**PART 2 HWK 1 (HOMEWORK ON DIVERSIFICATION)**

* Using the data in fourty\_IJR\_stocks.csv --IN MISCELLANEOUS-- (these are 40 small cap stocks from the iShares IJR ETF)…
* …and the program 3.ClassicMarkowitz\_MinimumVariancePortfolio.py (also in MISCELLANEOUS)
* Calculate the portfolio statistics of the minimum variance portfolio, in particular the annualized volatility, for the 5 first stocks (from left to right), the first 10 stocks, then 15, 20, 25, 30, 35 and 40 stocks.
* Plot the volatility vs the number of stocks in the portfolio in an excel spreadsheet.
* We suggest you write-in and use the line data=data.iloc[:,0:n] where n is the number of desired stocks. What do you observe?

**DELIVERABLES:**

* Plot the volatility vs the number of stocks in the portfolio in an excel spreadsheet.
* Verify if the results are the ones expected according to the presentation on Effects of Diversification.