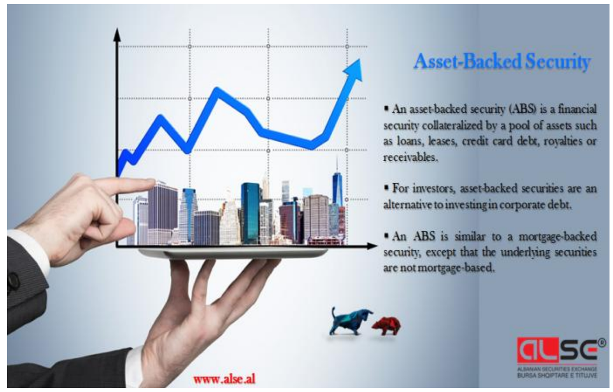
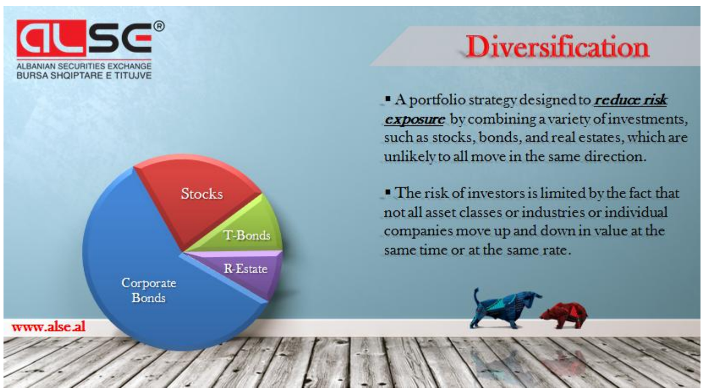
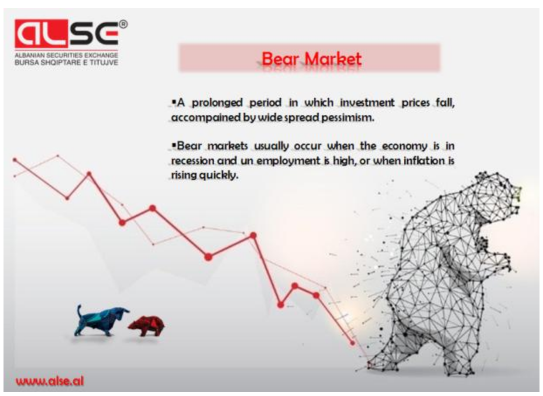
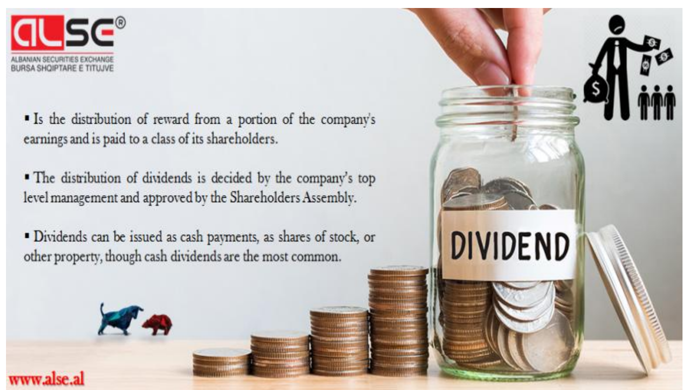

Financial Statement
▪ A written report which quantitatively describes the financial health of a company.
▪ This includes an income statement and a balance sheet, and often also includes a cash flow statement.
▪ Financial statements are usually complied on a quaterly and annual basis.
www.alse.al
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE

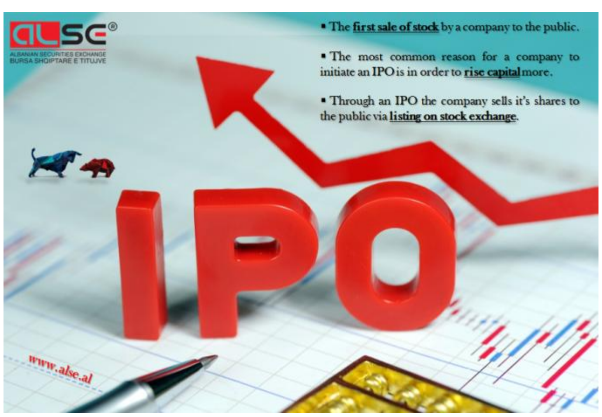

Asset-Backed Security
▪ An asset-backed security (ABS) is a financial security collateralized by a pool of assets such as loans, leases, credit card debt, royalties or receivables.
▪ For investors, asset-backed securities are an alternative to investing in corporate debt.
▪ An ABS is similar to a mortgage-backed security, except that the underlying securities are not mortgage-based.
www.alse.al
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE


ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
Diversification
▪ A portfolio strategy designed to reduce risk exposure by combining a variety of investments, such as stocks, bonds, and real estates, which are unlikely to all move in the same direction.
▪ The risk of investors is limited by the fact that not all asset classes or industries or individual companies move up and down in value at the same time or at the same rate.
Stocks
T-Bonds
R-Estate
Corporate Bonds
www.alse.al


ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
Bull Market
▪ A prolonged period in which investment prices rise faster than their historical average.
▪ Bull markets can happen as a result of an economic recovery, an economic boom, or investor psychology.
www.alse.al


ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
Bear Market
▪A prolonged period in which investment prices fall, accompained by wide spread pessimism.
▪Bear markets usually occur when the economy is in recession and un employment is high, or when inflation is rising quickly.
www.alse.al

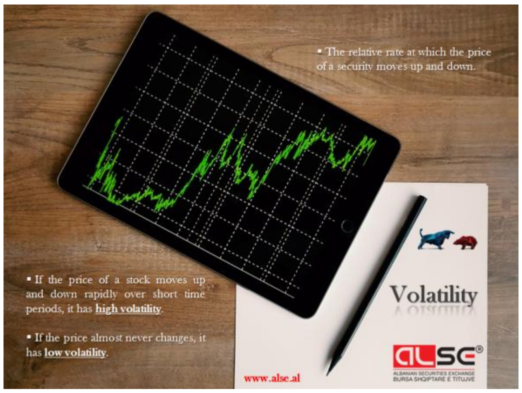

ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
▪ Is the distribution of reward from a portion of the company's earnings and is paid to a class of its shareholders.
▪ The distribution of dividends is decided by the company's top level management and approved by the Shareholders Assembly.
▪ Dividends can be issued as cash payments, as shares of stock, or other property, though cash dividends are the most common.
DIVIDEND
www.alse.al


ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
▪ The first sale of stock by a company to the public.
▪ The most common reason for a company to initiate an IPO is in order to rise capital more.
▪ Through an IPO the company sells it's shares to the public via listing on stock exchange.
IPO
www.alse.al

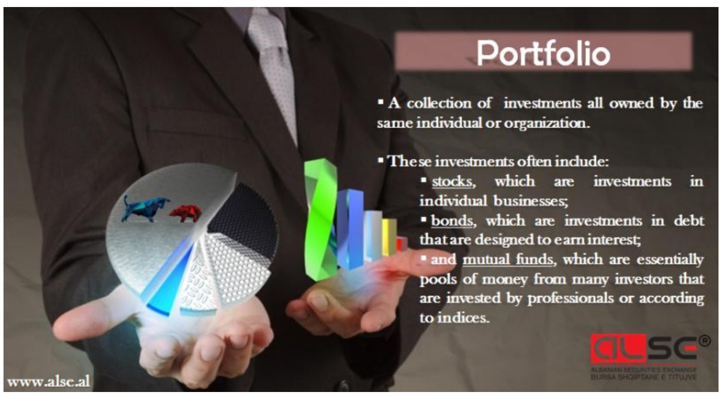

Market Order
A buy or sell order in which the broker is to execute the order at the best price currently available.
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
BUY
SELL
www.alse.al

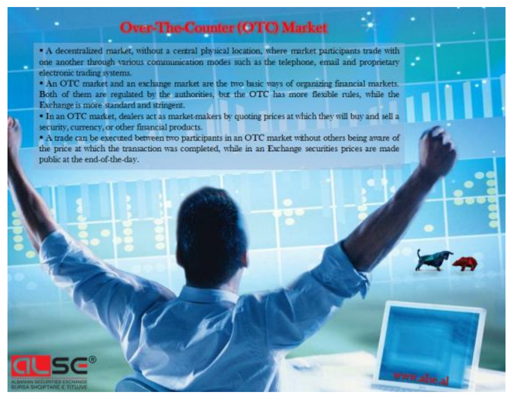

Mutual Funds
▪ An open-ended fund operated by an investment company which raises money from shareholders and invests in a group of assets, in accordance with a stated set of objectives.
▪ Mutual funds raise money by selling shares of the fund to the public, much like any other type of company can sell stock in itself to the public.
▪ Mutual funds then take the money they receive from the sale of their shares (together with profits accumutated) and use it to purchase various investment vehicles, such as stocks, bonds and money market instruments.
MUTUAL FUNDS
www.alse.al

