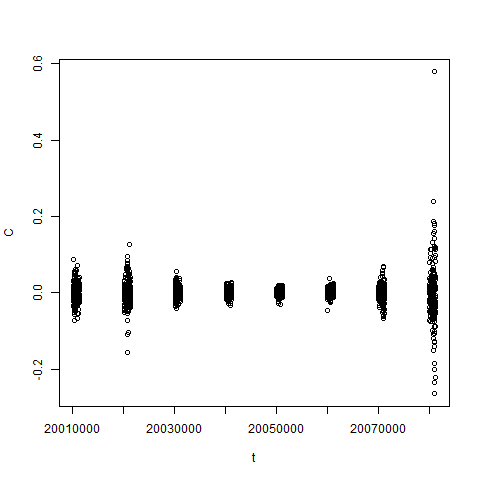
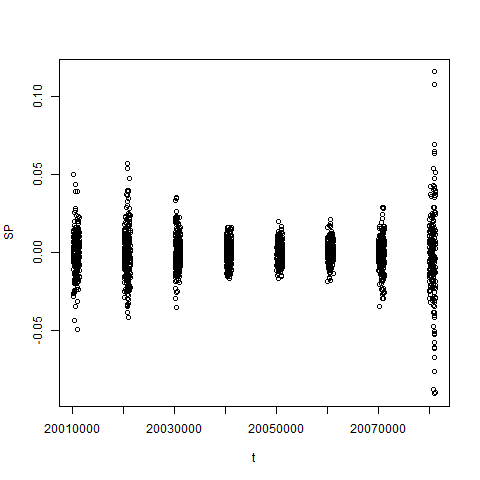
# MA471:Stochastic Analysis of Financial Data

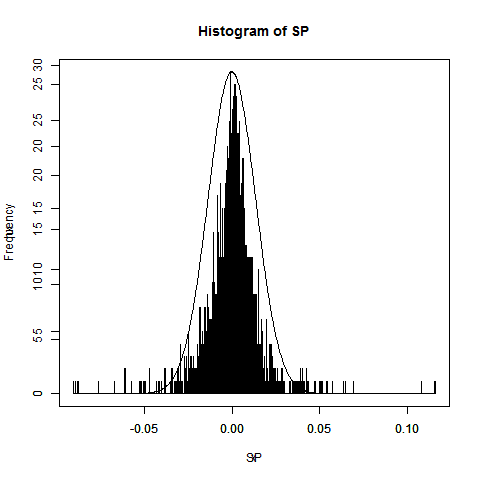
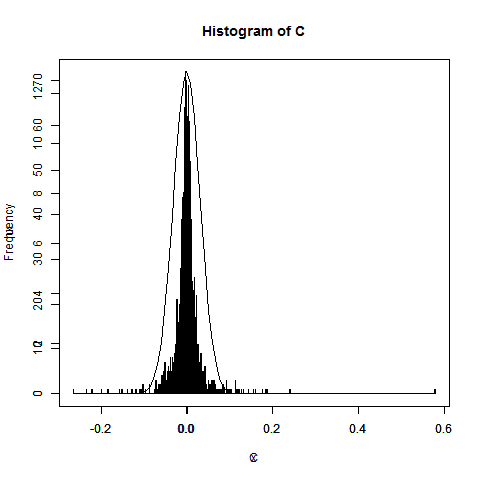
# Lab Assignment – 1

# Banda Santhosh Reddy : 140123010

## Question 1:

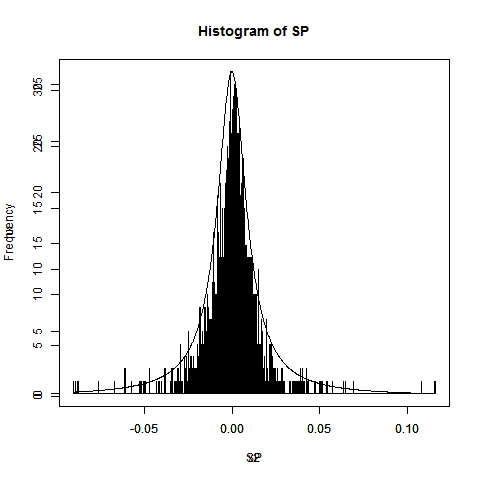
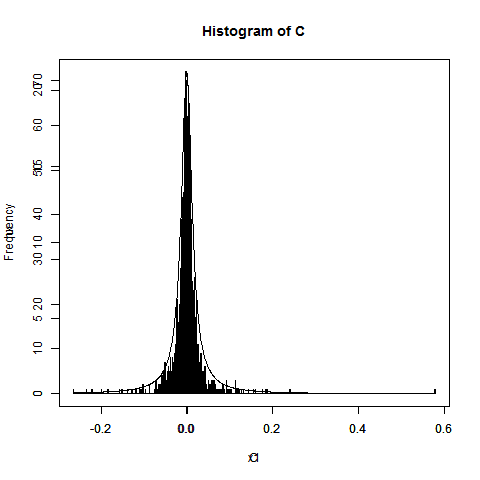




