



In the current study, we consider a single stock whose cost ~~observes-exhibits~~ a regime-switching geometric Brownian motion, and that which it pays no dividends in the current study. Given the current price of the shares, a sold axiom is configured based on target price and stop-loss limits. "Sell" decisions are made when any target price, or price setting, or stop-loss limit is reached or stop-loss limit is reached. One Investors often pickup choose the bad stocks or the make purchases made is at the wrong time in reality, and they must. So, it is necessary to sell it these bad purchases as soon as possible to stop their losses. In practice, a typical target price, is typically around a gain of around 15%—5-5%, and awhile stop-loss limits generally vary from 5% to 20%. However, it is inadvisable, however, not a good idea to adopt uniform profit-taking because, each stock is different and has its own unique characteristics. Moreover, each stock should be handled differently with based on different rules of liquidation.

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Commented [E3]: The intended meaning of this phrase is difficult to determine, and so it has not been fully revised. Consider rewording the highlighted text to make the meaning of this sentence more apparent.

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In this study, we consider a set of target prices and stop-loss limits and choose target price and a stop-loss Limit in that set the values for these parameters that to enhance an expected reward functions. In addition, we aim, at to deriving this price limits. and in addition, we get obtain the expected target period that is expected and the probability of losing money to make money. The most commonly used criteria, in fact, for measuring the a portfolio's performance of the portfolio is the return rate is per hour. However, such using this criterion has lead to generates many transactions because of it encourages small some profit-taking within a short holding time τ_0 . Clearly Therefore, such a criterion is clearly not suitable to for retail investors because of the. The reason for this is the limited time available for trading and the a Additional transaction costs. In contrast, applying a A discount factor, in contrast rules out eliminates the need for very frequent transactions because the time factor is

replaced by α discount rate. This α discounted r -reward function is natural-common in many financial problems.