

Evaluating The Effects of Fundamental Analysis on Earnings Per Share Concept in Stock Valuation in the Zimbabwe Stock Exchange Market

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Abstract : A technique for analyzing a security's intrinsic value is called fundamental analysis. It involves looking at relevant financial, economic, and other qualitative and quantitative aspects. Earnings Per Share (EPS), a crucial metric in fundamental analysis, is calculated by dividing a company's net income by the total number of outstanding shares. With more than 70 listed businesses, the Zimbabwe Stock Exchange (ZSE) is the primary stock exchange in Zimbabwe. This study applies the EPS financial ratio and stock valuation techniques to historical stock data from 68 companies listed on the Zimbabwe Stock Exchange. According to a ZSE study, EPS significantly affects share prices that are listed on the market. The study's objective was to assess how fundamental analysis affected the idea of EPS in ZSE stock valuation. It concluded that EPS is an important consideration for investors when they make judgments about their investments. According to the study's findings, fundamental analysis is a useful tool for ZSE investors since it offers insightful information about a company's financial performance and aids in decision-making. Investors can have a better understanding of a company's underlying worth and prospects for future growth by looking into EPS and other basic aspects.

Keywords : fundamental analysis, stock valuation, EPS, share pricing

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