# APPLICATION OF MARKOWITZ OPTIMIZATION MODEL

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## ABSTRACT

This study constructs portfolios from the stocks of Bombay Stock Exchange using Markowitz Quadratic Programming model and then compares it with the market index portfolios. It analyzes the portfolio performance with varying holding periods and also deals with the problem of determining the optimal holding period for Markowitz portfolios as well as market portfolios and compares them. The paper also analyses portfolios sector-wise and explains the results of the optimal holding periods for the indices.

**KEYWORDS:** Stock Exchange, Markowitz Quadratic, Portfolios.