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INVESTMENT ENVIRONMENT: AN OVERVIEW

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ABSTRACT:

This project with a broad knowledge on the key topics of Investment Environment contain theoretical Knowledge of the investment decision making and evaluation of different corporate securities as investment, portfolio diversification and management. Special alteration is given to the formulation of investment policy strategy. The most important characteristics of investment. Vehicles on which bases the over all variety of investment vehicles can be assorted are the return on investment and the risk which is defined as the uncertainty about the actual return will be on an investment. Each type of investment vehicles could be characterized by certain level of profitability and risk because of the specifics of these financial instruments. The main types of financial investment vehicles are: short-term investment vehicles; common stock; speculative investment vehicles; other investment tools. Essentially of the Markowitz Portfolio theory is the problem of optional portfolio selection, The Markowitz approach included portfolio formation by considering the expected rate of return and risk is individual stocks measured as standard deviation, and their interrelationship as measured by correlation. The diversification plays a key role in the modern portfolio theory.

KEYWORDS: *Asset Allocation, Investment, Security, Stock*

INTRODUCTION:-

Investment decisions depend on the state of the economy, industry and the firm. Under the investment environment, the entire economy, political situation, international situation and the organization's own profit earning potential are included. Therefore, the investment environment includes all the factors that affect this tripper-economy, industry and firm position.

Along with market factors, the industry sector also has an important place in determining the investment environment or investible state. In a developing economy like India, infrastructure, telecommunication, iron and steel, cement, power generation and distribution and 'service sector' have an important contribution. Investment forecasting requires study of the economy in which the investment is to be made. The current poison of the economy and future prospects and their impact on investment determine the investment decision. With the analysis of the economy those areas are identified where relatively more profitable investment opportunities are available.

By investment environment is meant the entire environment under which investment flows. It includes the economy, the industry, the investment executive and the intermediary, the associated organization as well as transformative factors that affect the investment process.

The detailed outline of the above investment organization reveals how many parties provide their services behind the seemingly small act of investment. The cooperation of this entire organization system makes investment and disinvestment possible.

1.1 Security and portfolio

Security: This refers to a legal representation of right to receive future benefits under stated condition.

Portfolio: they are combination of securities.

In the upcoming paragraphs we will discuss the portfolio theory which is concerned with the construction of Investment portfolio. Portfolios help in spreading risk over many securities. H.M. Markowitz explained in 1952, how in an efficient market, a rational risk averse investor could achieve a more efficient investment by holding a combination (or portfolio) of securities. First step in development is modern finance.

1.2 Asset allocation, capital allocation and security selection

Asset allocation: the process of allocating investments across different types of assets (e.g. shares, bonds, gold, real estate etc.)

Capital allocation: choice of proportion of investments in risk free and risky securities

Security selection: choice of one security over other (must take into account the difference between good stock and good company for selection of a stock over other)

1.3 Investors and their behavior

1.3.1 Risk averse, risk loving and risk neutral

An investor who demands a higher expected return for the higher risk is a **risk averse**. In other words such investor wants to avoid risk unless adequately compensated for it. For example, if two investments have the same expected return, the one with lower risk will be preferred. A riskier investment has to have a higher expected return in order to provide an incentive for a risk-averse investor to select it.

The opposite of risk aversion is **risk seeking** (also called **risk loving**). A risk seeking investor prefers more risk to less, all else being equal.

An investor is **risk neutral** it ho is indifferent to risk. He will neither pay to avoid it nor to take it. In short, risk does not affect his decisions**. Unless otherwise given in the question, we will assume that an investor is risk averse.**

1.3.2 Non satiation: Investor would prefer higher amount of wealth to lower amount of wealth that is they are not satisfied with the wealth. The reason is that high wealth allows spending more on consumption. We can therefore conclude that given a choice between two portfolios with similar risk ho will choose the one with higher expected return.

