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After Black Mondays we now get to see a Golden Monday

Things change dramatically these days. It seems such a long distance when we speak of 8000-8500 on the sensex in October. The mood was somber to say the least and everyone was stacking up money under their pillows and mattresses. But now here we are again in May and we are knocking on 15000 which should be done in a day or two (or in a minute or two going by today's performance). Have things changed so drastically in the last six months. I don't think so. We only have one event out of the way and we are now having confidence that there will be no hung parliament, no diverse statements from Left or Right. It definitely has boosted the confidence and it really shows the maturity of the Indian voter who has placed a stable government at the helm of affairs.

So what should one do now – book profits or enter? For a person who entered markets in Sept- October 2008 he is sitting on huge profits. Investors are now willing to invest money – so where does all this take us? As I have been mentioning from the times of 10000 sensex levels I firmly believe that one should understand his goals, risk appetite and when he needs the money for his goals. We have been advising to go through the SIP / STP route simply because we cannot time the markets and this market is bound to spring surprise and sometimes the surprises can be good too. Keep invested and have faith for a longer time and you are there to make much more money than you have thought. We have had a Golden Monday but this could just be the beginning and we could see many more Golden Mondays and years ahead.

However I would like to suggest that this move could be used to reshuffle portfolios and also to remove the weed from your portfolio at a profit/ less loss and shift to better companies and stocks. Stock specific calls could be taken to book profits and clean your portfolios.

We maybe at the start of a new journey which will take us to greater heights and greater wealth than we all have imagined. So keep your patience and faith intact and enjoy the fruits in the times to come.