

**TPOIC: A Comparative Study on Disposition Effect for  
Equity, Commodity & Foreign Exchange Market**



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**DEDICATED**

**TO**

*My Parents*

*and other family members*

*especially to my*

*deceased mother*

## **Acknowledgement**

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## **ABSTRACT**

*Investors don't like to sell their investments at loss. When the investor holds losing securities and sell the winning ones, that investor is ready to disposition effect. There is a very small works about disposition effect however, investment in currencies and commodities is still unfamiliar to recognize the disposition effect. The study mainly pointed to discover the disposition effect in Forex Market of Pakistan and data was acquired from the brokerage houses of Pakistan. The uniqueness of the study is that investments in currencies, commodities and indices have been selected as variables that has continued unknown enough till now and data was collected from brokerage houses. The study mainly intensive on examining the disposition effect in Forex Market of Pakistan where no tax motivated selling takes place as these investments are tax free under the Protection of Economic Reforms Act, 1992, of Pakistan. Secondary objective is to investigate the type of investments that have higher disposition effect and the possible reasons behind it. The existence of disposition effect is noticed in this market and is found greater in commodities investments than any other investments.*

*Keywords: Disposition effect, Forex market, Investments, Currencies, Commodities, Indices*

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