
NEGATIVE GROWTH, YOUR ACCOUNT
IS NOT PENALIZED.



**INSURANCE COMPANIES CHARGE
ANNUAL ADMINISTRATIVE FEES;
IF YOU CLOSE THE ACCOUNT
PREMATURELY,
THERE ARE SURRENDER CHARGES
AND TAXES.**



**INVESTING IN GOLD;
INVEST NO MORE THAN 10% OF YOUR
ASSETS IN GOLD;
TEDDY ROOSEVELT REQUESTED SCULPTOR
AUGUSTUS SAINT-GAUDENS
TO DESIGN A GOLD COIN**




**HE DESIGNED THE BEAUTIFUL \$20
“DOUBLE EAGLE” GOLD COIN;
THEY WERE MINTED
FROM 1907 TO 1933;
SAINT-GAUDENS DATING
FROM 1924-1928
HAVE A HIGH COLLECTIBLE VALUE**




**INSTEAD OF BUYING REGULAR
GOLD COINS
CONSIDER BUYING THESE SAINT
GAUDENS
WHICH ARE NOT PRODUCED
ANYMORE**



**KINDLY DOWNLOAD MY E-BOOK
(FREE OF CHARGE)
CALLED WALL STREET DOS AND DON'TS
FROM GRANDHE.ORG AND READ;
GAIN KNOWLEDGE.
KNOWLEDGE IS POWER!**



**No one else cares as
much as you do
with regards to your money!
You take charge and be the pilot.**



**I subscribe to and highly
recommend:**

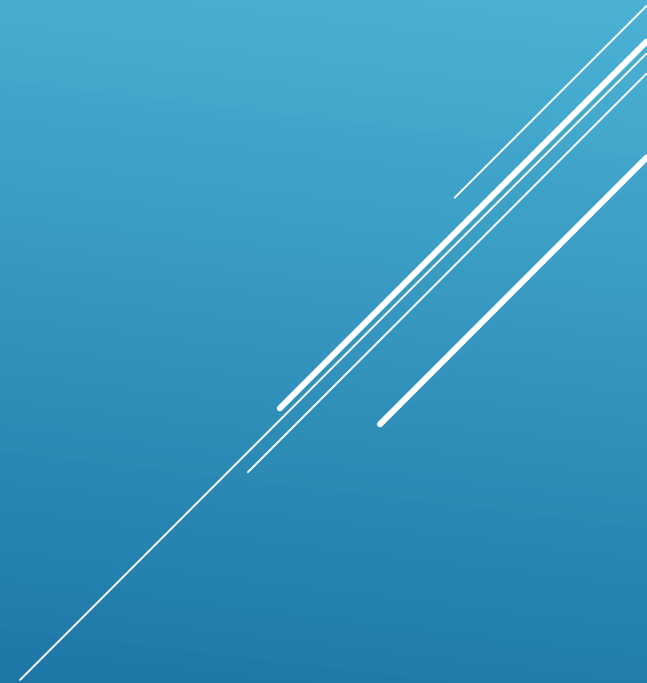
**Investor's Business Daily online,
Vectorvest.com &
(Trial subscriptions are available)**

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**I love and recommend
the following free websites:**

Stockcharts.com

Finance.Yahoo.com



Recommended books for studying (not reading):

How I Made \$2,000,000 In The Stock Market By Nicolas Darvas.

How to Make Money in Stocks By William J. O'Neil.

24 Essential Lessons for Investment Success By William J. O'Neil.

The Battle for Investment Survival By Gerald Loeb.

The Dhandho Investor By Pabrai.

Buffettology By Mary Buffett

Golden Words of Wisdom

Do not believe in anything simply because you have heard it. Do not believe in anything simply because it is spoken and rumored by many. Do not believe in anything simply because it is found written in books. Do not believe in anything merely on the authority of your elders. Do not believe in traditions because they have been handed down for many generations. But after OBSERVATION and ANALYSIS, when you find that anything AGREES WITH REASON, then accept it and live up to it.

(Would you believe that these words were uttered around 2500 years ago by Gautama Buddha and they apply so well to the stock market today?)

DISCLAIMER:

This speech is intended for educational purposes only. Investing in securities carry significant risk. If you need professional investment advice you should consult a registered investment advisor and a financial planner. I am giving you my opinions. I do not have any financial interest in any of the business entities or companies mentioned. You should consider virtual/paper trading before investing your hard earned money. You should understand that past performance does not guarantee future results.

**Since December of 2016 I
have had a girl friend in
Kochi, Kerala. She always
listens to me and
never gets upset if
I lose money!**





THANK YOU ALL!

