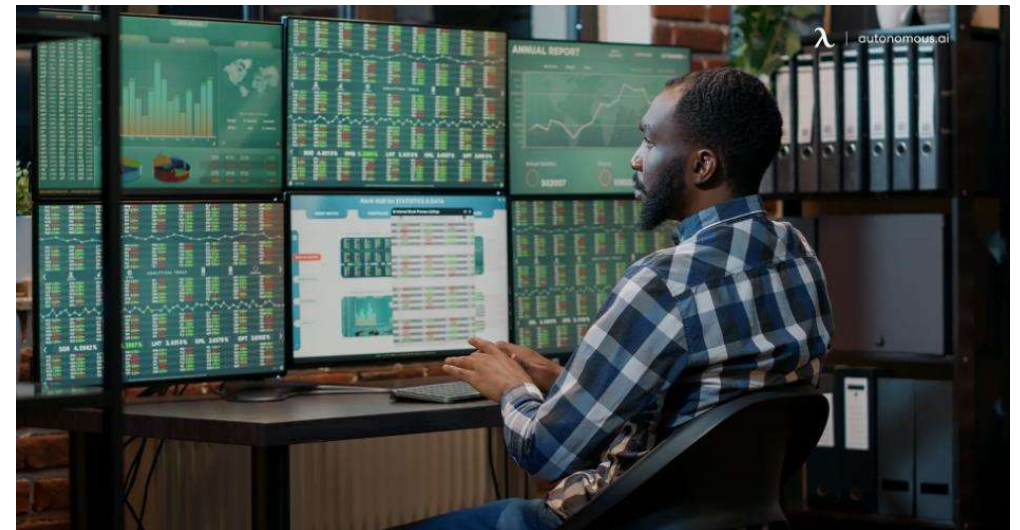


Session 1

The Difference between Trading and Investing

What is Stock Trading?



Definition of Trading

Trading is the buying and selling of securities, such as stocks, bonds, currencies and commodities, as opposed to investing, which suggests a buy-and-hold strategy.



Companies that hire Traders



These are mainly Quant Finance firms, which is a subset of finance that requires you to have software engineering and finance knowledge and skills.

Investor vs Trader

Warren Buffet



Investor:

Someone who places their money in an asset and looks to profit from that asset growing overtime.

George Soros



Trader:

Someone who makes money in the short term by frequently buying and selling an asset.

