UDACITY

Return to Classroom

Breakout Strategy

REVIEW

CODE REVIEW

HISTORY

Meets Specifications

Overall this is a great submission 👏🏼
Keep up your excellent work and good luck with the Nanodegree!

Generate Signal

The function `get_high_lows_lookback` computes the maximum and minimum of the closing prices over a window of days.

The method `get_high_lows_lookback` is perfectly implemented, well done ✓

The function `get_long_short` computes long and short signals using a breakout strategy.

Excellent work generating the signals that indicate whether to take long or short positions. Casting the return type to int is the safest way to handle the output, for ease of use by future functions. Well done!

The function `filter_signals` filters out repeated long or short signals.

filter_signals function is flawless. You used your clear_signal function correctly to filter out repeated signals to avoid unnecessary decisions. Now you got rid of all repeated signals! This is clearly visible in the plots.

The function `get_lookahead_prices` gets the close price days ahead in time.

Nice work using `.shift` to get the lookahead prices.

The function `get_return_lookahead` generates the log price return between the closing price and the lookahead price.

The method `get_return_lookahead` correctly generates the log price return between the closing price and the lookahead price, well done ✔

The function `get_signal_return` generates the signal returns.

Excellent work to return the signal returns for each ticker and date in your `get_signal_return` function.

Evaluate Signal

Correctly answers the question “What do the histograms tell you about the signal returns?"

Yep, those are definitely not normal distributions. The signal does have an extended tail on the right-hand side, so it's skewed to the right.

Outliers

The function `calculate_kstest` calculates the ks and p values.

Awesome calculation of the ks- and p-values using the Kolmogorov-Smirnov Test `kstest` in your `calculate_kstest` function. You calculated the correct values for all tickers. You also remembered nicely to normalize the values using the mean and std functions. Great!

The function `find_outliers` returns the list of outlying symbols.

Nice job finding the symbols with p-values below the p-value threshold and K-S test statistics above the threshold established for that statistic.

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