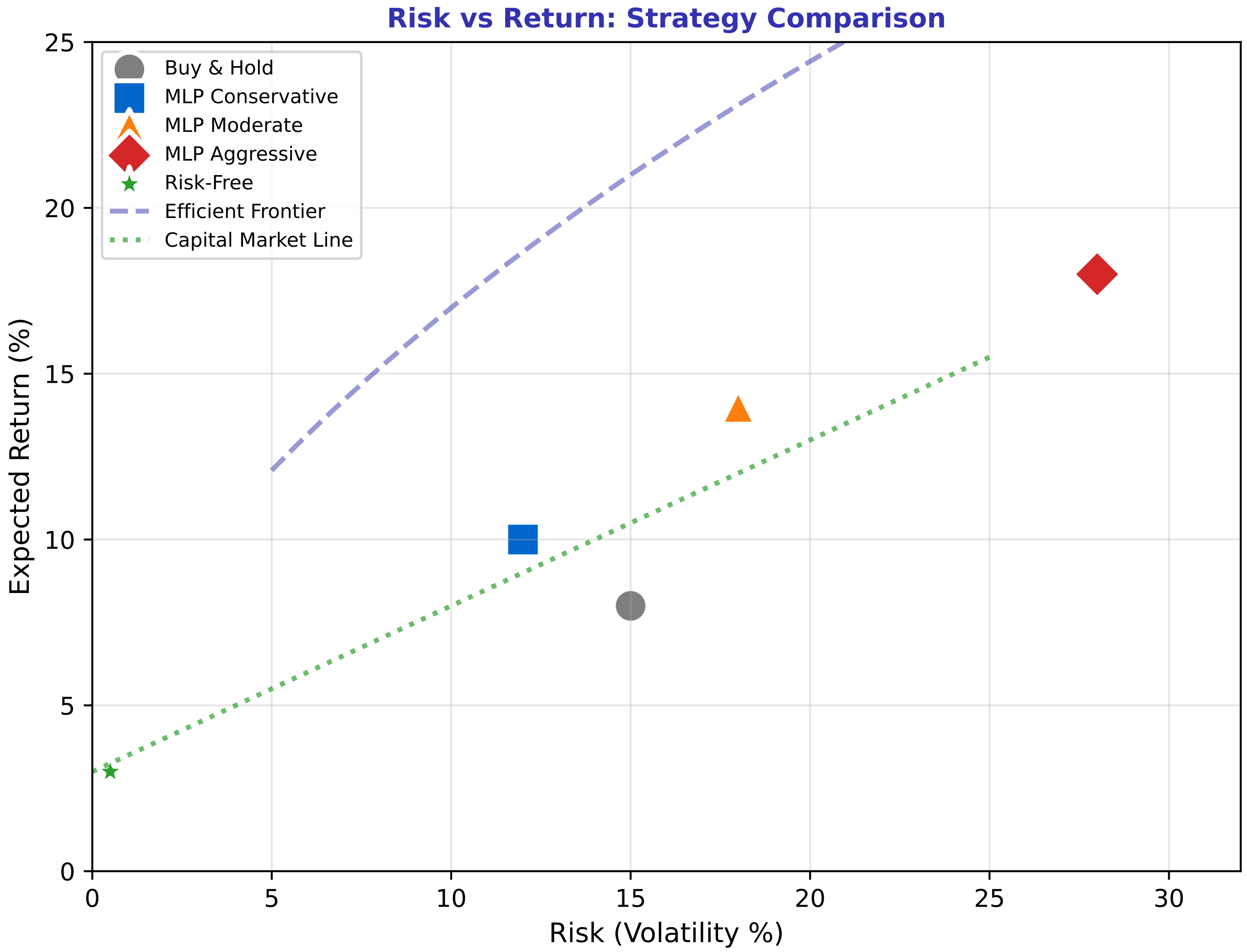
Risk-Adjusted Performance: The Complete Picture



Key Risk Metrics

Sharpe Ratio	$(R_p - R_f)/\sigma_p$	Risk-adjusted return
Sortino Ratio	$(R_p - R_f)/\sigma_d$	Only downside risk
Max Drawdown	$\max(Peak - Trough)$	Worst loss from peak
Calmar Ratio	$R_p/MaxDD$	Return vs worst loss
Information Ratio	$(R_p - R_b)/TE$	Active return per risk

High returns mean nothing without considering risk!
Always evaluate strategies using risk-adjusted metrics.