Elizabeth Fazzingo Extra Credit

1. The equity investment strategy proposed in the code selects a portfolio of five retail industry stocks based on several criteria: a P/E ratio lower than 20, a market capitalization over 40 billion dollars, a beta value above 1.0, and a debt ratio of 0.33. The team believes that this strategy could generate abnormal returns because the selected criteria are indicative of healthy companies with strong fundamentals and growth potential. First, a P/E ratio lower than 20 indicates that the stock is relatively undervalued compared to its earnings, suggesting that the market may not have fully priced in the company's growth potential. Second, a market capitalization over 40 billion dollars suggests that the company is relatively large and established, indicating that it has a proven track record and strong market position. Third, a beta value above 1.0 suggests that the stock is relatively more volatile than the market, indicating that it may have higher potential for returns. Finally, a debt ratio of 0.33 indicates that the company is not overly reliant on debt financing, which can help mitigate financial risk and contribute to long-term stability. The combination of these criteria creates a selection of stocks with strong fundamentals and potential for growth. These criteria should help identify companies with sound business models, strong competitive advantages, and solid financial positions, making them attractive investment opportunities. Additionally, by selecting five stocks, the portfolio is diversified and helps mitigate risks associated with individual stocks. Of course, there is no guarantee that this strategy will generate abnormal returns. The stock market is inherently unpredictable, and past performance is not necessarily indicative of future results. However, by following a systematic approach and selecting stocks with strong fundamentals, the team believes that this strategy has the potential to outperform the broader market over the long term.
2. Some other strategies I have tried were doing a:
   1. Fundamental analysis: This strategy involves analyzing a company's financial statements, management, industry trends, and other qualitative factors to identify undervalued or overvalued stocks. Fundamental analysts typically use a range of metrics and financial ratios to assess a company's intrinsic value and potential for growth.
   2. Technical analysis: This strategy involves analyzing a stock's price movements and other market data to identify trends and potential entry and exit points. Technical analysts typically use charts, graphs, and other visual tools to identify patterns and indicators that can help predict future price movements.
   3. Quantitative investing: This strategy involves using complex mathematical models and algorithms to identify undervalued or overvalued stocks. Quantitative investors typically use large amounts of data and statistical analysis to identify patterns and correlations that can be used to predict future market movements.
3. You are a senior financial analyst investigating the retail industry. Please generate an equity investment strategy and show me the python code. I want you to help me pick 5 tickers from all public firms based on several conditions. 1. Firms should have healthy accounting numbers, such as a P/E ratio lower than 20. 2. They should have a market cap over 40 billion dollars. 3. A beta value above 1.0. 4. A debt ratio of .33. Please show step by step how to solve the problem.