

Of bull & bear markets

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INVESTMENT MATTERS
Sajjad Bazz

Stock market is a place which is loaded with surprises. It's purely unpredictable. General actions and attitudes of market players describe sentiment of the market. It's either spirited and burly or sluggish. And this nature of the market is described by the terms 'bull' and 'bear'. These are the most common terms which we hear almost every day in stock market investment bulletins. While discussing 'bull' and 'bear' in the local context, I am sure most of our local investors are not aware what these terms actually signify and how important message they are actually carrying for them. Basically, 'bull' and 'bear' are, of course, widely common terms but what they mean in the context of describing market conditions is not so easy. These terms indicate the direction of the market and this direction is a major force affecting an investment portfolio. So it's important for the investors, particularly the local investors to know exactly what the 'bull' and 'bear' actually denote and how they affect them.

In other words, the terms 'bull' and 'bear' are simply indicators to the investors showing whether the stock markets are appreciating or depreciating in value. These terms at the same time also denote the attitude of investors towards the market and the ensuing trend. Notably, it's the market sentiment which locks investors into a bull or bear situation. This market sentiment is the psychology of those who participate either individually or collectively in the market transactions. Basically, it's investor psychology and sentiment which are fundamental to whether the market will rise or fall. So, stock market performance and investor psychology are mutually dependent.

Now, let's first understand a bull market. In simpler terms, a bull market refers to a market that is going upwards, means a market on the rise. Under bull conditions, there is a sustained increase in share prices and a dose of faith is infused among the investors that the uptrend will continue in the long term. In other words, a market is described bullish when everything in the market is going great and prices of stocks are rising. Here, things are simply just glowing.

In a bull market, investors show enthusiasm in buying stocks; while very few are ready to sell them. This increases the demand for stocks leading to rise in share prices. Here everyone is interested and willingly participating in the transactions of the market having hope of obtaining a profit. Notably, bull market means people having more money and willing to spend it. This kind of spending drives and strengthens the economy.

A common consensus of this bull and bear theory describing the sentiment of the market has listed its origin to the animal behavior. The terms are linked to the way in which each animal (bull & bear) attacks its opponents. When one gets gored by a bull, one is usually getting launched into the air. And when one is attacked by a bear, it's coming down on him from its standing position. In other words, a bull will thrust its horns up into the air, while a bear will swipe down.

shake investors' confidence, which forces them to keep their money out of the market and in turn, this investors' attitude depreciates the value of the stock market.

Since the stock market and the economy are strongly connected, in bear market conditions most businesses suffer on profitability front because consumer spending witnesses decline. The low profitability directly affects the way the market values stocks.

An interesting question arises here – why the terms 'bull' and 'bears' are used to describe the upward or downward trend of the market respectively? A common consensus of this bull and bear theory describing the sentiment of the market has listed its origin to the animal behavior. The terms are linked to the way in which each animal (bull & bear) attacks its opponents. When one gets gored by a bull, one is usually getting launched into the air. And when one is attacked by a bear, it's coming down on him from its standing position. In other words, a bull will thrust its horns up into the air, while a bear will swipe down.

Now, what to do in a bull or bear market? Investment experts describe a bull market as an ideal condition for an investor to take advantage of rising prices by buying early in the trend and then selling them when they have reached their peak. Even as it's almost impossible to determine exactly the bottom and the peak of the market, the investors' tendency to believe that the market will rise can help them to spot the bottom of a bullish trend. Experts opine that during the bull market, an investor can actively and confidently invest in more equity with a higher probability of making a return.

In a bear market, the chance of losses is greater because prices are continually losing value. However, investors can make money when stocks are falling using technique of short selling. An investor can wait on the side lines until he feels that the bear market conditions are nearing to an end, only starting to buy in anticipation of a bull market.

In succinct, whether bull or bear markets, both will have a large influence over the investors. It's their hard earned money which remains parked in the stocks of different companies in the market. So, the basic thing is that investors should invest their money in stocks of quality companies. As long as an investor does his research and knows the real value behind a company, he doesn't get scared of its price fluctuations. Warren Buffet, one of the most successful investors of the past 30 years, has said: "We simply attempt to be fearful when others are greedy and to be greedy only when others are fearful."

