

PLANNING AN INVESTMENT STRATEGY

Naymat, Wasia

Department of Computer Science, UIT

INTRODUCTION

- Investment has become a vehicle that is usually used to improve wealth.
- One difficulty faced by all is where, how, when and for how long to invest.
- Two very important strategies are active portfolio management and long term investing.
- The strategies that one chooses for an optimal strategy will depend on the investors investment goals.

KEY POINTS AND ALGORITHM

It helps us to pick strategy for investment.

It gives guidance, where the investor should invest and gain profit.

It aware the investor through the predictions, where they get profit and loss.

INVEST (d, n)

initialize tables I and R of size **11**, all filled with **0s**

for k = **10** **downto** **1**

q = **1**

for i = **1** **to** n

if r[i, k] > r[q, k] // i now holds the investment which looks best for a given year

q = i

end if

end for

if R[k + 1] + drI[k + 1]k - f[1] > R[k + 1] + dr[q, k] - f[2]

// If revenue is greater when money is not moved

R[k] = R[k + 1] + drI[k + 1]k - f[1]

I[k] = I[k + 1]

else

R[k] = R[k + 1] + dr[q, k] - f[2]

I[k] = q

return I as an optimal strategy with **return** R[1].

PREDICTION RESULTS

OPTIONS	YEARS											
	Column	0	1	2	3	4	5	6	7	8	9	10
0		0	0	0	0	0	0	0	0	0	0	0
1		0	0.14	0.2	0.3	0.15	0.31	0.28	0.5	0.41	0.43	0.33
2		0	0.6	0.53	0.5	0.45	0.9	0.4	0.55	0.41	0.13	0.15
3		0	0.88	0.74	0.78	0.69	0.75	0.69	0.4	0.45	0.79	0.9
4		0	0.3	0.35	0.4	0.6	0.65	0.53	0.4	0.29	0.13	0.5
5		0	0.41	0.5	0.44	0.79	0.34	0.43	0.6	0.38	0.28	0.3
6		0	0.5	0.4	0.6	0.52	0.6	0.75	0.4	0.59	0.7	0.79
7		0	0.6	0.65	0.55	0.39	0.51	0.6	0.52	0.41	0.6	0.63
8		0	0.65	0.5	0.42	0.51	0.7	0.2	0.79	0.71	0.55	0.4
9		0	0.51	0.55	0.65	0.49	0.3	0.41	0.39	0.29	0.13	0.3
10		0	0.75	0.87	0.68	0.71	0.75	0.64	0.4	0.32	0.3	0.4

OUTCOMES

- We have multiple investment option that investor required.
- This Algorithm generates the revenue after the calculation of current and previous year.
- After the calculation, its will show us the path of our upcoming investments should we stay or moved.
- It helps us to pick strategy for investment.