HW02

October 7, 2021

1 Homework 02

Using the dataset `dataset_hw02.csv` you should solve Q9 and Q10 of the multiple choice questions. Estimate in Python the average return of return "r1", and the CAPM model for the return "r2", as seen in class.

Some clarifications:

- you do not need to adjust SEs, i.e. you do not need to specify any kind of covariance structure
- "r1" and "r2" are <u>not</u> excess returns
- you need to round your estimates to the 2nd digit, for example, an alpha of 0.123456 and a beta of 1.826 are rounded to 0.12 and 1.83

Once you complete the homework, you need to (i) fill in the multiple choice questions and (ii) upload your Python script in Blackboard. Since we will check randomly some of your scripts, your submission **must** satisfy the following criteria

- you need to submit a zip file (with extension either `.rar` or `.zip`) with *both* the dataset and your code
- your code must consist in a *single* Python file (e.g. with extension `.py`) or Python/Jupyter notebook (e.g. with extension `.ipynb`)
- once we unzip your file your code needs to run with just one click