Data Scientist Assignment Round-2

Assume you are assigned to work with fintech engineers to analyse the data and give insights about the data to draw strategies for coming years. Prepare a document with explanation of data analysis with respect to below mentioned procedural steps

1. Understand the business problem
2. Explore the data and become familiar with it.
3. Prepare the data for modelling by detecting outliers, treating missing values, transforming variables, etc.
4. After data preparation, start running the model, analyse the result and tweak the approach. This is an iterative step till the best possible outcome is achieved.
5. Validate the model using a new data set.
6. Start implementing the model and track the result to analyse the performance of the model over the period of time.

Data : Daily returns of 423 stocks in the S&P500 index as of February 2013. Time period of the data: 2003-2013. Data matrix has 2586 rows and 423 columns