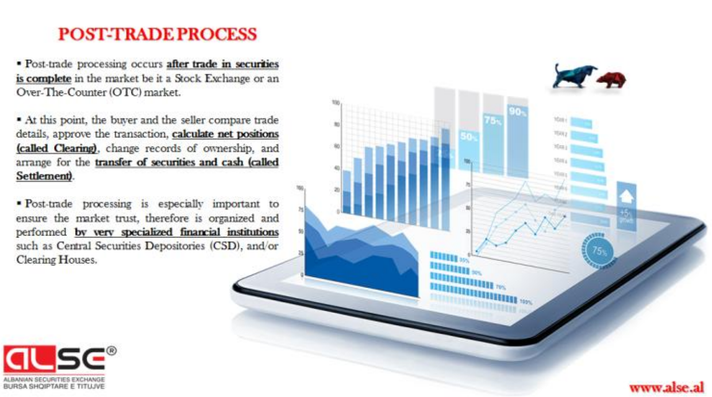

STOCKBROKER
▪ Is a professional who executes buy and sell orders for stocks and other securities on behalf of clients.
▪ A stockbroker may also be known as an investment adviser or simply, broker.
▪ Stockbrokers are usually associated with a brokerage firm and handle transactions for both retail and institutional investors. Stockbrokers often receive commissions for their services.
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
BUY
SELL
1,600
1,500
www.alse.al


▪ The relative rate at which the price of a security moves up and down.
▪ If the price of a stock moves up and down rapidly over short time periods, it has high volatility.
▪ If the price almost never changes, it has low volatility.
Volatility
www.alse.al
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE


Trading Session
▪ Is a period of time that matches the primary daytime trading hours for a given Stock Exchange or other organized markets.
▪ The trading session that investors or traders take into account, starts with the market's opening bell to its closing bell. The markets for all have different characteristics that define their respective trading sessions for a given day, and the primary
▪ The trading sessions and trading hours are different for different trading instruments (forex, futures, stocks, and bonds, etc.).
▪ The trading sessions and trading hours are different from one country to another depending on time zones the Stock Exchange is located.
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
www.alse.al


Portfolio
▪ A collection of investments all owned by the same individual or organization.
▪ These investments often include:
▪ stocks, which are investments in individual businesses;
▪ bonds, which are investments in debt that are designed to earn interest;
▪ and mutual funds, which are essentially pools of money from many investors that are invested by professionals or according to indices.
www.alse.al


Over-The-Counter (OTC) Market
▪ A decentralized market, without a central physical location, where market participants trade with one another through various communication modes such as the telephone, email and proprietary electronic trading systems.
▪ An OTC market and an exchange market are the two basic ways of organizing financial markets. Both of them are regulated by the authorities, but the OTC has more flexible rules, while the Exchange is more standard and stringent.
▪ In an OTC market, dealers act as market-makers by quoting prices at which they will buy and sell a security, currency, or other financial products.
▪ A trade can be executed between two participants in an OTC market without others being aware of the price at which the transaction was completed, while in an Exchange securities prices are made public at the end-of-the-day.


POST-TRADE PROCESS
▪ Post-trade processing occurs after trade in securities is complete in the market be it a Stock Exchange or an Over-The-Counter (OTC) market.
▪ At this point, the buyer and the seller compare trade details, approve the transaction, calculate net positions (called Clearing), change records of ownership, and arrange for the transfer of securities and cash (called Settlement).
▪ Post-trade processing is especially important to ensure the market trust, therefore is organized and performed by very specialized financial institutions such as Central Securities Depositories (CSD), and/or Clearing Houses.
ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
www.alse.al


ALBANIAN SECURITIES EXCHANGE
BURSA SHQIPTARE E TITUJVE
www.alse.al
Treasury Bill
Treasury Bill
▪ A negotiable debt obligation issued by a government and backed by its full faith and credit, having a maturity of one year or less.
▪ In general their maturity is either 3, 6 or 12 months.
▪ T-Bills are bought at a discounted price and pay the full nominal value at maturity.
▪ The difference between nominal value and the discounted price is the gross profit for the investor (before taxes).