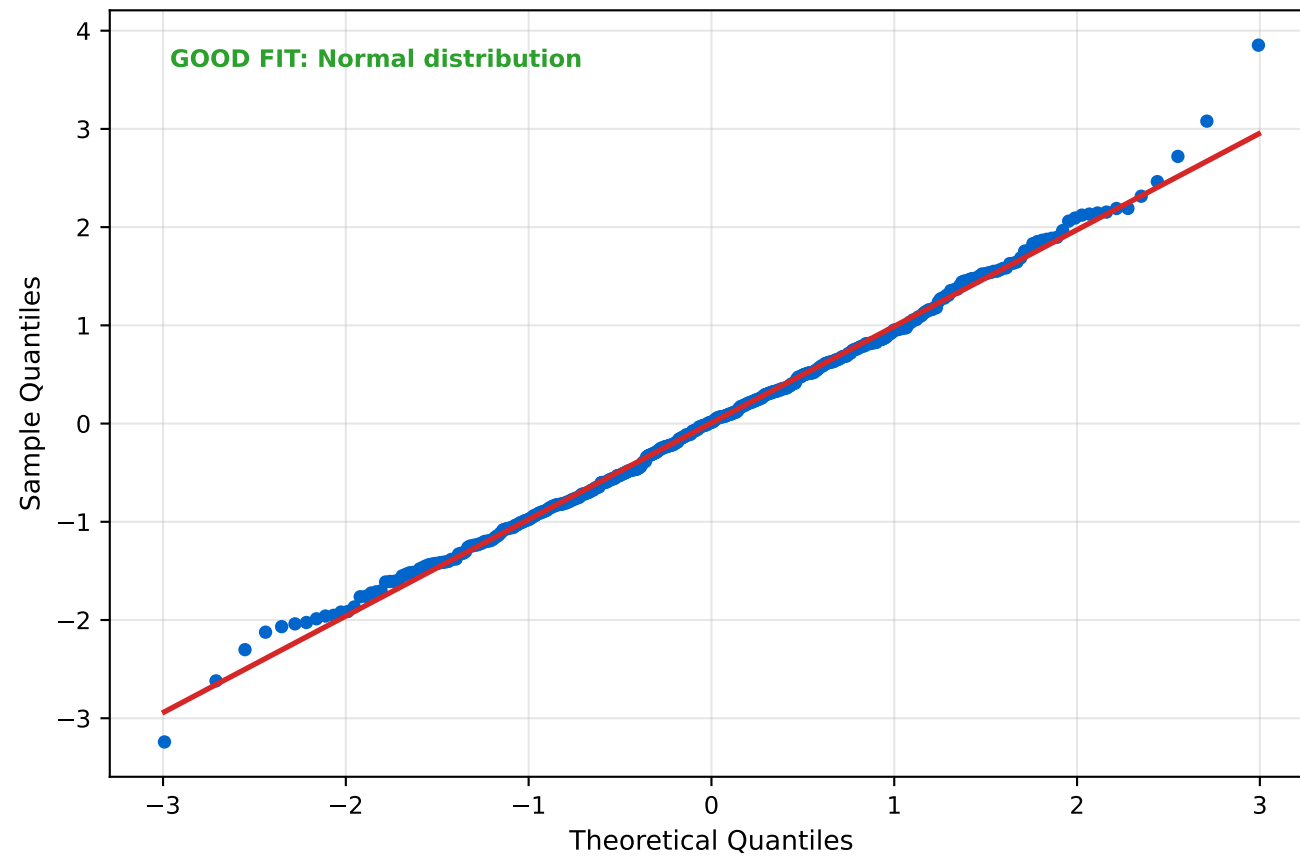