Investor vs Trader

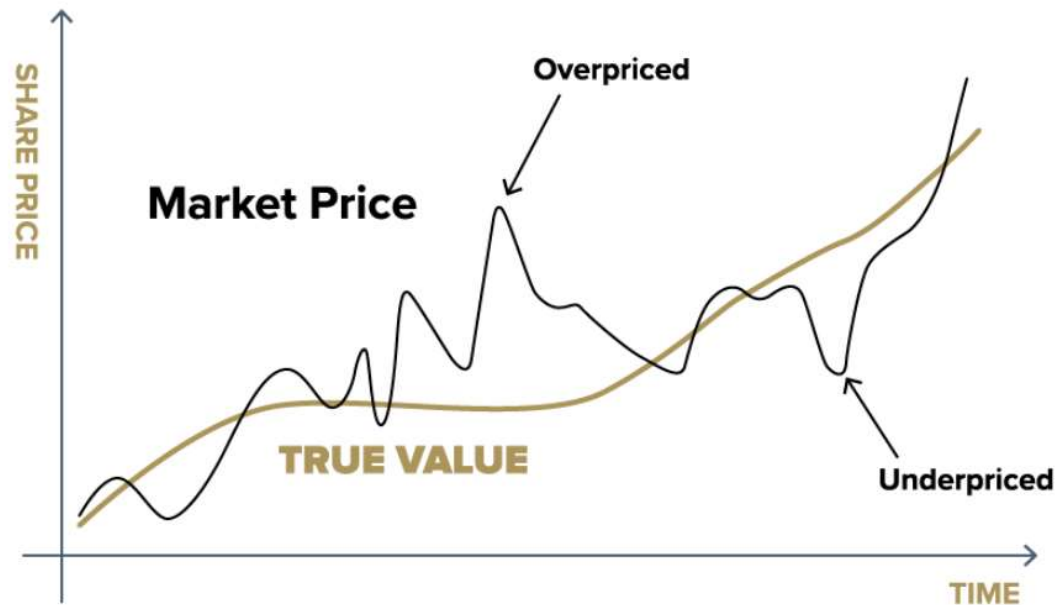


Investor vs Trader



Intrinsic Value

Before we go on to talk about analysis...



Intrinsic value is a measure of what an asset is worth.

Technical Analysis vs Fundamental Analysis

(Amounts in thousands, except per share data)	Sensata Technologies Holding N.V. (consolidated)				
	For the year ended December 31,				
	2015	2014	2013	2012	2011
Statement of Operations Data⁽¹⁾:					
Net revenue	\$ 2,974,961	\$ 2,409,803	\$ 1,980,732	\$ 1,913,910	\$ 1,826,945
Operating costs and expenses:					
Cost of revenue	1,977,799	1,567,334	1,256,249	1,257,547	1,166,842
Research and development	123,666	82,178	57,950	52,072	44,597
Selling, general and administrative	271,361	220,105	163,145	141,894	164,790
Amortization of intangible assets	186,632	146,704	134,387	144,777	141,575
Restructuring and special charges	21,919	21,893	5,520	40,152	15,012
Total operating costs and expenses	2,581,377	2,038,214	1,617,251	1,636,442	1,532,816
Profit from operations	393,584	371,589	363,481	277,468	294,129
Interest expense, net	(137,626)	(106,104)	(93,915)	(99,222)	(98,744)
Other, net ⁽²⁾	(50,329)	(12,059)	(35,629)	(5,581)	(120,050)
Income before income taxes	205,629	253,426	233,937	172,665	75,335
(Benefit from) provision for income taxes ⁽³⁾	(142,067)	(30,323)	45,812	(4,816)	68,861
Net income	\$ 347,696	\$ 283,749	\$ 188,125	\$ 177,481	\$ 6,474
Basic net income per share	\$ 2.05	\$ 1.67	\$ 1.07	\$ 1.00	\$ 0.04
Diluted net income per share	\$ 2.03	\$ 1.65	\$ 1.05	\$ 0.98	\$ 0.04
Weighted-average ordinary shares outstanding—basic	169,977	170,113	176,091	177,473	175,307
Weighted-average ordinary shares outstanding—diluted	171,513	172,217	179,024	181,623	181,212
Other Financial Data⁽⁴⁾:					
Net cash provided by (used in):					
Operating activities	\$ 533,131	\$ 382,568	\$ 395,838	\$ 397,313	\$ 305,867
Investing activities	(1,166,369)	(1,430,065)	(87,650)	(62,501)	(554,458)
Financing activities	764,172	940,930	(403,831)	(13,400)	(152,944)
Capital expenditures	(177,196)	(144,211)	(82,784)	(54,786)	(89,807)

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	2015	2014	2013	2012	2011
Balance Sheet Data (as of December 31)⁽⁵⁾:					
Cash and cash equivalents	\$ 342,263	\$ 211,329	\$ 317,896	\$ 413,539	\$ 92,127
Working capital ⁽⁶⁾	412,748	441,258	537,139	616,317	313,914
Total assets	6,337,255	5,116,609	3,498,824	3,648,391	3,456,651
Total debt, including capital lease and other financing obligations	3,639,336	2,841,836	1,723,966	1,824,655	1,835,710
Total shareholders' equity	1,668,576	1,302,892	1,141,588	1,222,294	1,044,951



Amateur Traders vs Industry Professionals



than you

**Thank You
&
See You Next Week!**