(The views are of the author & not the institution he works for. Feedback at sajjadbazaz@greaterkashmir.com)

Govt for enhancing authorized capital of SFC to ₹500 crore

Corporation makes profits in 4th year in a row

GNK NEWS NETWORK

Srinagar, July 31: Minister for Finance, Abdul Rahim Rather today announced that the government will enhance the authorized share capital of Jammu & Kashmir State Financial Corporation to Rs 500 crore from the present Rs 100 crore.

The minister, who is also chairman of the corporation, said the SFC will explore the possibility of issuing fresh bond series, after due credit analysis by a credible rating agency, to increase its capital base.

Addressing its 54th Annual General Meeting at Banquet Hall here, Rather said that after facing the worst ever financial crisis for about two decades, the corporation has once again transformed into a credible financial institution with its net worth of Rs 25.24 cr in 2010.

He said the joint effort of all the stakeholders, the state government, SIDBI, participating financing institutions, Management and staff, under the revival plan, has enabled the corporation to settle its whopping overdue liabilities of Rs 176.99 cr with SIDBI and other bond holders leaving behind a liability of just Rs 7 cr, which is expected to be cleared shortly, an official statement said.

He said the Corporation has achieved a distinction of clearing the backlog of its audited annual accounts up to 2013-14 and is consistently in profit for the fourth year in a row. He said plans are now afoot to penetrate the funding business in the MSME and allied sectors in an aggressive manner.

Rather said that the corporation has registered a profit of Rs 407.23 lakh during 2013-14 as against a profit of only Rs 0.78 lakh during the previous year despite the fact that the corporation had to meet the liability of Rs 104.58 lakh pertaining to the previous year.



He said though the corporation has no line of credit available at the moment, it has been able to continue with its lending activity from out of its internal revenue generation comprising of recoveries only adding that the Corporation has sanctioned loans to the tune of Rs 20.65 cr and disbursed loans amounting to Rs 11.31 cr with recoveries aggregating to Rs 19.55 cr during 2013-14.

He informed the AGM of

the shareholders that the Corporation has made a headway in the direction of restoration of refinance from SIDBI adding that the Corporation has also been nominated as a channelizing agency of National Minorities Development Corporation (NMDC) to provide fund support to the minority community on easy terms.

"Both these initiatives will enable the Corporation to take in hand the funding activity of

MSME and micro enterprises on a fast track basis to give boost to the creation of employment opportunities for the youth of the state," Rather added.

Rather said as a result of continuous monitoring and follow-up, the standard portfolio of the Corporation has reached Rs. 33.53 crore as on 31.03.2014 as compared to Rs. 12.93 crore as on 31.03.2011.

He said the NPA management in the current sector is very effective and is being monitored very tightly by the Board of Directors adding that the fresh loans are not allowed to slip into NPAs. Simultaneously the Corporation makes every effort to reduce old NPAs through various measures including settlement under DRC mandate, auction of mortgaged un-revivable assets and also filing of recovery suits in respect of hard-core defaulters.

While expressing acknowledgement for the valuable support, guidance and cooperation received from State Government, SIDBI, other Financial

Institutions, and appreciating the strenuous efforts put in by Directors, management and the staff of the corporation, Rather said that the journey of rejuvenating and reviving the Corporation, which was set in motion with adoption of its Revival Plan in February, 2010, has successfully touched several prescribed milestones adding that it is now gaining further momentum with every passing day.

He said that JK SFC has been the premier financial institution of J&K State which has to its credit bringing up a number of first generation entrepreneurs. He urged all the stake holders to continue their endeavour till the objective of restoration of golden past of the Corporation is fully achieved.

After holding threadbare discussion, the AGM of the share holders of the corporation adopted the balance sheet and profit and loss account for the year 2013-14 along with the 54th Annual report of the Board of Directors on the working of the corporation.

Epson hosts enVision in Srinagar

Srinagar, July 31: Epson today conducted its enVision program, a Technology Carnival, aiming to delight visitors with the latest and leading digital imaging solutions for home, office, business and beyond.

Epson is a visionary company committed to developing technologies that enhance multiple aspects of people's lives, the company in a statement said.

"It is these technologies which are showcased for customers to experience in a single fantastic experiential setting," it said.

