**DISCLAIMER**

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| --- | --- | --- | --- | --- |
| Stock | Stocks Name | Return | Standard deviation(risk) | Weightage of portfolio |
| 1 | ETWO | 27.36% | 0.028697532 | 10% |
| 2 | ESQ | 20% | 2% | 10% |
| 3 | ESAT | 10% | 2% | 10% |
| 4 | ESSA | 7% | 2% | 10% |
| 5 | ETD | 9% | 2% | 10% |
| 6 | ETNB | -24% | 5% | 10% |
| 7 | ETRN | 25% | 2% | 10% |
| 8 | EU | -7% | 3% | 10% |
| 9 | EVC | -42% | 7% | 10% |
| 10 | EVCM | 18% | 2% | 10% |

Sure, let's delve into a more detailed analysis of each stock in the portfolio, considering their return, risk, and how they impact the overall portfolio.

EXPLANATION

Detailed Stock Analysis

1. ETWO (Evertec Inc.):

* Return: 27.36%
* Risk (Standard Deviation): 2.87%
* Weight in Portfolio: 10%
* Analysis:
* High Return: ETWO offers a very high return compared to other stocks in the portfolio.
* Moderate Risk: Despite the high return, the risk is relatively moderate.
* Positive Impact: This stock is a strong positive contributor to the portfolio's overall return due to its high return and manageable risk.

2. ESQ (Esquire Financial Holdings Inc.):

* + Return: 20%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + Good Return: ESQ offers a solid return with low risk.
  + Low Risk: The risk is minimal, making it a safe investment.
  + Stable Contributor: ESQ adds stability to the portfolio with its good return and low risk.

3. ESAT (Establishment Labs Holdings Inc.):

* + Return: 10%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + Moderate Return: ESAT has a moderate return with low risk.
  + Low Risk: The risk is low, contributing to the portfolio's overall stability.
  + Consistent Performance: ESAT provides consistent returns, adding to the portfolio's stability.

4. ESSA (ESSA Bancorp Inc.):

* + Return: 7%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + Lower Return: ESSA offers a lower return but with low risk.
  + Low Risk: The risk is minimal, providing a stabilizing effect on the portfolio.
  + Safe Investment: ESSA is a safe investment that helps balance the higher-risk stocks in the portfolio.

5. ETD (Ethan Allen Interiors Inc.):

* + Return: 9%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + Moderate Return: ETD provides a moderate return with low risk.
  + Low Risk: The risk is low, similar to ESSA.
  + Positive Contributor: ETD is a stable contributor to the portfolio's return with minimal risk.

6. ETNB (89bio Inc.):

* + Return: -24%
  + Risk (Standard Deviation): 5%
  + Weight in Portfolio: 10%
  + Analysis:
  + High Negative Return: ETNB has a significant negative return.
  + High Risk: The risk is high, contributing to the portfolio's overall risk.
  + Negative Impact: ETNB significantly detracts from the portfolio's performance due to its high negative return and high risk.

7. ETRN (Equitrans Midstream Corporation):

* + Return: 25%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + High Return: ETRN offers a high return with low risk.
  + Low Risk: The risk is minimal, making it one of the best investments in the portfolio.
  + Strong Positive Contributor: ETRN is a strong positive contributor to the portfolio's overall return.
* 8. EU (European Wax Center Inc.):
  + Return: -7%
  + Risk (Standard Deviation): 3%
  + Weight in Portfolio: 10%
  + Analysis:
  + Negative Return: EU has a negative return, which detracts from the portfolio's performance.
  + Moderate Risk: The risk is moderate.

- Slightly Negative Impact: EU slightly detracts from the portfolio's performance due to its negative return.

9. EVC (Entravision Communications Corporation):

* + Return: -42%
  + Risk (Standard Deviation): 7%
  + Weight in Portfolio: 10%
  + Analysis:
  + Very High Negative Return: EVC has the highest negative return in the portfolio.
  + Very High Risk: The risk is also very high.
  + Significant Negative Impact: EVC is the worst performer, significantly detracting from the portfolio's overall return.

10. EVCM (EverCommerce Inc.):

* + Return: 18%
  + Risk (Standard Deviation): 2%
  + Weight in Portfolio: 10%
  + Analysis:
  + Good Return: EVCM offers a good return with low risk.
  + Low Risk: The risk is minimal.
  + Strong Positive Contributor: EVCM is a strong positive contributor to the portfolio's overall return.

Summary of Analysis

* + High Return, Moderate Risk: ETWO, ETRN, and EVCM offer high returns with manageable risks. These stocks are strong positive contributors to the portfolio.
  + Good Return, Low Risk: ESQ provides a good return with low risk, making it a stable and positive contributor.
  + Moderate Return, Low Risk: ESAT, ESSA, and ETD offer moderate returns with low risks, adding stability to the portfolio.
  + Negative Return, High Risk: ETNB and EVC have high negative returns with high risks, significantly detracting from the portfolio's performance.
  + Negative Return, Moderate Risk: EU has a negative return with moderate risk, slightly detracting from the portfolio's performance.

Recommendations

* Reduce Weight of Poor Performers: Consider reducing the weight of high-risk, poor-performing stocks like EVC and ETNB to minimize their negative impact on the portfolio.
* Increase Weight of Strong Performers: Increase the weight of strong performers like ETRN and EVCM to enhance the overall portfolio returns.
* Monitor and Rebalance: Regularly monitor the performance and risk levels of the stocks and rebalance the portfolio as necessary to maintain a balance between risk and return.