

1. Refer to the case study of Temasek's performance in Slide 32 of Statistics. Report all the quantities you have computed clearly.

(a) What are the 7 simple returns (2 decimals in %, e.g., 1.23%)?

Year	2005	2006	2007	2008	2009	2010	2011
Return							

(b) What is the average of these 7 simple returns (2 decimals in %, e.g., 1.23%)?

(c) What is the unbiased volatility of these 7 simple returns (2 decimals in %, e.g., 1.23%)?

(d) What is the t statistic if the hypothesized value of the mean return is 7%?

(e) What is the standard error of 2012 forecast for Temasek's return?

(f) What are the upper and lower bound of 2012 Temasek's return at 95% confidence?

2. What are the new things that you have learned today?

3. What are your expectations for this course?