1.4 Utility values and risk aversion

The term utility is used to quantify the relative enjoyment or satisfaction that people derive from an economic activity. Satisfying activities provide positive utilities and dissatisfying activates provide negative utilities (disutility). Each Individual has different preference hence the same economic activity will give different utility to different people. Markowitz portfolio selection is an effort to maximize the expected utilities.

Utility scores can be assigned to portfolios based on their expected return and risk. Thus utility scores can be used for ranking portfolios. A higher utility value signifies that portfolio is more attractive

in terms of risk and return profiles, the following utility score formula is used in practice as well as theory.

$U=E, - 005\ A\ \sigma^2$ Where, U = utility value; Er,= expected return ; A= index of or's risk aversion and ? ² = variance of return

Remember the factor 0.005 is a scaling convention that allows to express the expected return and variance as percentage rather than decimal.

Risk aversion- Given a choice between two portfolios with similar expected return, choose the one with lower risk. Remember that a risk adverse person wants compensation for taking higher risk.

1.5 Investment process

The investment process describes how an investor should:
* make decisions with regard to the type of securities
* how much to invest
* When to invest

The investment process involves the following:

* **Design Investment policy-** this involves determining investor's objective and amount of investible fund. The objective should be stated in terms of risk and return.
* **perform security analysis-** the primary task of the security analysis is to identify mispriced securities.
* **Construct a portfolio-** this involves indentifying assets in which to invest and the proportion of investment in each securities.
* **Revise the portfolio-** changing composition of the portfolio
* **evaluate the performance of the portfolio-** measuring performance in terms of risk and return of the portfolio.

1.5.1 Security analysis

This involves estimating of the return and risk associated with the available securities over a forward holding period. The three major parts of **security analysis are economic analysis, industry analysis, and fundamental analysis.**

1.6 Diversification, risk and return

1.6.1 Diversification

This is holding multiple investments in portfolio either across the same asset class (like shares) or across asset classes. When securities are combined into a portfolio then it will have lower level of risk than a simple average of the risks of securities - the reason is simple as some may do well even if others are doing poorly.

1.6.2 Return and risk of individual securities

We will first learn the way return is calculated for individual securities and expand this idea to the portfolio. To start with our focus should be to understand the following types of risk and return.

1.6.2.1 Holding period return (HPR)

This involves (1) measuring the amount invested, (2) measuring income. (3) Measuring capital gain, and (4) combing these components to find the portfolio's HPR.

The HPR formula includes both realized returns (income plus *realized capital gains*) and the unrealized capital gains of the portfolio. Further, portfolio additions and deletions must be time-weighted for the number of months they are in the portfolio. Unrealized capital gains are those that have not yet been received. Realized capital gains, on the other hand, are the capital gains an investor

has received from sale of particular securities. An unrealized capital gain can become a capital loss when economic conditions change drastically.

The dividend yield measures the current yearly dividend return earned from a stock investment. It is calculated by dividing the stock's yearly cash dividend by its price. The holding period return (HPR), on the other hand, measures the total return (income plus change in value) earned on an investment over a given investment period. The change in value (capital gain or loss) need not be realized to be considered in HPR. The dividend yield and the HPR are not equivalent. They are equal only when the price of the stock is the same at the end of the period as it was at the beginning of the period.

$$\text{Pre} - \text{tax HPR (mutual fund)} = \frac{\text{Dividend income} + \text{Capital gains distribution} + \text{Change in value}}{\text{Purchase Price}}$$

$$= \frac{\text{Cash payment received} + \text{Price Change over the period}}{\text{Purchase price of the asset}}$$

Holding period return measure is useful when an investment horizon is of one year or less. For larger period it is better to calculate IRR (or yield). They yield calculation is based on PV and hence considers time value of money. To calculate the return on a share, you do not need to have actually sold the shares. In this case replace selling price by current market price. The above formula can be used for both actual and expected one-period return. Also note that HPR assume that dividend is paid at the end of the holding period. **To the extent that dividends are received earlier the HPR ignores reinvestment income between the receipt of the payment and the holding period.**

1.6.2.2 Historical return-arithmetic and geometric

(a) Arithmetic Return $r = \frac{r1 + r2 + \ldots\ldots\ldots\ldots r_n}{n}$

(b)Geometric Return $r = [(1 + r_1)(1 + r_1) \text{ x } \ldots\ldots\ldots\ldots \text{x } (1 + r_n)]^{1/n} - 1$

Where n= no. of period .

