

# FIN-O-DATE

THE FINANCIAL GAZETTE OF MDIM



**FINARITHA**

THE FINANCE CLUB OF MDIM

WEEKLY  
FINANCIAL  
MAGAZINE  
FOR THE  
STUDENTS  
OF  
MDIM



**LET BUSINESSES OWN THE WORLD  
YOU BE THE RULER**

# ABOUT US



Finartha, the finance club of Management Development Institute Murshidabad formed with the ambitions of bridging the gap between the academic and professional worlds. As a student—run organization, the club brings together students with a shared interest in Finance to enjoy presentations from industry professionals, competitions, quizzes, finance-related discussions, casual and formal networking events as well as a variety of social events. It provides the platform for interactive discussions and orients oneself towards the world of business and commerce. The club plans to get into media through social as well as print media to update the students, academic professionals and industry veterans about its various activities. It thrives on providing the students with additional resources needed to develop themselves into strong candidates for the prospective job market. If one is zealous enough for the activities which go into finance and its substrates then 'Finartha' is the platform to quench that zeal.



# FINARTHA



## MDI | Management Development Institute MURSHIDABAD



January 09, 2021

ISSUE- 78

### INDEX

- SENSEX **48782.51**
- NIFTY 50 **14347.25**
- NASDAQ **13201.98**
- DOWJONES **31097.97**

### CURRENCY

- USD/INR **₹ 73.34**
- GBP/INR **₹ 99.49**
- YEN/INR **₹ 0.71**
- EURO/INR **₹ 89.66**

LATEST BY:  
Jan 9th, 2021

### TOP GAINERS

Securities	Prev closing	Closing Price	Percentage increase	High/Low
Maruti	7566.05	8014.90	4.79%	8060.00/7600.00
TechM	994.75	1051.10	5.35%	1060.00/1005.45
Wipro	406.75	430.20	5.22%	432.65/407.25
UPL	482.50	503.65	4.10%	506.00/484.80
INFY	1262.15	1312.10	3.91%	1316.80/1278.25

### TOP LOSERS

Securities	Prev closing	Closing Price	Percentage decrease	High/Low
Hindalco	272.90	268.20	1.94%	274.45/265.15
INDUSIND	952.05	939.80	1.61%	976.00/932.10
Tata Steel	722.80	713.15	1.36%	727.25/703.10
Bharti Airtel	545.25	540.25	0.96%	549.75/537.30
GAIL	133.45	132.75	0.86%	134.65/131.65

### TAKE-O-TRADE

SPOT	SIGNAL	TAKE AT	TARGET 1	TARGET 2	STOP LOSS
Petronet	BUY	274.00	300.00	320.00	266.00
Ultra Tech	BUY	5560.00	5700.00	5800.00	5500.00
Sun Pharma	BUY	625.00	650.00	675.00	612.00

### Market Watch

- Nifty holds above 14200 psychological point.
- Nifty did a breakout from last 2 days consolidation
- Formation of small body candle suggests lack of momentum.
- Nifty could see a major pullback till 13750

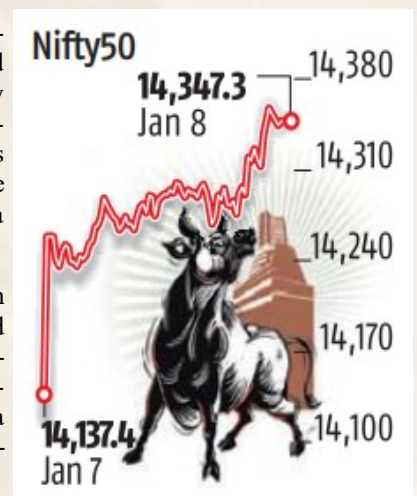
Disclaimer: Futures, stocks and options trading involves substantial risk of loss and is not suitable for every investor. You are responsible for all the risks and financial resources you use and for the chosen trading system. You should not engage in trading unless you fully understand the nature of the transactions you are entering into .

## What's Brewing In The Market?

Indices on longest weekly winning streak since 2009  
Sensex, Nifty hit fresh all-time highs on Friday

Buoyed by global cues, the benchmark indices rose on Friday, marking their tenth successive week of gains, the longest such streak since June 2009. The benchmark Sensex gained 689 points, or 1.43 per cent, reaching a fresh record of 48,782 points, and the Nifty rose by 210 points to end the session at a record 14,347. Optimism surrounding the roll out of vaccines and hopes of more stimulus in the United States of America aided the rally. Investors seem to have been enthused by the roll out of Covid-19 vaccination drive in India and the formal confirmation of Joe Biden as the US president, with the Democratic Party gaining a majority in the Senate, which stoked hopes of more stimulus from the US government.

