

Devoir 2.0

December 12, 2020

0.1 Partie 1

```
[491]: # Importation of the packages

import pandas as pd
import pandas_datareader.data as web
import matplotlib.pyplot as plt
import numpy as np
import datetime as dt
import scipy.stats

[388]: # Function to import datas

def import_data(Tickers,startinput,endinput):
    df=pd.DataFrame()
    for t in Tickers:
        df[t]=web.DataReader(name = t, data_source='yahoo', start=startinput,
        ↪end=endinput)['Close']
    return(df)

[389]: # Create our portfolio of equities
Tickers = ['DPW.DE', 'ALV.DE', 'BMW.DE', 'BAS.DE', 'FME.DE']

# Define period
startinput="2017-1-1"
endinput="2017-12-31"

# Import data from YAHOO
Price = import_data(Tickers,startinput,endinput)

[390]: #Price.head()

[391]: # Calcul of daily returns
Return_d1=pd.DataFrame()
for t in Tickers:
    Return_d1[t]=Price[t]/Price[t].shift(1)-1
Return_d1=Return_d1[1:]
```

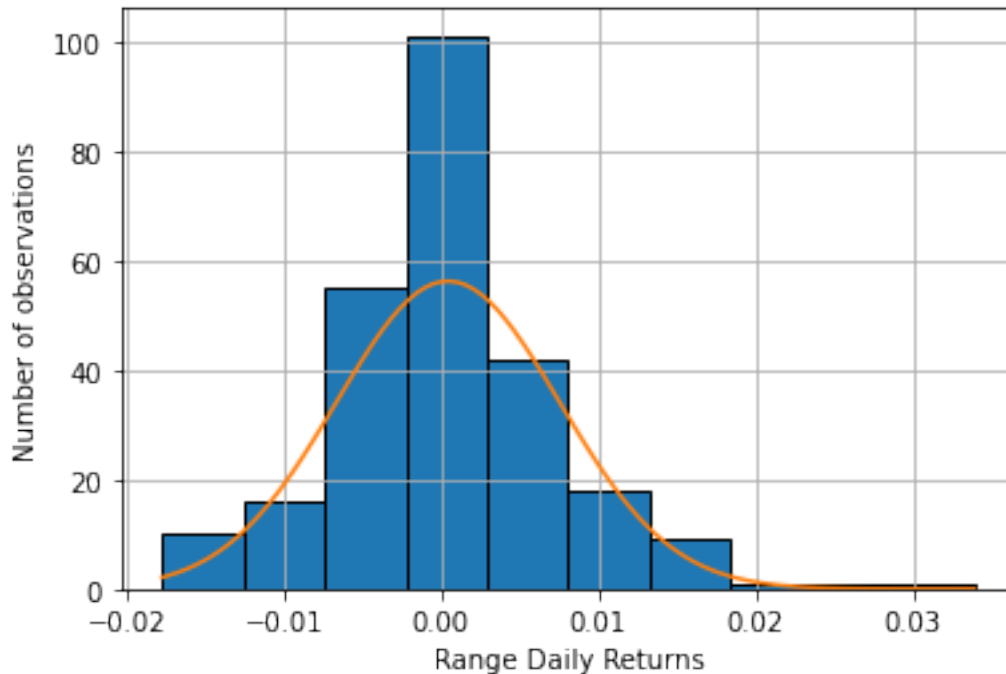
```
[392]: # Set the investment weights  
weights = np.array([.2, .2, .2, .2,.2])  
  
#Compute Portfolio daily returns  
Ptf_Return_d1 = Return_d1.dot(weights)
```

```
[393]: #Ptf_Return.head()
```