Ex. calculate arithmetic and geometric return for the two securities from the following date about two securities return

Year	01	02	03	04
Security A	15%	0%	5%	20%
Security B	30%	20%	20%	50%

1.6.2.3 Expected return:

It is the weighted average of the returns. In other words if we multiply each return by its associated probability and add the results together, we get expected average return (or simply expected Return) . The word 'expected' is now being used in a technical sense, meaning the arithmetic mean.

For example,	Return (R_i)	prop. (P_i)	
	35 %	x .30 -	10.50 %
	20 %	x .40 -	8.00 %
	5 %	x .30 -	1.50 %
		Er -	20.00 %

In general

Where, R_i = return from security i
p_i = probability of security i

$$\text{Expected Return } (E_r) = \sum_{i=1}^{n} R_i \times P_i$$

1.6.2.4 Nominal vs real return

In an approximate calculation, the real interest rate is nominal interest rate minus inflation. However, the exact relationship between the real and nominal interest rate is given by

(1 + real interest rate) (1+ inflation) = (1 + nominal interest rate)

Note that the nominal interest rate is the growth rate of the money whereas real interest rate is the groth rate of purchasing power. The above relationship can be rearranged to

Real rate = (nominal rate – inflation)/ (1 + inflation)

1.6.2.5 risk – variance and standard deviation

Variance: The variance of assets returns is the expected value of the squared deviations from the expected return.

Standard deviation: It is a measure of likely deviation of an actual return from the expected return (ex-ante) and also actual deviations of returns from average return (ex-post facto).

(a) **Historical** $(\sigma^2) = \dfrac{\sum_{i=1}^{N} (r_i - \text{Mean } r)^2}{n-1}$

Note- Divide by n-1 (and not by 'n') due to Degrees of Freedom (DOF). For the large data, It may be divided by either by 'n' or 'n-1' the result will not be materially different.

(b) Expected $(\sigma^2) = \sum_{i=1}^{N} p_i (r_i - Er)^2$

Not we will calculate variance and S.D. of return based on data given in point 1.6.2.3

Variance of Return:

	Method 1			**Method 2**		
$(\text{Return})^2$	(Prob.)=	R_i X P_i	(Return-Expected Return)	Difference Squared	P_i	(2)X(3)
			(1)	(2)	(3)	= (4)
$(R_i)^2$	$(P_i)^2$		35-20 = + 15	225	0.30	67.50
1225	X 0.30 =	367.50	20-20 = 0	0	0.40	0
400	X 0.40 =	160.00	5 – 20 = . 15	225	0.30	67.50
25	X 0.30 =	7.50			1.00	1.35
Summation of square of returns						
Multiplied by probability (a)		535.00				

$$\sigma^2 = \sum_{i=1}^{N} P_i \text{ X } (R_i - E_r)^2 = 135$$

Squaring the differences eliminates the plus and minus sign to give a better fool of variability.

Variance = (a) – square of mean=$535-20^2=135$

Standard Deviation of Return

$\sigma = \sqrt{\sigma^2} = \sqrt{135} = 11.62\ \%$

The variability of return around the expected average is a quantitative description of risk. The total variance is the rate of return on a stock around the expected average that includes both systematic and unsystematic risk.

