

HUL seems expensive because before it was on 40-50 PE but now is at 70 PE. HUL has increased their profit by 15% in last 1 year. Colgate is also a well-known company. Its PE ratio is around 39, nowadays. It means it is going around its historical PE or a little cheap. Using PE ratio, we can filter such companies which I can further research and will pay attention to. What you have learned today, can be used to filter companies where to pay attention and where not to. It 's not a investing recommendation. Just by looking at the market cap I can get a slight idea of where to invest and where where not. So with that, your intuition will give you an idea where can you put your money. You find it 's best use intuitively if you compare market cap like this , across industries. So let 's hope you find this introductive video simple and understood it. If you find it difficult, so comment about it that what you found difficult and did n't understand , and I 'll make sure to clear those doubts tomorrow. Join the Academy of Value Investing where me and my team will teach you value investing.