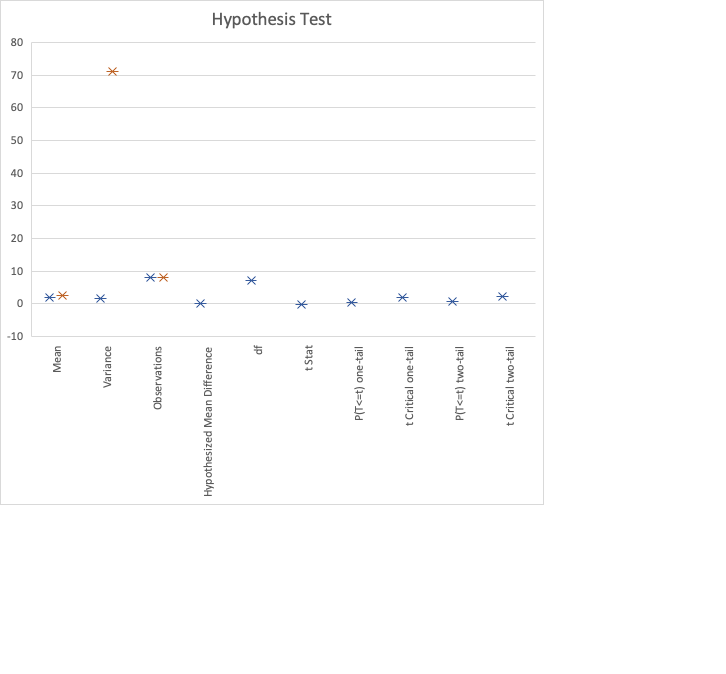
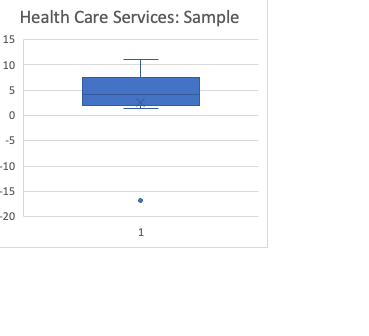
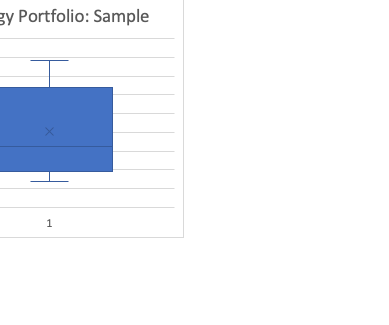
Report – Comparing Annual Returns

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Two high growth industries have been analyzed for their reward and risk on investment. I have compared the Technology Portfolio and Health Care Services industries to determine their appropriateness on client investment. The hypothesis test statistics are shown below.



When reviewing this hypothesis test it is apparent that the observe value (1.89) is less than the critical value (2.36). This would mean that we fail to reject the null hypothesis because the observed value (1.89) is less than the critical value (2.36). However, this seems inconsistent with the p-value being less than alpha. This may indicate a calculation or interpretation discrepancy that requires further review. I have also observed the range of these two variables by using the following box and whisker plots below.



The range for the technology portfolio industry is at 3.22. The range for healthcare services industry is at 27.85. Healthcare also poses an outlier of -16.83 which tracks due to the high positive kurtosis of 5.34. This tells us that the Health Care Services industry is much more volatile and has a wider range of returns. Health Care Services has a higher standard deviation of 8.42 with Technology Portfolio sitting much lower at 1.26. This also indicates that there is more risk involved when investing in health care services than Technology portfolio.

The line plot further illustrates the pronounced fluctuations in Health Care Services returns. While the Technology Portfolio shows less volatility and a lower average annual return (mean = 2.02), Health Care Services offers a higher average return (mean = 2.66), albeit with greater risk. For investors seeking higher potential returns and willing to accept more risk, the Health Care Services industry may be appropriate. Conversely, more risk-averse investors who prioritize stability or income from long-term holdings may prefer the Technology Portfolio.

*\* This analysis is for educational purposes only and does not reflect real investments or financial recommendations. The data used is hypothetical and was created to demonstrate statistical comparison methods.*