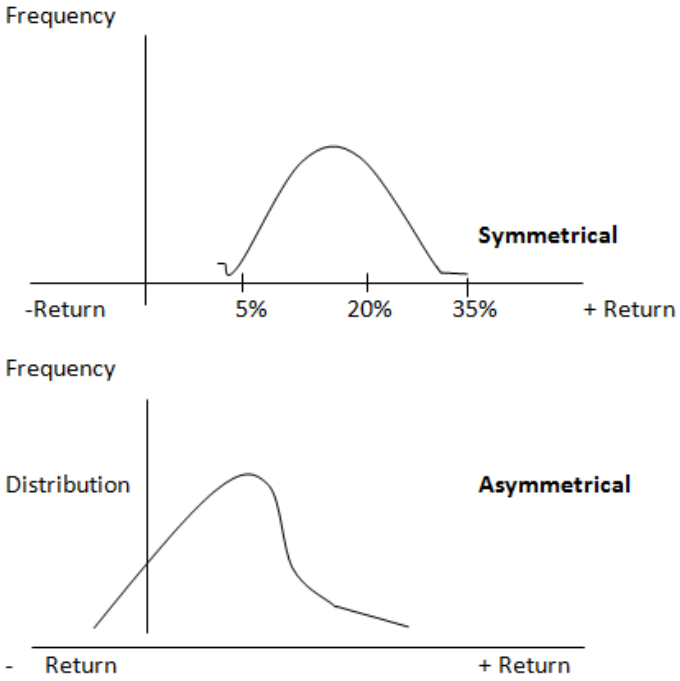
Note that the S.D covers both deviations – above and below the expected return (mean). You would be wondering that why deviation above the mean is considered if we have to measure risk. The result will be the same if the probability distribution is symmetrical and if they are asymmetrical then concept of semi variance will be used.

Symmetrical vs Asymmetrical distribution of Returns:

The probability distribution is symmetrical in its range of possible returns if they are evenly or regularly distributed around the expected return. Such type of distribution is called normal probability distribution and it can be fully described by

a. A measure of central tendency of returns (- the expected return)
b. A measure of the dispersion of the returns around the central tendency (- the variance).

If the returns are not distributed symmetrically around the central tendency then the distributions is called asymmetrical or skewed.



1.6.3 Return and risk of portfolio

When various securities are combined into portfolio, the expected return is simply a **weighted average of the Expected Return** on the individual securities (that makes the portfolio), however, the risk or the portfolio (measured by Standard Deviation) is less than the weighted average risk of the individual securities in the portfolio. Before we go the calculate risk of the portfolio we first must understand two important statistical concepts covariance and correlation coefficient.

1.6.3.1 Covariance and correlation coefficient

Covariance means tendency to move together. The covariance examines the degree to which the variability of the returns on the securities tends to move together. Covariance can either be positive or negative. A positive covariance indicates that the rate of returns on the two securities will tend to move together with in the same direction whereas a negative covariance indicates that the returns will tend to move in the opposite direction. And a zero covariance indicates that the rates of return are independent. In addition, the greater the strength of the co-variability (say, the positive co-variability) then the stronger will be the tendency for the variability in returns between two securities to move together.

Measuring Covariance

If probability is given =

$\sum (r_A - Er_A)(r_B - Er_B) \times$ Probability

If probability is not given =

$$\frac{\sum (r_A - \text{mean } r_A)(r_B - \text{mean } r_B)}{n - 1}$$

Where, r_A = return on security 'A'
r_B = return on security 'B'
Er_A = Expected return on security 'A'
Er_B = Expected return on security 'B'
Mean r_A = mean return on security 'A'
Mean r_B = mean return on security 'B'
n = no. of observations

$$\text{Or, } R_{AB} = \text{Correlation Coefficient (Or coefficient of correlation)} = \frac{Cov_{AB}}{\sigma_A \sigma_B}$$

The correlation coefficient expresses the strength of strength of the linear relationship between two variables (in the case two shares) and can take any value between+ and - 1
between + and - 1