On Friday, 481 stocks hit their 52-week highs, and 473 were locked in the upper circuit on the BSE Sensex. The market breadth was positive with total advancing stocks at 1,734 and those declining at 1,388 on the Sensex. Four-fifths of Sensex components ended the session with gains. IT stocks gained ahead of third quarter results of Tata Consultancy Services. Tech Mahindra rose 5.6 per cent to become the fifth Indian IT company to cross a market capitalisation of ~1 trillion, while Infosys rose 3.95 per cent. Maruti was the best-performing Sensex stock, ending the session with a gain of 5.9 per cent.



WhatsApp updates terms of service, privacy policy

Makes Facebook data sharing mandatory

Messaging giant WhatsApp has updated its privacy policy and terms of service to better integrate with other products and services offered by its parent company Facebook. The most prominent changes deal with how WhatsApp shares information with Facebook and its subsidiaries. The instant messaging app can now share phone numbers and transaction data with Facebook. The aim is to also promote safety. “As we’ve previously informed in October 2020, as part of WhatsApp’s business vision, in order to enable users and businesses better, we are updating our terms of service and privacy policy as we work to make WhatsApp a great way to get answers or help from a business,” said a WhatsApp spokesperson on Wednesday. “Privacy policy and terms updates are common in the tech industry, as you know. Respect for your privacy is coded into our DNA. Since we started WhatsApp, we’ve built our services with a set of strong privacy principles in mind.” The privacy policy and terms come into effect on February 8. Experts said this means that if a user won’t accept the new changes, they will lose access to the app or may not be able to use all the features.



The privacy policy and terms come into effect on February 8

WhatsApp’s updated privacy policy and terms of service provide information on how the app collects and handles user information. These include areas such as “transactions and payments data” and “location information”. There is also a section related to data on “business interactions” taking place on the platform. WhatsApp currently shares certain categories of information with Facebook, like account registration information (such as your phone number), transaction data and service-related information. It also shares information on how users interact with others (including businesses) when using its services, mobile device information, IP address. It may “include other information identified in the Privacy Policy section entitled ‘Information We Collect’ or obtained upon notice to you or based on your consent,” WhatsApp said.

India is the biggest user base for Facebook, with around 328 million users, and WhatsApp has 400 million users here, also the highest. Regarding transactions and payments data, if people use WhatsApp’s payments services or services meant for purchases or other financial transactions, the firm processes additional information about them. This includes payment account and transaction information. This includes information needed to complete the transaction (for example, information about your payment method, shipping details and transaction amount). Regarding location information, WhatsApp collects and uses precise location information from users’ devices with their permission. Even if users do not use location-related features, it uses IP addresses and other information like phone number area codes to estimate their general location. “We allow you to use our services in connection with third-party services and Facebook company products. If you use our services with such third-party services or Facebook company products, we may receive information about you from them,” WhatsApp said. For example, if people use the share button on a news service with their WhatsApp contacts, groups, or broadcast lists on its services. Also if they choose to access the services through a mobile carrier’s or device provider’s promotion of WhatsApp’s Services.



## China should maintain modest economic support in 2021, says IMF

China should maintain some policy support for the economy this year, but steps are needed to spur private demand and achieve more balanced growth over the medium term, said, the International Monetary Fund. The world's second-largest economy is likely to grow 7.9% in 2021, accelerating from expected 1.9% growth in 2020, the IMF said in the conclusion of its annual economic consultation with China.

China should keep "moderately supportive fiscal and monetary policies until the recovery is on solid ground," the IMF said, although fiscal consolidation will be needed in the medium term to ensure debt sustainability.

It said China's fiscal, monetary, and structural policies should aim to strengthen private demand to allow more balanced medium-term growth. China should also improve its macro-fiscal framework and modernise its monetary policy to strengthen the transmission of interest rate policies, the IMF said.

The economy has been recovering from a virus-induced slump in early 2020, but the recovery remains uneven, as consumption and private investment trails state spending and exports. China's central bank will reduce economic support in 2021 and cool credit growth, but fears of derailing the recovery are likely to prevent it from tightening soon, policy sources have said.

Chinese authorities have rolled out measures including increased fiscal spending, cuts in interest rates and reserve ratios since early 2020 to support the virus-hit economy. The stimulus has pushed up debt levels. To spur consumption, China should improve its social safety nets to reduce precautionary savings and address income inequality, the IMF said.