Home theatre projectors, the futuristic personal head mount display, revolutionary new ink tank printers, large format graphic printers and many more products were showcased for everyone to experience and enjoy.

With a Home Theatre Projector zone, a photo zone with a photo contest, the event provided consumers an incredible opportunity to learn, connect, and have fun.

The show was open to general public and business visitors including System Integrators, the IT

Channel, Corporates, and niche business segments like photo labs, photographers, architects, bankers, educationists, signage, etc.

enVision was held at Hotel Broadway, Maulana Azad Road, here.

The event received good response from general public as well as business partners, it said.

Cabinet writes off ₹60 cr interest to JK Govt

New Delhi, July 31: The cabinet today decided to write off Rs 59.74 crore interest amount to be paid by the Jammu and Kashmir Government to the state-run FCI for purchase of food grains on credit in 1999-2002.

"The cabinet cleared the Food Ministry's proposal to write off interest amount of Rs 59.74 crore to be paid by J&K to FCI," sources said.

The interest amount accrued as on October 1, 2013 has been



waived off for the State Government, while the State had demanded the complete waiver

of Rs 70 crore, sources added. The Food Corporation of India (FCI) had supplied food

grains on credit between 1999 and 2002 to J&K.

The State Government has already paid the cost of food grains and had requested the Centre to write off the interest payment.

Early this month, State Chief Minister Omar Abdullah had met Union Food Minister Ram Vilas Paswan seeking complete waiver of Rs 70 crore interest on payment due to the FCI, an official statement said.

OFFICE OF THE DEAN ACADEMICS AFFAIR UNIVERSITY OF KASHMIR

ADMISSION NOTIFICATION NO. 12

For **Self Financed Seats (MFC, MTHM, IMBA, BA LL.B & B.Pharm) Session 2014**

On-line applications are invited from the candidates who have appeared for the Entrance Examination/applied for admission to MFC, MTHM, IMBA, BA-LL.B, & B.Pharm Programmes/Courses (session 2014) and are interested to seek admission under "Self Financed Seats" quota. The candidates shall:

- Download their Application Forms online by accessing University website at www.kashmiruniversity.net. The details for admission under Self financed seats quota are reflected in the Prospectus-2014, available on University website;
- Deposit payment of Rs. 500/- (non-refundable) reflected on Pay-in-Slip in any of the FINNACLE branches of the Jammu and Kashmir Bank;
- Submit the hard Copy of the application form (Downloaded On-Line) along with the fee receipt of Rs. 500/- in the office of the concerned Dean of the Faculty by or before **07.08.2014**.
- Specify the Campus/College preferences (if any).

No.F (Admission 2014) DAA/KU/14
Dated:-24.07.2014

Sd/- Assistant Registrar (Academic Affairs)

THE J&K BOARD OF PROFESSIONAL ENTRANCE EXAMINATIONS

Tele/Fax: 0194-2433760, 2433590, 2437647 (Srinagar): 0191-2479371, 2470102 (Jammu)

Website: <http://www.jakbopee.org>, Email: administrator@jakbopee.org

Baghat-i-Barzulla, Opposite J&K Bank, Srinagar-190005 (May – Oct.) & 4th Floor, South Block, Bahu Plaza, Jammu-180012 (Nov. – April)

EXTENSION OF DATE FOR SUBMISSION OF ONLINE APPLICATION FORM FOR APPEARING IN B.ED. (JAMMU) ENTRANCE TEST-2014 (Notification No. 80-BOPEE of 2014 Dated: 31-07-2014)

In continuation to this office Notification No. 73-BOPEE of 2014 Dated: 19-07-2014, it is hereby notified for information of all permanent residents of J&K State who are eligible and desirous of appearing in the Entrance Test for admission to B. Ed. Course for the Academic Session 2014-15 in the Government College of Education, Canal Road, Jammu that the date for submission of online application form has been extended up to 6th of August, 2014.

The Confirmation Page for online application forms along with prescribed photographs, required attested copies of documents/certificates and J&K Bank Draft/Bank Challan shall have to be submitted at BOPEE office Jammu/Srinagar upto 7th of August, 2014 without any late fee and on 8th of August, 2014 with the prescribed late fee of Rs. 1000/- (Rupees one thousand only) in the form of non-refundable J&K Bank Draft drawn in favour of the FA/CAO, BOPEE payable at Jammu/Srinagar or HDFC Bank Challan of the said amount.

