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AN ANALYSIS OF THE RELEVANCE OF THE PORTFOLIO THEORY
TO THE ZIMBABWEAN STOCK MARKET.

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ABSTRACT

The aim of this thesis has been to gain a clear understanding of the relevance of the portfolio theory as applied on the Zimbabwean stock market. There is a brief description of the portfolio theory and some of its assumptions. The main findings of the study on the four research questions are that investors do not have a single investment horizon, yet they all seek to maximize returns on their wealth. The ZSE market is confirmed as efficient by the respondents and other factors like taxes and inflation are considered as affecting the performance of stocks traded on the ZSE bourse.