China should also restructure its banking sector to allow the orderly exit of weaker banks and deepen state-sector reforms to ensure competitive neutrality between state-owned and private firms, the IMF said. "Structural reform will be key to boosting potential growth, reduce external imbalances, and build a more resilient, green, and inclusive economy," it said. The 1.9% expected growth would make China the only major economy to grow in 2020, albeit at the slowest annual pace since 1976, the final year of Mao Zedong's Cultural Revolution. Core inflation, a gauge of underlying demand, is expected to remain subdued, the IMF said, leaving consumer inflation in 2020-21 below the pre-COVID crisis target of about 3%. The current account surplus is projected to widen to 1.9% of GDP in 2020 from 1% in 2019, before narrowing to below 1% in 2021, the IMF said. The temporary increase reflected lower commodity prices, a collapse in outbound tourism and a surge in exports.

## IRDAI imposes Rs 15 lakh penalty on Bharti AXA General Insurance Company

Regulatory IRDAI has imposed a total penalty of Rs 15 lakhs on Bharti AXA General Insurance Company in two different cases for violation of various provisions concerning motor insurance. In this first case, the Insurance Regulatory Development Authority of India (Irdai) slapped a penalty of Rs 10 lakh on the private sector insurance company for non-compliance with minimum obligations under regulations concerning third-party motor insurance business.

It was alleged that during 2017-18, the private sector insurer has underwritten Rs 380 crore as against the minimum obligatory motor third-party insurance business of Rs 399.94 crore, resulting in a shortfall of Rs 19.94 crore. In percentage terms, the shortfall worked out to around 4.99 per cent of the motor-third party insurance business obligation. It was alleged that during 2017-18, the private sector insurer has underwritten Rs 380 crore as against the minimum obligatory motor third-party insurance business of Rs 399.94 crore, resulting in a shortfall of Rs 19.94 crore. In percentage terms, the shortfall worked out to around 4.99 per cent of the motor-third party insurance business obligation.

The adjudicative officer, looking after the case, recommended a penalty of Rs 1 crore due to the repetitive nature of non-compliance by the private sector insurer. The Irdai, however, reduced the penalty to Rs 10 lakh. In the second case, the Irdai has imposed a fine of Rs 5 lakh on Bharti AXA for violation of the guidelines which prohibit payments, directly or indirectly, to the motor insurance service provider or any of its associate company.



Germany is set to sell a record amount of federal debt to boost its economy. It is a known fact that 2021 marks the second year of the coronavirus pandemic and the country's potential debt sale will take place this year, media reports said.

In December, it was reported that the German bond yields edged down as Europe's benchmark debt issuer developed plans for hefty issuance in 2021. It already recorded a high level of bond issuance in 2020.

Germany plans to sell as much as \$576 billion in bonds and bills. This is expected to exceed a previous high of 407 billion euros that were sold last year, according to the Federal Finance Agency's provisional calendar, media reports said. The new debt sale is in response to cope with the pandemic.

Additionally, the Federal Finance Agency is also planning to sell a maiden 30-year green bond in May for 8 billion euros and a maiden 30-year conventional bond in September. The agency said in a statement "The comparatively high issuance volume is primarily a consequence of the Covid-19 pandemic." It is reported that two of next year's debt sales will be syndicated.

In late November, Germany's finance minister said that the increase in levels of borrowing was expected, and that it was planning to raise new debt of 180 billion euros, which is almost double of what was initially planned for 2021. Last year, it was reported that the gap US and German 10-year yields was at 150 basis points.

## Life insurance premiums in APac will grow in 2023: GlobalData

According to GlobalData, the growth in written premiums will be attributed to an aging population in the region, along with a growing middle class with a disposable income. In this regard, Pratyusha Mekala, Insurance Analyst at GlobalData told the media, "Despite the disruption due to the Covid-19 pandemic, several countries are now seeing gradual recovery following the lifting of lockdown restrictions. In Singapore, positive economic activity from Q3 2020 aided in recovery in demand for life insurance products. Similarly in Hong Kong, total premiums of long-term in-force policies increased by 5.1 percent year-on-year during the first three quarters of 2020."

"Technology advancements is another area that has gained more prominence. Due to the social distancing norms and regulatory push, an increasing number of insurers are shifting to digital platforms. In June 2020, Manulife Hong Kong launched a virtual face-to-face agency sales platform for most of its insurance product offerings," she added.