Thereafter, no online application form (confirmation page) will be accepted whether submitted by hand or by post.

Important Note: Candidates who have submitted their applications online but not submitted the Confirmation Page and other required documents at BOPEE offices are hereby informed that their online applications shall not be entertained /accepted until they submit the Hard Copy of their Confirmation Page, other required documents & Bank Draft/Challan at the BOPEE office Jammu/Srinagar on or before the last date of submission of the Applications. Further, candidates who's Permanent Resident certificate (PRC) is under process can also apply for the Test provided they submit their PRC/State Subject by or before the declaration of Result for B.Ed. Entrance Test-2014.

ERRORS AND OMISSIONS EXCEPTED

No: BOPEE/Adm-05/2014
Dated: 31-07-2014

Sd/- (Zahoor Ahmad Butt)
Under Secretary
J&K BOPEE

GOVT OF JAMMU AND KASHMIR

OFFICE OF THE PRINCIPAL DISTRICT INSTITUTE OF EDUCATION & TRAININGS SRINAGAR BEMINA

ATTENTION PRINCIPALS/ HEAD MASTERS OF DISTRICT SRINAGAR

The DIET Srinagar had conducted zone wise SMDC trainings of 2013-14 in the month of March 2014 but most of the institutional and locality members failed to participate in the said programme. In order to equip the left out SMDC members with different interventions of RMSA Scheme, a fresh none wise training programme is scheduled under. As such all the Principals / Head Masters are hereby directed to depute those SMDC locality as well as institutional members who have not participated in the previous programme of march 2014. Besides the head of the intuitions are also directed to submit the list of local as well as institutional members indicating their Name, Residence Edu. Qualification, Designation, port folio in SMDC, Contact No. Bank Branch & SB-16 digit Account No. to this office within in weeks time from the publication of this notice. Any deviation shall be viewed seriously.

Secondary/Higher Secondary Schools Falling in Zone	Dates	Venue
Iddgah	6 th & 7 th Aug 2014	BHSS Nowkadal
Zaldagar	6 th & 7 th Aug 2014	MP School Srinagar
Srinagar	8 th & 9 th Aug 2014	HSS Jawahar Nagar
Nishat	8 th & 9 th Aug 2014	MS Gupta Ganga
Hawal	11 th & 12 th Aug 2014	BHSS Zadibal
Gulabagh	11 th & 12 th Aug 2014	MS Hazratbal
Rainawari	18 th & 19 th Aug 2014	HSS Rainawari
Batamalo	18 th & 19 th Aug 2014	GHS Chatabal

DIPK 4469 Sd/- Principal DIET Srinagar

GOVERNMENT OF JAMMU AND KASHMIR

CIVIL SECRETARIAT: FINANCE DEPARTMENT

CIRCULAR

Sub: Refund of extra premium payment for J&K Medclaim Insurance Policy for Gazetted Employees of the State.

The Medclaim Insurance Policy for Gazetted Employees was implemented w.e.f 31-03-2014 vide Government Order No. 96-FD of 2014 dated 31-03-2014. In terms of the policy a Gazetted Employee along with five dependents are covered for Health Insurance coverage for an amount of Rs. 5 lac on floater basis, on payment of premium of Rs. 6081/- per annum.

The policy inter-alia provides that in case both the husband and wife or any other dependent are Gazetted employees, the premium shall be payable by any one of them.

It has come to the notice of Finance Department that in some departments the DDOs have deducted premium from the salaries of both officers (husband/spouse) and their applications for refund of extra premium are pouring in the Finance Department Accordingly all the Drawing and Disbursing Officers (DDOs) are requested to furnish the full details of those cases where the premium has been deducted from husband/wife or any other dependent member from the same family to the Nodal Office, Finance Department with documentary proof within one month to enable the department to refund the extra premium. The request for refund of extra premium directly to the Nodal Officer with out the authentication of the concerned DDO shall not be entertained.

Matter needs to be treated as most urgent.

DIPK 4479 Sd/-
Shakeel UI Rehman KAS
Special Secretary to Government Finance Department