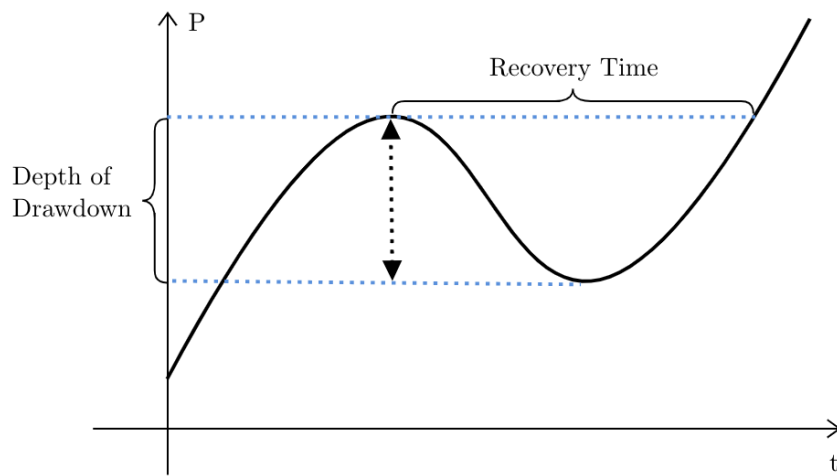


# FRE 7811 Homework 1

Prof. Ernest Bayer

## 1. Drawdown Calculation Algorithm.



Find a time series representing stock price or index. Assume this price series is given to you as an input PnL function  $P(t)$ ,  $t = 0, \dots, T$ . Write a code in Python or pseudocode to

- (a) Find all drawdowns.
- (b) Find depth of each drawdown.
- (c) Find recovery time of each drawdown.