Merger and acquisition (M&A) activities in the reinsurance market in the Asia Pacific will pick up pace in 2021, according to Clyde & Co Hong Kong partner Joyce Chan. It is also reported that investor's appetite will bounce back in the Asia Pacific at a much faster rate when compared to other regions.

**Fin Gurus:** This series will cover the success stories and journeys of the investors who aced the share market.

Warren Edward Buffett was born on August 30, 1930, and at a very young age showed an incredible skill for both money and business. When Buffett was only six years old, he bought six packs of Coca-Cola from his grandfather's grocery store for twenty-five cents and sold each bottle for a nickel, pocketing a profit of five cents. While the other children of his age were playing hopscotch and jacks, Warren was making money. Five years later, Buffett took his first step in the world of high finance. At the age of eleven, he bought three shares of Cities Service Preferred at \$38 per share for himself and his older sister, Doris. Shortly after buying the stock, it dropped to just over \$27 per share. A frightened but resilient Warren held his shares until they had rebounded to \$40. He sold them quickly—a mistake he would soon have come to regret. The City Service shot up to \$200. Experience has taught him one of the basic lessons of investing: patience is a virtue.



*Warren Buffet*

### Investment Strategy

At this early age, Buffett honed his money-making strategy. "The first rule of investing is 'don't lose money,'" he said. "The second rule is 'don't forget Rule No. 1.'"

After attending the University of Pennsylvania, the University of Nebraska, and Columbia University, Buffett took the money saved from his childhood ventures and formed his own firm, the Buffett Partnership. His investment success, based on buying undervalued companies, earned him the nickname "Oracle of Omaha." Buffett follows a strategy called value investing, developed in the 1930s by Benjamin Graham, a professor at Columbia Business School. He looks for securities with prices that are low based on their intrinsic worth. Buffett analyzes a company's fundamentals and seeks high-quality products that are underpriced. Though other investors may weigh securities against the stock market Buffett recommends against it. "In the short term, the market is a popularity contest; in the long term, it is a weighing machine," he said. Rather than looking at stocks as a capital gain, Buffett seeks ownership in quality companies that are capable of generating earnings. "It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price."

As CEO of Berkshire Hathaway since 1970, Buffett's success has inspired investors around the country to follow his every business move. Quality product and management is a major part of how Buffett looks at a company. "You can have the greatest goals in the world," he said, "but if you have the wrong people running it, it isn't going to work. On the other hand, if you've got the right person running it, almost anything is possible."

Buffett is also cautious and examines every business deal with an eye for detail. He's careful to look at deals in context of the current market, and reminds investors that bad deals aren't necessarily obvious when times are good. "After all," he said, "you only find out who is swimming naked when the tide goes out."

## WARREN BUFFETT

### TOP 10 SUCCESS RULES

1. Find your passion
2. Hire well
3. Don't care what others think
4. Read, read, read
5. Have a margin of safety
6. Have a competitive advantage
7. Schedule for your personality
8. Always be competing
9. Model success
10. Give unconditional love

Source: [https://youtube.com/watch?v=Ijgdp\\_4rtdI](https://youtube.com/watch?v=Ijgdp_4rtdI)

[simplylifetips.com](http://simplylifetips.com)

Despite of his wealth and success he has a very simple life style. He still lives in his 50 years old house in Omaha because according to him this house has everything what he needs. He owns a self-driven car. He is among the top Philanthropist as he has donated 85% of his wealth in charity. He never use a private jet to travel although he is the owner of world's largest private jet company. When he is asked about his success he said that he gives only two rules to his CEO's, first of all never lose the money of your client and the second one is never forget the first rule.

# TEAM FINARTHA

The **FINANCE CLUB OF MDIM**

**BATCH OF 2019-21 & BATCH 2020-22**

ISSUE - 78 | DATE - 09th January



Devansh Chokhani | Abhishek Satpathy | Neha Kedia | Puneet Agarwal | Jitendra Kumar (Secretary)



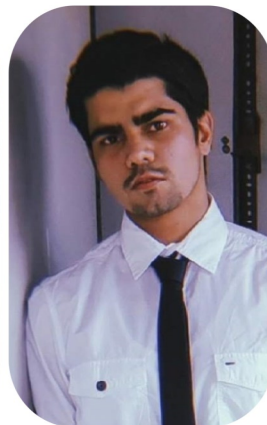
Shubham  
Bhattacharya



Joy  
Dutta



Megha Poddar



Rahul  
Dhankhar



Navin  
Srivastava