Team#: **Name:** **UIN:**

Assignment #5

Due by 11/30/2023

This is an assignment for **everyone** (**not teamwork**). Using the data from assignment#4 to complete the following assignments:

1) **Using 1-year rolling window method and applying ZCAPM model to estimate betas and zetas for all the available individual stocks**
2) **Form 25 (5X5) out-of-sample beta and zstar sorted portfolios and rebalance them every month**

The portfolios are formed using equal - and 1/(var(error term))-weight schemes.

Plot the monthly average realized returns of these portfolios in the std and return coordinators.