A correlation coefficient of + 1 indicates perfect positive correlation (such that the returns of two shares will vary in perfect lock step: whereas a correlation coefficient of - 1 indicates perfect negative correlation (in this case) returns on two shares will move in perfect negative lock step. It the correlation coefficient is zero then the returns are independent (Uncorrelated) from one another. Further, a positive correlation coefficient but less than + 1 indicates that there is a tendency for the returns on the two shares to move together and a negative correlation coefficient but less than zero (O) and greater than -1, indicates that there is a tendency for the returns to move in opposite direction. The sign of the correlation coefficient determines the sign of the covariance. The correlation coefficient depends upon

a. The covariance between two securities and,
b. The standard Deviation of each security.

Remember that both covariance and correlation measure co-movement-the former measures absolute value and the later rescales the absolute data to facilitate comparison.
Ex. Calculate covariance from the following data

State of nature	1	2	3	4	5
Return A	-26%	-1%	2%	6%	11%
Return B	-9%	-2%	5%	1%	-2%
Probability	.10	.30	.30	.20	.10

1.6.3.2 Selecting Security based on total return and risk

* Apply mean **variance** rule and decide the security. Remember, mean variance rule applies where either mean/ expected returns or variances of the two securities are same.

* It both the securities have different expected returns and risk then mean variance rule fails. In such situation we may use concept of coefficient of variation.

e.g.		A	B	
I	$\sum$	8%	9%	
II	E_r	2%	3%	Select B as it gives lower risk
	Cov=i/ii	4	3	per unit of expected return

Note that the coefficient of variation is not related with the correlation coefficient - both are entirely different concepts

1.6.3.3 Risk of Two risky assets

Total risk of a two assets portfolio (σ_p) is lower than weighted average risk of individual securities except one case (when correlation coefficient is + 1)

$\sigma^2_p = x_1^2\sigma_1^2 + x_2^2\sigma_2^2 + 2\, x_1\, x^2\, COV\,(x_1\, x_2)$
$= x_1^2\, \sigma_1^2 + x_2^2\, \sigma_2^2 + 2x_1\, x^2\, \sigma_1\, \sigma_2 Xr_{1,2}$

Where $r_{1,2}$ (correlation coefficient between returns of securities 1 & 2 =	$\frac{COV\,(X_1, X_2)}{\sigma_1\, \sigma_2}$

Case I: When $r_{1,2} = +1$ then $\sigma_P = X_1\, \sigma_1 + X_2\, \sigma_2$
Case II: When $r_{1,2} = -1$ then $\sigma_P = X_1\, \sigma_1 + X_2\, \sigma_2$

To make $\sigma_P = 0_1$ weight is set as below

$$X_1 = \frac{\sigma_2}{\sigma_1 + \sigma_2} \qquad X_2 = \frac{\sigma_1}{\sigma_1 + \sigma_2}$$

Case III: When $r_{1,2} = 0$ then $\sigma^2_P = x_1^2\, \sigma_1^2 + x_2^2\sigma^2$

Total risk of a portfolio having one risky and one risk free security

$\sigma_P = X_1\, \sigma_1$ in other words σ_P = Weight of risky asset x Risk of risky asset.

1.6.3.4 Multiple risky assets

The analysis of two securities portfolio can be extended to portfolio containing many securities although calculation becomes lengthy.

$E_R = \sum_{i=1}^{n} x_i \text{ X } ER_i$

Where x_i = Portfolio of Funds invested in component i.
ER_i = Expected Return from component i.

Portfolio Variance:

$$\sigma^2_P = \sum_{i=1}^{n} \sum_{i=1}^{n} x1\ x1 \quad R_{1j} \quad \sigma_i\, \sigma_j$$

weight — Correlation Coefficient — S.D.s

X_i = Proportion of total portfolio invested in security i.
X_j = Proportion of total portfolio invested in security j.
R_{ij} = Coefficient of correlation between securities i & J.
σi_i = Standard deviation of Security of i.
σj_j = Standard deviation of Security of j
n = Total number of securities in the portfolio.

