



**PORTFOLIO EVALUATION IN DIFFERENT MARKET
TRENDS USING VALUE-AT-RISK IN BURSA MALAYSIA
FROM YEAR 1997-2007**

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ABSTRACT

This study present and demonstrate the portfolio performance in order to determine whether the constructed portfolio is optimum in minimizing the risk. This study will use the Value-at-Risk to determine the potential loss of portfolio at one time in percentage and value (RM). The specific objectives are to investigate the portfolio Value-at-Risk in different market trends and to investigate the effect of market capitalization on portfolio value in stable market. This study is within Malaysian securities market which companies are selected based on market capitalization. It consists of 10 companies for large market capitalization and 10 companies for small market capitalization from construction sector in every market trends. Time horizon for this study is from January 1997 to June 2007 and it will divide into five phases of economic conditions which are falling trends (January 1997 until August 1998), rising trends (September 1998 until February 2000), falling trends (March 2000 until May 2001), stable market (June 2001 until June 2007) and rising trends (July 2006 until June 2007). The result shows that there is a different in portfolio between market trends. The second findings show that there is no different between large market capitalization and small market capitalization in stable market.