Chapter 2: Python for finance

- The most essential things in finance are data, models and visualization. We are going to talk about data and visualization here. If you want to import a database, you can use the pandas read_csv () or read_txt () or read_excel () functions.

- It is important to work with the percentages of variations if you want to compare stock market assets. Indeed, stock market assets have very different prices so if you earn $ 5 on a $ 50 share or $ 5 on a $ 500 share this is completely different. With the $ 500 share you would have had a return of 1% while for the $ 50 share you would have had a return 10%.

- In finance, the most important thing is data. If you have good data you will have investments that are profitable. This is why it is essential to use visualization tools to understand how the data is distributed. To view you can use the pandas function for more convenience if you have a dataframe with the pandas plot () function.

- Autocorrelating a variable can be very useful as it indicates that the price of this stock market asset is correlated with itself and this can provide us with better estimates for the models.

- Moving averages allow us to highlight trends in our assets. You can also use it as an input to the Machine Learning preacher models we will be creating.