$\sum_{i=1}^{N} \sum_{j=1}^{n}$ Double summation means n^2 numbers are to be added together. Each number is obtained by substituting one of the possible of values of i and j in to the expression.

For n=2 (means $n^2 = 2^2 = 4$, numbers are added together).

$\sigma^2_P = X_1 X_1 R_{1,1} \sigma_1 \sigma_2 + X_1 X_2 R_{1,2} \sigma_1 \sigma_2 + X_2 X_1 R_{2,1} \sigma_2 \sigma_1 + X_2 X_2 R_{2,2} \sigma_2 \sigma_2$

$= R_{1,1} = R_{2,2} = 1$ (as positively correlated)

$= R_{2,1} = R_{2,2}$

$$\text{Portfolio variance} = X_1^2 \sigma_1^2 + X_2^2 \sigma_2^2 + 2 X_1 X_2 \sigma_1 \sigma_2 X R_{1,2}$$

If n =3

$\sigma^2_P = X_1^2 \sigma_1^2 + X_2^2 \sigma_2^2 + X_3^2 \sigma_3^2 + 2 X_1 X_2 R_{1,2} \sigma_1 \sigma_2 + 2 X_2 X_3 R_{2,3} \sigma_2 \sigma_3 + 2 X_1 X_3 R_{1,3} \sigma_1 \sigma_3$

1.7 Risk of a portfolio consisting of risky and risk free assets

Two Assets Portfolio-One securities is Risky & One security is Risk Free.

The risk free return is designated as R_F (it is no longer an expected return but is now certain)

$ERp = X\, ER_A + (1 - X) R_F$

$\sigma^2_P = X^2 \sigma^2_A + (i - x)^2 \sigma^2_F + 2x (1 - x) \sigma_A \sigma_F R_{AF}$

Since $\sigma_F = 0$, $\sigma^2_{IP} = x^2 \sigma^2_A + 0 + 0 = x^2 \sigma^2_A$

$$\sigma_{IP} = \sqrt{x^2 \sigma^2_A} = x \sigma_A$$

For three assets

$\sigma^2_P = x_1^2 \sigma_1^2 + x_2^2 \sigma_2^2 + x_3^2 \sigma_3^2 + 2 x_1 X_2 R_{1,2} \sigma_1 \sigma_2 + 2 X_2 X_3 R_{2.3} \sigma_2 \sigma_3 + 2 X_1 X_3 R_{1.3} \sigma_1 \sigma_3 \sigma_3 = 0$

$\sigma^2_P = x_1^2 \sigma_1^2 + x_2^2 \sigma_2^2 + 0 + 2 X_1 X_2 R_{1,2} \sigma_1 \sigma_2$

Ex. 1 Which of the following securities is more risky?

Security 'A'		**Security 'B'**	
R_1	Prob.	R_2	Prob.
20 %	0.30	20 %	0.20
8 %	0.40	8 %	0.60
- 4 %	0.30	- 4 %	0.20

Expected Return	A			B		
	20 % X	0.30 =	6.00 %	20 % X	0.20 =	4.00 %
	8 % X	0.40 =	3.20 %	8 % X	0.60 =	4.80 %
	- 4 % X	0.30 =	-1.20 %	- 4 % X	0.20 =	-0.80 %
		Er_a =	8 %		Er_a =	8 %
Variance	400 X	0.30 =	120.00	400 X	0.20 =	80.00
	64 X	0.40 =	25.60	64 X	0.60 =	38.40
	16 X	0.30 =	4.80	16 X	0.20 =	3.20
		$(Er_a)^2$ =	150.40		$(Er_b)^2$ =	121.60

Variance = 150.4 – 64 = 86.40 S. D. = 9.3 %

Variance = 121.6 – 64 = 57.6 S. D. = 7.6 %

Comment: Both the above investments have an expected return of 8% and both have the same range of outcomes (24 %) but A is more risky because S.D. of A high.

