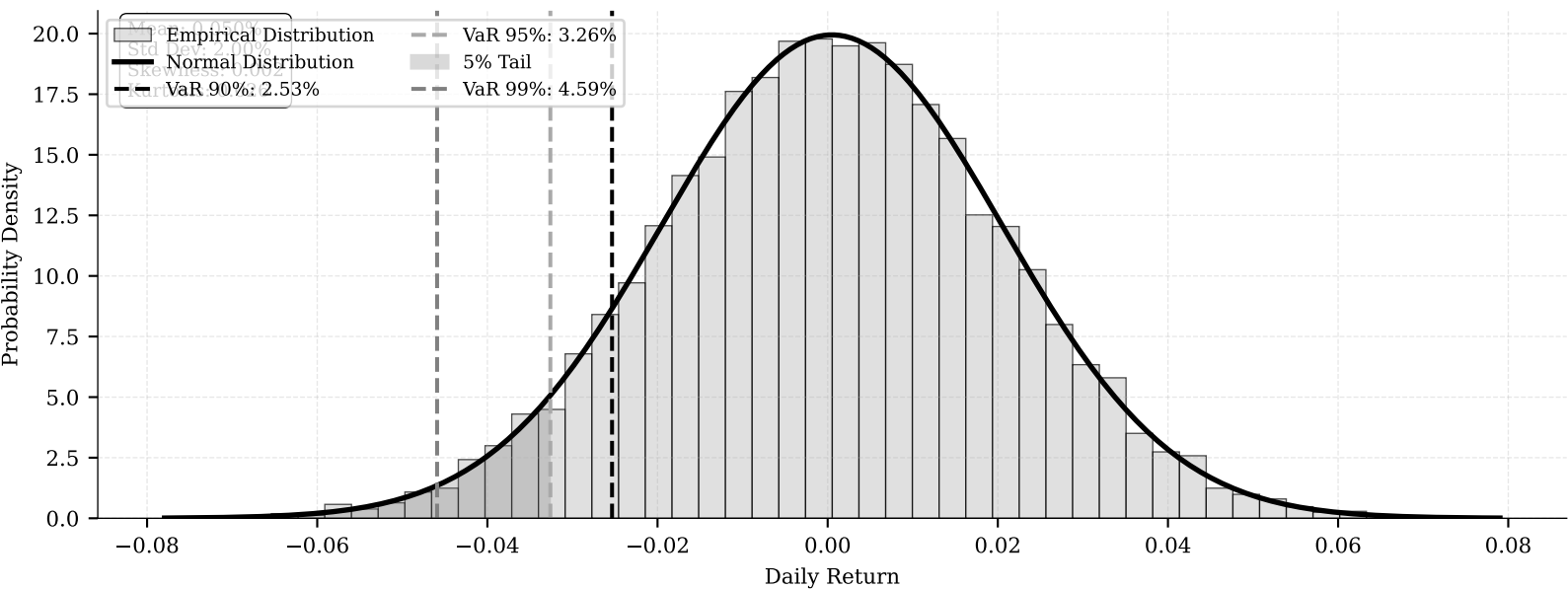


Value at Risk (VaR) Analysis [SYNTHETIC DATA]

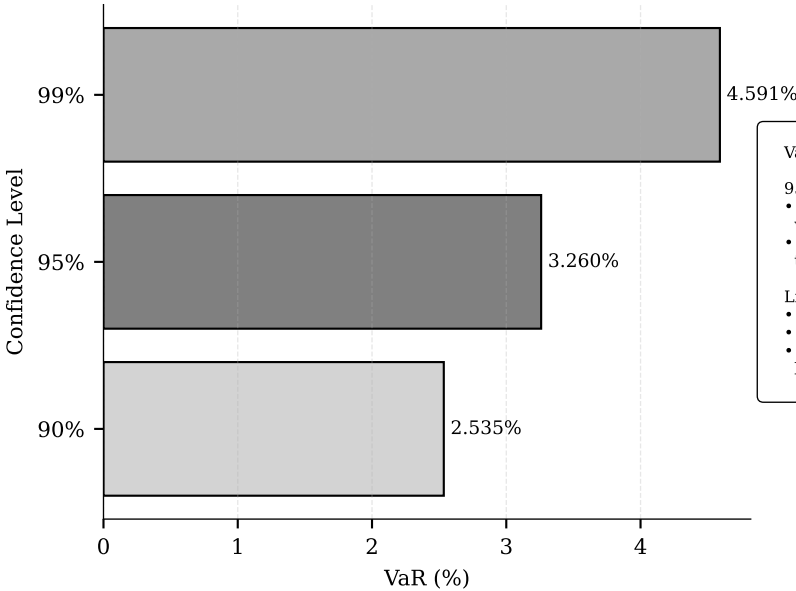
Return Distribution and Value at Risk (VaR)



VaR Summary (Portfolio: \$10M)

Confidence Level	VaR (%)	VaR (\$)	Expected Loss
90%	2.535%	\$253,460	3.478%
95%	3.260%	\$325,972	4.101%
99%	4.591%	\$459,109	5.344%

VaR by Confidence Level



VaR Interpretation:

95% VaR = 3.14% means:

- 95% confidence that daily loss will not exceed 3.14%
- OR: 5% chance of losing more than \$314,000 in one day

Limitations:

- Assumes normal distribution
- Ignores tail risk (fat tails)
- No info about magnitude beyond VaR threshold