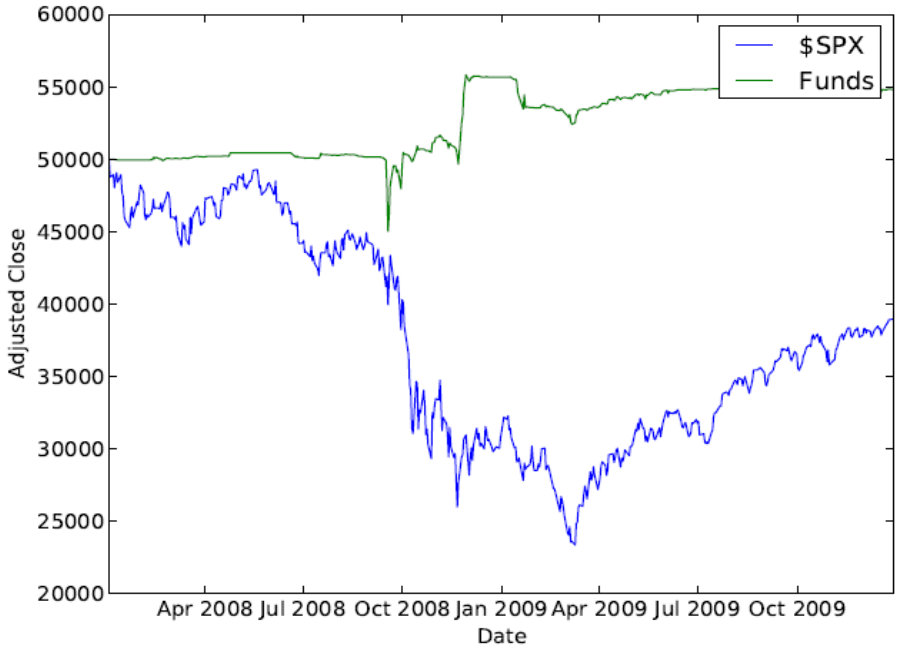
Student Name – Aishvarya Krishnan
Course Name – CS 7646 Machine Learning for Trading
Assignment Name – CompInvesti Homework 4

5 Dollar event

Chart

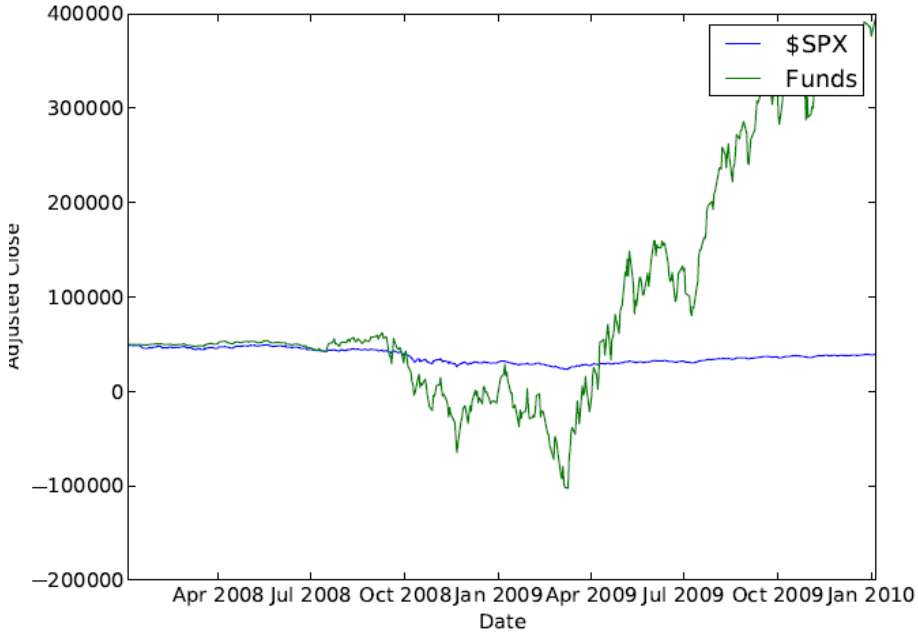


Numerical results

C:\Python27>python analyze.py values.csv \$SPX
The final value of the portfolio using the sample file is -- 2009, 12, 28, 5
4824.0
Details of the Performance of the portfolio
Data Range : 2008-01-03 16:00:00 to 2009-12-28 16:00:00
Sharpe Ratio of Fund : 0.527865227084
Sharpe Ratio of $SPX : -0.184202673931
Total Return of Fund : [1.09648]
Total Return of $SPX : [0.77930567]
Standard Deviation of Fund : 0.0060854156452
Standard Deviation of $SPX : 0.022004631521
Average Daily Return of Fund : 0.000202354576186
Average Daily Return of $SPX : -0.000255334653467

My Event - $15

Chart



Numerical results

C:\Python27>python analyze.py values1.csv \$SPX
The final value of the portfolio using the sample file is -- 2009, 12, 30, 70311
.0
Details of the Performance of the portfolio
Data Range : 2008-01-03 16:00:00 to 2009-12-30 16:00:00
Sharpe Ratio of Fund : 0.60300447538
Sharpe Ratio of $SPX : -0.18556812555
Total Return of Fund : [1.40622]
Total Return of $SPX : [0.7783659]
Standard Deviation of Fund : 0.0281210801886
Standard Deviation of $SPX : 0.0219609097257
Average Daily Return of Fund : 0.00106819923798
Average Daily Return of $SPX : -0.000256716295552

Event Description

I observed the charts for various stocks and noticed that there are many occurrences of events wherein the price is falling from above $15 to below $15 over a day. Hence, I decided to select the event such that price_yesterday >= $15 and price_today < $15. Since over a period of two years there are close to 900 occurrences of this event and it renders a good sharpe ratio with low standard deviation this is a good long term investment.