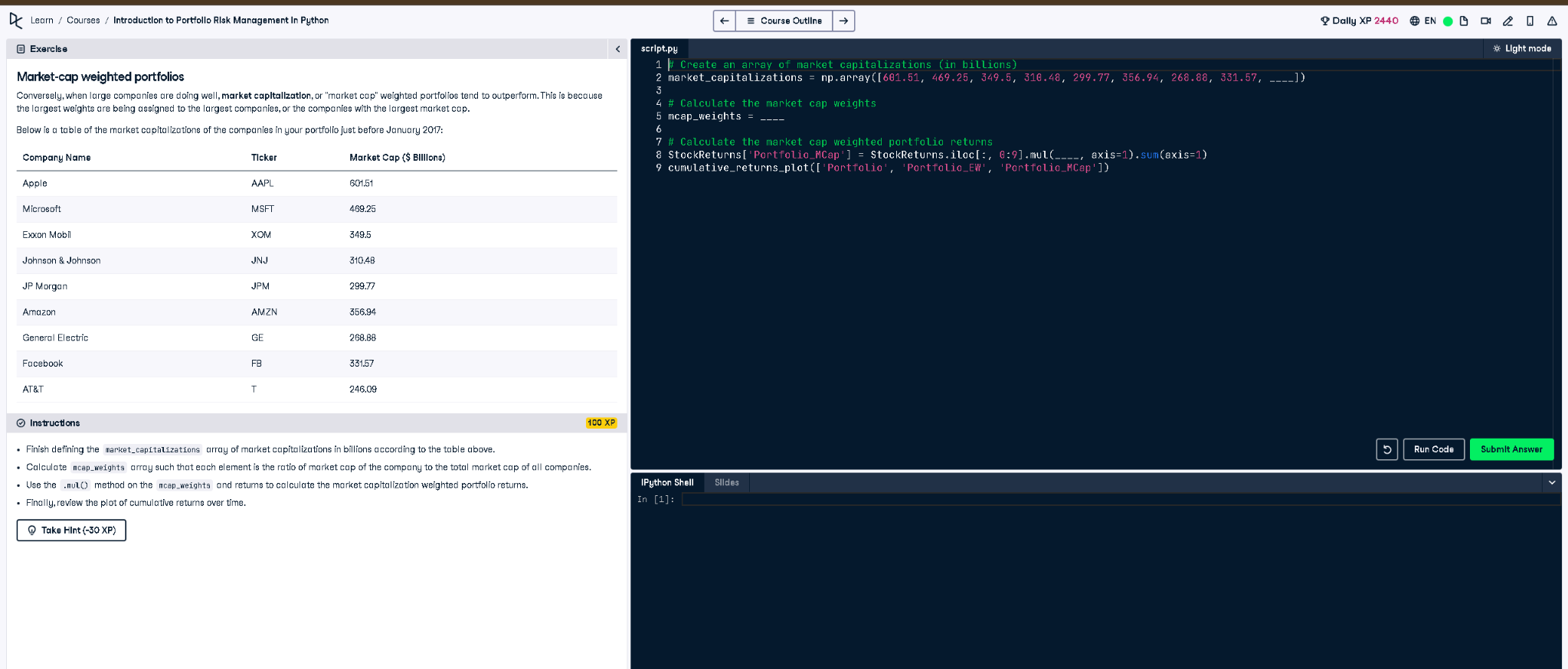
# Market Cap Weighted Portfolio



## Python Code

# Create an array of market capitalizations (in billions)  
market\_capitalizations = np.array([601.51, 499.25, 349.5, 310.48, 299.77, 356.94, 268.88, 331.57, 246.09])  
  
# Calculate the market cap weights  
mcap\_weights = market\_capitalizations / np.sum(market\_capitalizations)  
  
# Calculate the market cap weighted portfolio returns  
StockReturns['Portfolio\_MCap'] = StockReturns.iloc[:, 0:9].mul(mcap\_weights, axis=1).sum(axis=1)  
  
# Plot cumulative returns  
cumulative\_returns\_plot(['Portfolio', 'Portfolio\_EW', 'Portfolio\_MCap'])

## Explanation (Simple Words)

This code creates a portfolio weighted by market capitalization. Each stock's weight is calculated as its market cap divided by the total market cap. These weights are used to compute the weighted return. Finally, the returns for different portfolio strategies are plotted for comparison over time.