Multiple Assets Portfolio:

Ex. 2

	Shares		
	A	B	C
Expected Return	10	12	8
S.D.	10	15	5
Correlation Coefficient	$R_{1,2} = 0.3$	$R_{2,3} = 0.4$	$R_{1,3} = 0.5$

What are the portfolio risk and and return if following proportions are assigned to each share?

Share A=0.2 **Share B = 0.4** **Share C= 0.4**

Expected return = 2.0 X 10 + 0.4 X 12 + 0.4 X 8 = 10

$\sigma^2_P = x_1^2 \sigma_1^2 + x_2^2 \sigma_2^2 + x_3^2 \sigma_3^2 + 2\, x_1 X_2 R_{1,2} \sigma_1 \sigma_2 + 2\, X_2 X_3 R_{2.3} \sigma_2 \sigma_3 + 2\, X_1 X_3 R_{1.3} \sigma_1 \sigma_3 \sigma_3$

$= 0.2^2 \text{ X } 10^2 + 0.4^2 \text{ X } 15^2 + 0.4^2 \text{ X } 15^2 + 2 \text{ X } 0.2 \text{ X } 0.4 \text{ X } 0.3 \text{ X } 10 \text{ X } 15 + 2 \text{ X } 0.4 \text{ X } 0.4 \text{ X } 0.4 \text{ X } 15 \text{ X } 5 + 2 \text{ X } 0.2 \text{ X } 0.4 \text{ X } 0.5 \text{ X } 10 \text{ X } 5 = 4 + 36 + 4 + 7.20 + 9.6 + 4 = 8$

Important Conclusion

i. So long as the returns of comporients of assets of a portfolio are not perfectly positive correlated, diversification can reduce risk

The degree of reduction depends upon on

a. The extent of statistical interdependence between the returns of the different investments that is correlation coefficient. (The more negative the better) and
b. The number of securities over to which to spread risk (The greater the number, the lower the risk)

1.8 Indifference curve

It represents a set of risk and expected return combinations that provide and investor with the same amount of utility, (Refer discussion about the utility in point 1.4 earlier). The investor is indifferent abut risk return combinations on the same indifference curve. It is drawn by plotting risk (S.D) on the X-axis and reward (expected return) on Y-axis. An investor has an infinite number of indifference curves. The assumption of risk aversion and non satiation makes indifference curve positively slopped and convex. Remember that investors are risk averse but this does not mean that all have similar degrees of risk aversion.

1.9 Investment objectives

The objectives can be classified on the basis of the investors approach as follows:-

1- Short-term high priority objective.
2- Long-term high priority objective.
3- Low priority objective.
4- Money making objective.

1.10 Factors influencing

selection of investment alternatives- There are several constraints that an individual has to take into account before making an investment. This include:-

Liquidity, Age, Taxes, Need for Regular income, Time Horizon, Risk Tolerance, Lack of time and Price Discovery.

1.11 Element of investment

1- Return, 2- Risk and 3- Time.

CONCLUSION

It is important to understand that equity share are not recommended for all investors. If you are past sixty, and depend on your saving for living. I would strongly advise you not to buy and hold equity share only but also in other securities which gives a regular income in periodic interval. On the other hand, If you are young and resilient enough to take risks, the stock market can be quite interesting and rewarding.

- Do not Speculate.
- Do not invest in new issues.
- Limit the number of scrip in your portfolio.
- Invest for the long term.
- Invest in real value.
- Invest in sunrise industries.
- Set a limit to your greed.

RECOMMENDATION.

A portfolio include not only equity shares, but all other major categories of investment, like houses or flats, bank account, company deposits and debentures, mutual funds, gold and silver, etc. You may also notice that a certain risk-profile is assumed for each investor. If your actual risk profile is different from the ones assumed due to reasons like family background, inheritance, etc. You should modify you investment strategy

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