Random Walk III - Solution

# Question Explanation (20 words)

This task simulates a random walk using Facebook's stock returns and adds a new 'random' price column to fb.

# Answer Explanation (20 words)

We take the first FB price, adjust random walk, compute cumulative product, insert as a new column, and plot.

# Full Code Answer

# Select fb start price here  
start = fb.price.first('D')  
  
# Add 1 to random walk and append to start  
random\_walk = random\_walk.add(1)  
random\_price = start.append(random\_walk)  
  
# Calculate cumulative product here  
random\_price = random\_price.cumprod()  
  
# Insert into fb and plot  
fb['random'] = random\_price  
fb.plot()  
plt.show()

