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PREDICTING MULTI-BAGGER STOCKS THROUGH A HIGHER EMPHASIS ON INCOME STATEMENT

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ABSTRACT

Piotroski's F-score generates a number that determines the strength of any company based on the fundamentals. The score focuses on nine areas and allots a value of either zero or one to each parameter depending on whether the parameter satisfies the criteria. The score generated is out of 9 and a score above 7 is considered the sign of a fundamentally strong company. The companies having a high F-score are expected to perform better in their respective industries and give better returns overall to the shareholder. In this paper we attempt to build a new score and use it to generate good returns in the Indian Stock Market. The score emphasises on key areas in the income statement of the companies. We have taken 7 parameters for the analysis.

KEYWORDS: Fundamental Strengths, Investor, Profitable.

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