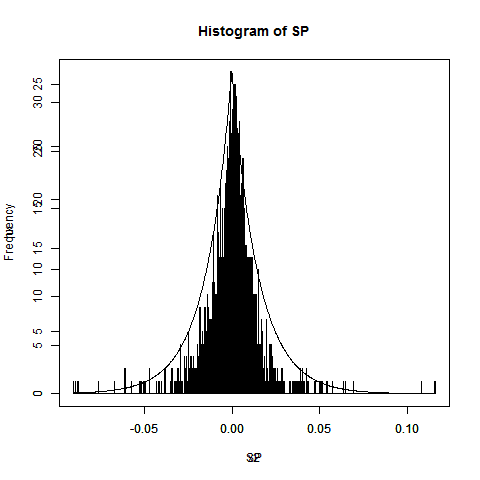
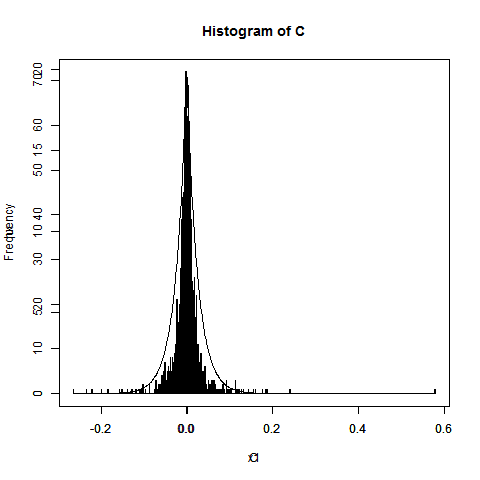


## Question 2:

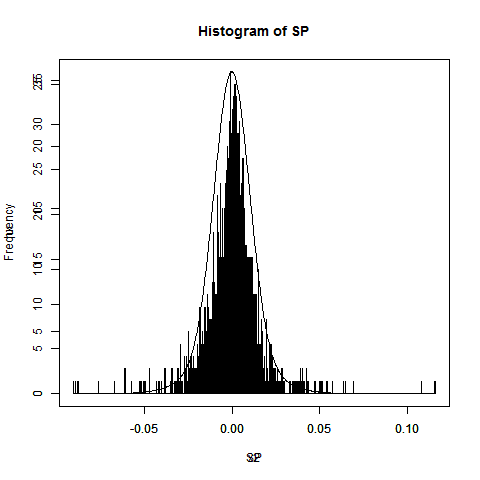
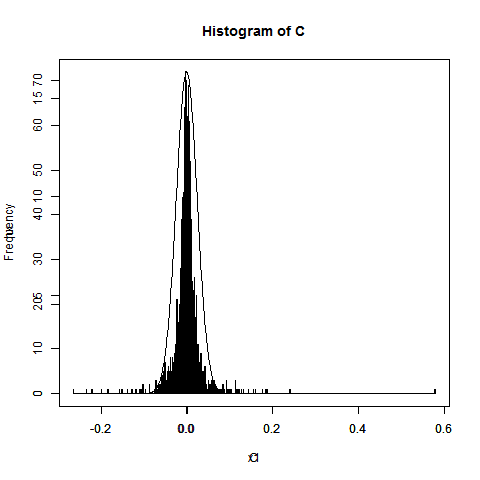
Cauchy:



Double Exponential:



Mixture distribution:



### Observations :

1) From the above plots, we can observe that Our sample has heavy tail than the Double Exponential distribution.

2) It also has heavy tail than Mixture distribution.

3) But it does not have a heavy tail than Cauchy distribution.

## Question 3:

