

"Designing of Stock Portfolio Using Real Time Pakistan Stock Market Data"



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ABSTRACT

The purpose of this project is to better understand the portfolio designing and how portfolio designing helps the investor in maximizing the return and minimizing the risk, so that investor can make investing decisions based on the performance of stocks. Not all the stocks perform good, some have good performance and some have bad, so investing decision should be based on performance of stocks.

In order to design the portfolio, 100,000 is invested in portfolio but the point is how much to invest in each stock for this different technique are used like risk, return, variance coefficient of variation, correlation, beta, portfolio return, beta, risk and efficient frontier. The main purpose of this report is to make investment on the basis of results because not all stocks perform well, some stocks perform good and some stocks perform bad, so it is not necessary to make equal investment in portfolio rather investment should be made on the basis of performance.

In order to apply above mentioned techniques, historical data of ten stocks were taken from 1st March 2020 to 1st June 2020 from Karachi stock exchange, stocks include FFROZ, CHCC, EPCL, EFERT, SAZEW, HCAR, MUGHAL, NETSOL, MLCF, GHNI. All of these stocks are taken from different sectors to make diversification in portfolio.

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