

## **ABSTRACT**

This study aims to identify the opportunities of diversifying the portfolios at the international level. It is to be analyzed that which stock market and investment horizons are beneficial in terms of returns gained by the Pakistani investors. Stock markets index returns of emerging countries Pakistan, India, China and Bangladesh are the basis of this investigation. This study relates to the quantitative method of analyzation whereby stock index returns of four stock markets are used from the time period of April 2013 to October 2019. Findings show that while using MGARCH-DCC it is shown that there are higher portfolio diversification benefits in Chinese stock market for Pakistani investors than the other regardless of different volatilities in previous years and while analyzing the data through CWT it is indicated that investors will gain better returns when they go for short term investment horizons (such as for two to four days, four to eight days, eight to sixteen days etc..) ignoring the long term investment holding periods. This research is only limited to the four stock markets and time period. It provides investors a perspective that how can these investors get better returns from these stock markets. This study also contributes at academic level in terms of investment decision analysis in terms of stock markets.