Module 2
BUSI 721

Are stock returns normally distributed? Does today's return predict tomorrow's return or this year's return predict next year's return? How is it possible for investors in a stock to lose money over time when the average return of the stock is positive? Is the stock market risky for long-run investors? What were the best 20 years and what were the worst 20 years in the U.S. market? These questions are the topic of this module. We'll grab stock price data from the web and calculate and analyze returns. We'll also run simulations to look at risk in the long run.