

## **General FAQ:**

*Does fundamental analysis have any role in stock selection in Weekendinvesting products?*

No, stock selection is purely based on price volatility and volume factors. Emotions, fundamentals, predictions etc have no role to play.

*Can I use this service if I don't want to run a portfolio?*

Yes, you can use the new signals as identifiers of momentum in the market and you may use that knowledge to run your own strategies. Some folks are also using this service as a BTST( Buy today sell tomorrow indicator). According to me if you are an investor, then just stick to the portfolio but if you are a trader, there are other possibilities of using the signals.

*What happens if a recommended stock has hit Upper or Lower Circuit and I am unable to enter or exit?*

You will need to keep a close track and enter/exit as and when it will be earliest possible. We are not here in the short-term timing game so a few percent here or there will not make your stock portfolio deviate much from the model.

*What is the worst loss I may suffer?*

Though it cannot be guaranteed but based on the back-tests performed over decades of data you should not suffer a drop of more than 25-30% of your portfolio even if markets repeat a sharp dip like 2008 again in the future. Investment gurus like WarrenBuffet and Charlie Munger claim that all investors should be ready to get hit by a 50% drawdown a few times in

their lives. We have built-in adequate capital protection measures into the strategies and that should protect you and reduce that loss.

*How will following this service help me in investing?*

Many a times, you have the skill and confidence of winning you but you just need somebody to nudge you to stay the course. You may evolve to your own strategies after experiencing this structured way of investing.

*How is this system going to protect me in turbulent times?*

Since we are trend followers, we don't wait endlessly to exit from our positions. Historically, fundamental investors who are working without an exit plan are caught with lemons in their hands. There have been plenty of such stories in the Indian and Global markets. My own staunch belief is that "Exit plan" is the most important component of any investing system and we have a robust exit plan at all times to protect our capital from any major damage.

*What support is available to me?*

Support is always available at [alok@weekendinvesting.com](mailto:alok@weekendinvesting.com) or you can tweet @WeekendInvstng for all your queries. Our endeavor is to have your query resolved within few business hours.

*Can there be periods of long draw-downs ?*

Yes, this is not a "get rich quick" strategy, if ever there is one. You can be stuck in a long consolidation period like 2010-2013 or we may hit a major crack like 2008 as soon as tomorrow.

*What is the ideal time for recovery if there is a deep draw-down ?*

Rolling 3 years returns of the past suggest that it can take up-to 3 years to come out of any deep hole that we go into.

*Should I deploy my entire capital to this strategy at one go?*

If you are not comfortable at the current market level, then one should keep half of the allocatable money aside and wait for a significant drawdown (15-20%) to add to existing position. Comfort in what you are doing is very important for you to keep the faith in any system.

*Should I start investing now or wait for the drawdown?*

There is no clear answer for this. Maybe if not sure, 50% amount can be started now or entire amount may be used if your assessment is such. Our whole premise is that we cannot forecast or time the market.

*Can i share this login with others?*

No, please do not share or disclose the details provided herein. Account will be immediately suspended if any shared access is detected or public release of the portfolio data.

*Does the model portfolio consider transactional costs?*

Yes, entry and exit costs are built into the system. STT and other taxes are all taken care of.

*Which brokerage should I use?*

We recommend using a discount broker for this strategy. Zerodha.com and Upstox.com may be explored for this purpose. There is NIL brokerage charge on delivery based activity at both these platforms and they have won several awards in recent times for customer service and innovation.

*Can my results be very different from the model?*

Ideally that should not be the case but minor differences due to execution or slippages may result. There are clients who are able to do marginally better than the model portfolio too.

*Can i make any changes in the PortfolioMaster sheet?*

No, please do not attempt to disturb this sheet in any way. You have viewing rights only. You can edit and change your own named sheet in any way you like.

*The model assumes which price 3.15 or 3.30 PM ?*

Model will take the closing price which is the weighted average of last half hour. So purchase and sale can be done gradually over the last 15 mins to come close to the weighted average.

*Will stock that may have already hit the Circuit be recommended?*

No, at the time of recommendation if a stock is on circuit, it will not be recommended

*How to deal with a loss year?*

Loss making years and some deep ones are par for the course in the investing arena. Take them in your stride. Do not panic. Add more capital on deep draw-downs. Capital is added in the same proportion as the portfolio that may exist then

*Do I have to buy or sell at 3.15 PM on the designated day or can it do it later?*

It is recommended that you buy/sell at the specified time though the next morning transaction has so far not hurt the performance significantly.

*When should i add capital if at all?*

You may chose to add capital on portfolio draw-downs of 10-20%.

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