

## **Growth and Value Investment Strategies in a War Affected Market: Evidence from Colombo Stock Exchange**

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The objectives of this study are to investigate whether the value stocks outperform the growth stocks and to identify whether there is a structural break with the end of the twenty-year war prevailed in Sri Lanka. Finance literature, specifically related with value and growth agreement in developed capital markets, has concluded with contradictory results and the attention towards frontier markets such as Sri Lanka is poor. Current strategy incorporates Wilcoxon Rank Test and Chow Test for daily data for period from 2000 to 2018. The study found that the higher returns enjoyed by the investors who invested in growth portfolios in war period. In post-war period, the value portfolio returns outperform growth portfolio returns. Further, no structural break was detected during the period. The results revealed that the contribution of the value stocks were higher in post war period (2009-2018).

**Keywords:** *Colombo Stock Exchange, Growth Stocks, Value Stocks, Dividend Yield Price to Earnings Ratio, Structural Break*

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