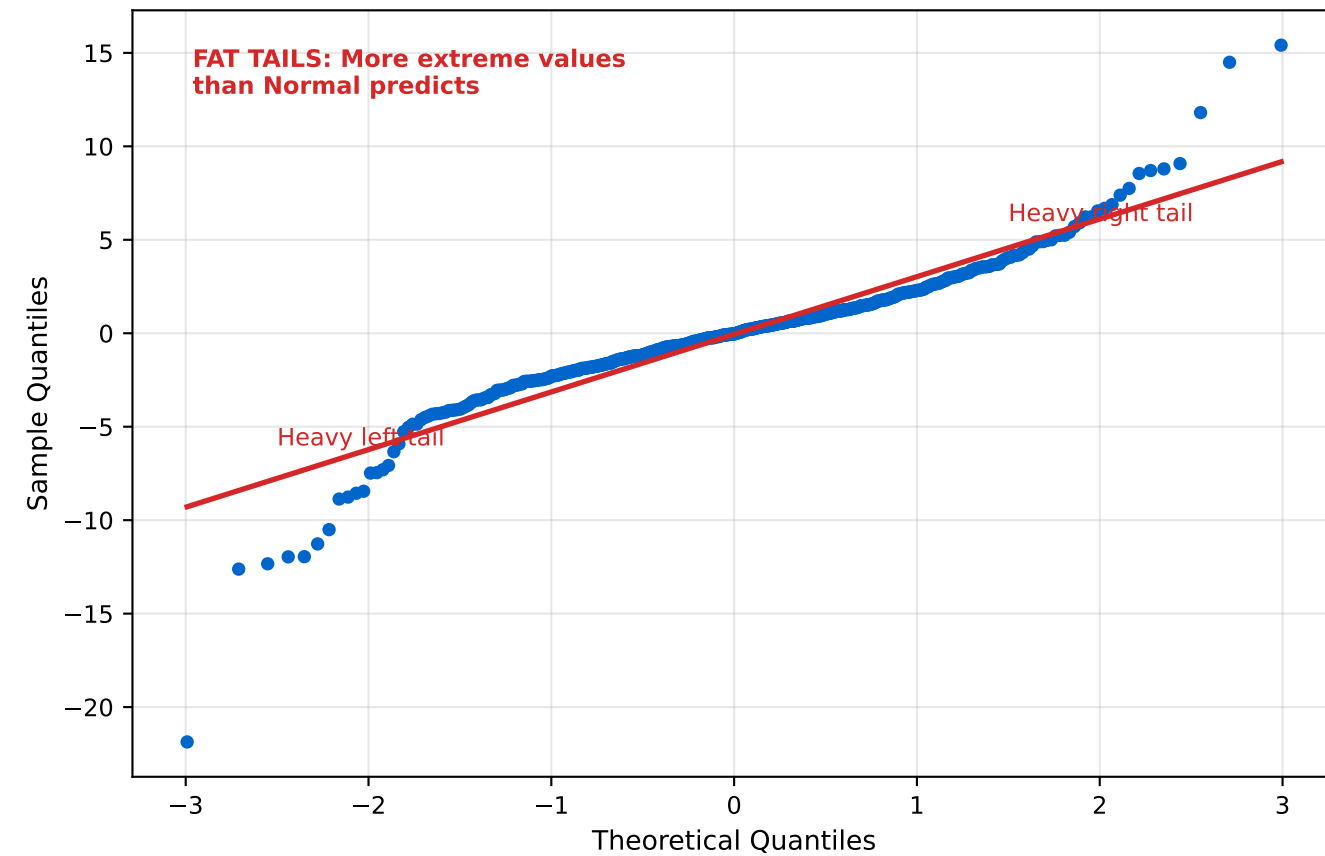


