Prof. David Crystal from Cambridge Encyclopedia of the English Language once said — When 300 million Indians speak a word in a certain way that will be the way to speak it." I think it says enough for the way that the world looks at India. The growth story in India is still intact.

We see queues at counters, they see the ticket sales.

We see the jam packed trains and buses, they see the imminent growth of these services.

We see inefficient private / public companies, they see the turnaround opportunity and resultant profits.

And the list will go on and on.

Inspite of these facts, why do we read the headlines in newspapers which shout doomsday? Markets at 2 year lows on fears of slump. FII led Sell Off leads downward trend.

No one wants to catch a falling knife. Scary and Confusing isn't it?

We fear whether our hard earned money will diminish in value

Because some crazy people are pulling the stock markets up and down like a yo-yo.

Sometimes it makes sense to take a step back and look at what is happening around us.

Yes, the government is slow in implementing reforms.

Yes, the government is doling out freebies to economically backward classes.

Yes the corruption issue is blowing out of hand.

But does the stock market track government's profits or privately held and listed companies' profits?

Are private companies facing problems?

Yes, the costs are going up. The profit margins are impacted.

But what does this mean?

It means that the companies will focus on improving their productivity.

The penetration will increase and sales will continue to go up.

Profit margins will rationalize and be stable going ahead.

If you agree to what is written above,

You should not be concerned about what will happen in the next few days or months in the stock markets.

You should not worry about what will FIIs do and what will happen to interest rates and oil prices –

More importantly you should not get swayed by what media reports daily through their channel paid investment experts. How will media earn profits without creating sensational news?

FIIs are a shrewd lot. If they are selling today, they will buy tomorrow.

You will get scared today and sell but will you buy tomorrow?

Did you buy in 2008 when the equity markets were offering a mouth watering discount of 60%? It is similar times to those in 2008. Wonderful opportunity to buy NOT sell.

One way to invest is to buy as and when you have money and hold till the time you need the money.

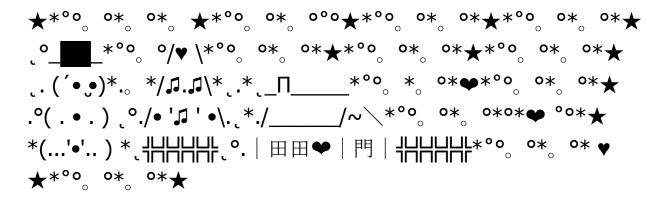
The other way is to inculcate a sense of discipline. Irrespective of circumstances, buy regularly and ensure a healthy portfolio.

The second method is caller Systematic Investing. I am sure all of you are aware of SIPs.

Now it is upto you. Do you want to make a mistake again and lose out or do you want to take this opportunity and double your SIPs to have a wonderful Christmas a couple of years later.

Remember, Santa Claus only comes once a year - Start an additional SIP once a year.

## ★ MERRY CHRISTMAS!!! ★



★ & a HAPPY 2012!!! ★

www.michaelpduarte.com