Portfolio Selection

---Group 3

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booming industries

1. logistic
2. entertainment
3. media
4. Biomedical
5. luxury

Questions

How to choose a portfolio among the 5 industries in which we live most recently?

-How to choose industry

-Which data we should consider

-How to invest portofolio

5 industries

1. logistic (FedEx, usps,ups)

2. media (netflix, Facebook, twitter）

3. retail industry (target, walmart, Costco）

4. beverage (Cocacola, Pepsi, GreenMountain)

5. luxury (Prada, LV, Hermes)

Data

-Source: stock price from https://www.alphavantage.co/

-Processing:

   1.Get each company stock information.

   2. Choose company with highest average monthly return stock in each industry

   3. Construct portfolios

Analyze

see notebook.

- logistics & media
- retail industry & beverage
- luxury
- portfolio construction

Conclusion

- We highly recommended the portfolio of UPS, Target, LV.
- Expected annual return: 61%
- Annual volatility: 21.4%
- Sharpe Ratio: 2.75
- Although annual volatility looks very large, it is reasonable under such a huge return.