

Assignment 2

Group Assignment

Last Date: 25th February 2020 (Midnight)

1. Please calculate the Fama and French 3 Factors model for the data provided. Factors must be monthly for at-least five years. You can assume the risk-free rate.
2. Each team should pick a country index and calculate the factors.
3. Using the same data and holding period constraint, calculate the momentum factor of Carhart four-factor model.
4. Check whether the calculated FF factors explain the excess return of individual excess returns.
5. Prepare the final report in about five pages.
6. Any other experience, you would like to highlight (optional).
7. Please submit the assignment (soft copy) including the code and data file.

Reference/Source: You can refer to the Fama and French website, lecture slides and IIMA working paper.

All the best,

Wasim.