QQ Plots: Checking Distribution Fit

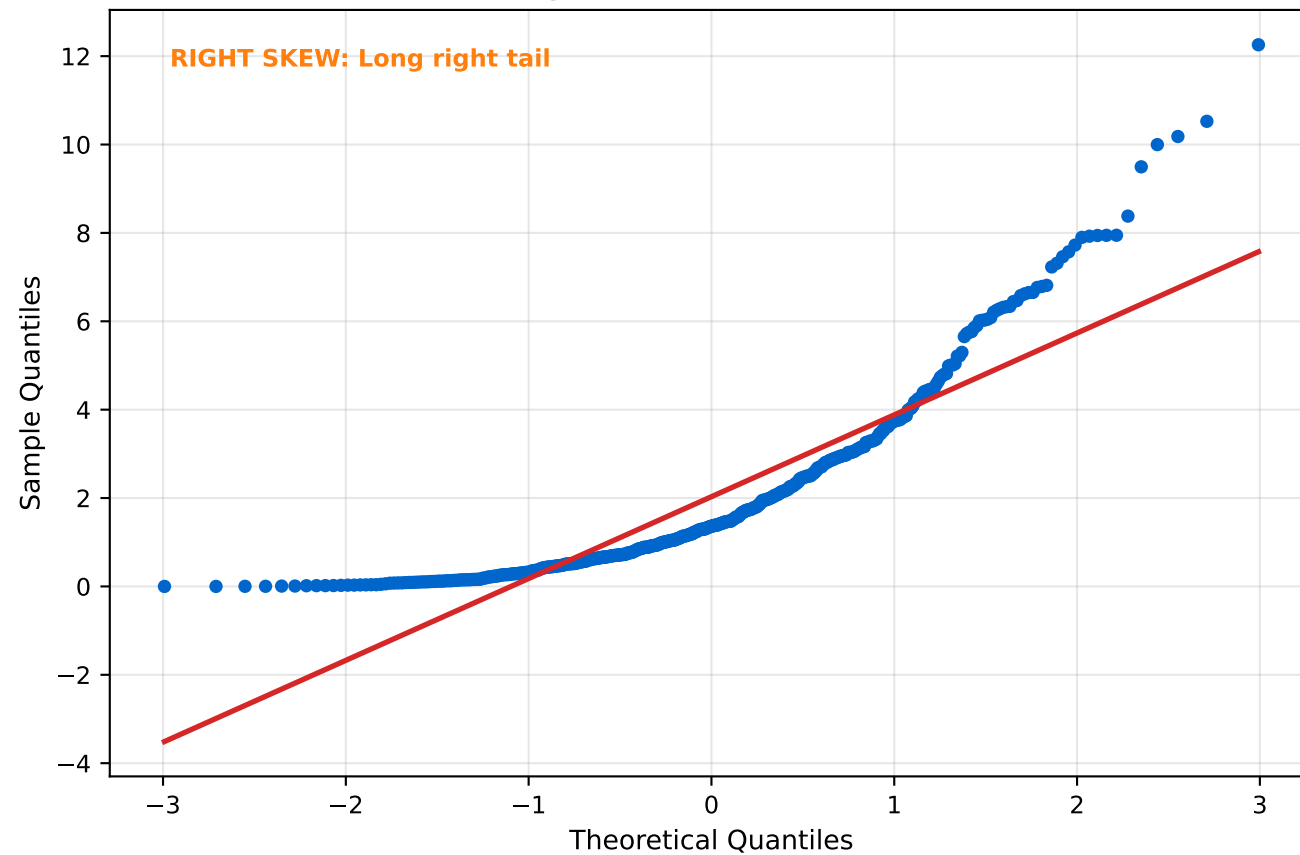
Normal Data: Points Follow Line



Fat Tails: S-curve at Extremes



Right Skewed: Curve Up



QQ Plot Interpretation Guide

Points on line:

Data follows normal distribution

S-curve (both ends deviate):

Fat tails (leptokurtic) - common in finance!

Curve up (right end above):

Right skewed (positive skew)

Curve down (right end below):

Left skewed (negative skew)

Points above line:

Heavier tails than normal

Points below line:

Lighter tails than normal

```
Use: stats.probplot(data, dist="norm", plot=ax)
```