0.1.1 Graphique and BJ test

```
[445]: def graph(df):  
    # Compute normal curve parameters  
    meanR = np.mean(df)  
    sdevR = np.std(df)  
  
    # Prepare graph  
    minR = np.min(df)  
    maxR = np.max(df)  
    x = np.linspace(minR, maxR, 100)  
  
    # Graph  
    plt.hist(df,edgecolor = 'black', bins =10)  
    plt.plot(x, scipy.stats.norm.pdf(x,meanR,sdevR))  
    plt.grid(True)  
    plt.xlabel('Range Daily Returns')  
    plt.ylabel('Number of observations')  
    plt.show()
```

```
[446]: graph(Ptf_Return_d1)
```



```
[396]: from scipy import stats
jarque_bera_test = stats.jarque_bera(Ptf_Return_d1)
jarque_bera_test.statistic, jarque_bera_test.pvalue

print('The value of the statistic of bera jarque is', round(jarque_bera_test.
    ↪ statistic, 3))
print('The p_value for the bera jarque test is', jarque_bera_test.pvalue)
print('Conclusion : We reject the nul hypotesis : The datas are normally_
    ↪ distributed')
```

The value of the statistic of bera jarque is 78.212

The p_value for the bera jarque test is 0.0

Conclusion : We reject the nul hypotesis : The datas are normally distributed

0.1.2 Mean & Standard deviation

```
[397]: mean_asset = pd.DataFrame()
for t in Tickers :
    mean_asset.loc[1,t] = np.mean(Return_d1[t])
mean = float(mean_asset.dot(weights))

print('The mean of the datas is', mean)
```

The mean of the datas is 0.0004362802603118108

```
[398]: matrix_cov = R.cov()
var = float(np.transpose(weights).dot(matrix_cov.dot(weights)))
print('The standard deviation of the datas is',var)
```

The standard deviation of the datas is 5.058934432648611e-05

0.1.3 Value at risk of 99%

```
[400]: # Calculate the quantile to fin the VaR99%
from scipy.stats import norm

x =np.sort(Ptf_Return_d1)
var_99 = np.quantile(x,1/100)

print('The VaR99% is',round(var_99,3)*100,'%')
```

The VaR99% is -1.6 %

0.2 Partie 2 : Bootstrap method

We take again the value of the first part until the daily portofolio return : Ptf_Return_d1

```
[437]: #data from first part
Ptf_Return_d1
```

```
[437]: Date
2017-01-03    0.000845
2017-01-04   -0.001411
2017-01-05    0.002480
2017-01-06    0.000502
2017-01-09   -0.017399
...
2017-12-21    0.003757
2017-12-22   -0.001288
2017-12-27   -0.000670
2017-12-28   -0.005719
2017-12-29   -0.007568
Length: 254, dtype: float64
```

```
[442]: # Creation of bootstrap_simulation
def bootstrap_resample(X,n):
    resample_i = np.floor(np.random.rand(n)*len(X)).astype(int)
    X_resample = X[resample_i]
    return X_resample
```

```
[477]: # Function that returns a 10-day return considering a subsample of
↳10-observations
# We could have generalized this function to a d-day return
```

```
def return_ten(list):
    res = 1
    for daily_r in list:
        res = res * (daily_r+1)
    return(res-1)

# Function that returns x-observations of 10-days returns using bootstrap
→simulation
def x_return(x):
    df = pd.DataFrame()
    for i in range(x):
        List = bootstrap_resample(Ptf_Return,10)
        df = df.append({'returns': return_ten(List)}, ignore_index=True)
    return(df)
```

```
[486]: # Application with our datas
# Ptf_Return_d10 is the portofolio with n observations of 10 days return
n = 100000
Ptf_Return_boot = x_return(n)

# There is some NaN values (idk why) so we delete them
Ptf_Return_boot= Ptf_Return_boot.dropna()
```

0.2.1 Value at risk of 99%

```
[490]: Ptf_Return_boot=Ptf_Return_boot.dropna()
x =np.sort(Ptf_Return_boot)
var_boot = np.quantile(x,1/100)

print('The VaR99% for the bootstrap simulation is',round(var_boot,4)*100,'%')
```

The VaR99% for the bootstrap simulation is -4.46 %

```
[ ]:
```