IEOR 4500, Project 2, due 10/15

1. Implement Algorithm 2 for the mean-variance portfolio optimization problem. Your algorithm should take as input a file like "example1.txt" that we looked at in class. I will provide additional examples. You should implement this algorithm in Python first, and then in C.

2. Extra credit. Extend the algorithm to the principal components model of the covariance (using a small number of modes). You will have to figure out how to apply the chain rule.