DESIGN OF SIMLATION PROGRAMS USING A THEORY OF STOCKS VALUE INVESTING AND MODERN PORTOFOLIO THEORY

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Abstract

Investment is always an option when someone feels what he has or he gets at this time is not enough. Investments can be done with a few things, such as saving   money in   the   bank, buying   land /   house, or invest money into the capital market, which is   more   commonly called   the stock   trading. Stock prices are constantly   on   the   move does   not always provide the   benefits as expected by the brokers, therefore, the analysis of the rise or fall in stock prices is needed. Some   methods used in   estimating the   price   of   such shares of Investment Value Theorem and Theorem Modern   Portfolio.   The   Investment Value Theorem, the variables that are important are earnings per share, interest rates, the level of corporate bond yields and stock prices were current as comparison between the calculated results of investment value theorem with the current stock price. In addition, the theorem also calculates the portion of modern portfolio investment to investors in order to produce a combination of the two stocks to be invested in order to obtain a high yield with the lowest possible level of risk. Achieved results of this analysis is a combination of shares of two stocks that are correlated so as to produce a yield as high a risk as low.

keyword
stocks, bank interest rate, stock prices, value investing, modern portfolio.