

ML19 - Quiz 1

- Due Nov 4 at 11:30am
- Points 15
- Questions 15
- Available Nov 4 at 10:30am - Nov 4 at 11:30am 1 hour
- Time Limit 35 Minutes

Instructions

This is Quiz 1 for ML 19. The quiz consists of 15 questions and lasts 35 minutes.

Good luck.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	33 minutes	14 out of 15

Score for this quiz: 14 out of 15

Submitted Nov 4 at 11:04am

This attempt took 33 minutes.



Question 1

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Annualized Return of the Lo 20 portfolio over the entire period?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

15.2

15.2 (with margin: 0.05)

20.85 (with margin: 0.05)



Question 2

1 / 1 pts

Read in the data in the file "edhec-hedgefundindices.csv".

What was the portfolio with the lowest annualized returns from 2000-2018 (both inclusive)?

Correct!

- ☒ Short Selling
- ☐ Equity Market Neutral
- ☐ CTA Global
- ☐ Fixed Income Arbitrage



Question 3

1 / 1 pts

Read in the data in the file ""edhec-hedgefundindices.csv"".

What was the Annualized Return of the Distressed Securities portfolio from 2000-2018 (both inclusive)?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!



8.08

8.08 (with margin: 0.05)

8.26 (with margin: 0.05)



Question 4

0 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

If you invest \$1000 in the Small Cap (Lo 20) portfolio in 2000, what would you have at the end of 2018?

Enter the answer in two decimal places without the dollar sign. e.g. if your answer is \$1215.1234 enter the number 1215.12

You Answered

1,192.44

4,721.32 (with margin: 0.05)



Question 5

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Annualized Return of the Hi 20 portfolio over the entire period?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

9.85

9.85 (with margin: 0.05)

11.93 (with margin: 0.05)



Question 6

1 / 1 pts

Use the EDHEC Hedge Fund Indices data set that we used in the lab assignment and load them into Python.

Looking at the data since 2000 (including all of 2000) which Hedge Fund Index has been most negatively skewed?

Correct!

Fixed Income Arbitrage

Correct Answers

Fixed Income Arbitrage



Question 7

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Annualized Volatility of the Hi 20 portfolio over the entire period?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

19.51

19.51 (with margin: 0.05)



Question 8

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios.

Looking at the data since 2000 (including all of 2000), which one follows normal distribution?

Correct!

- ☒ None of them follows normal distribution
- ☐ Both of them follow normal distribution
- ☐ Only Small Cap follows normal distribution
- ☐ Only Large Cap follows normal distribution



Question 9

1 / 1 pts

Use the EDHEC Hedge Fund Indices data set that we used in the lab assignment and load them into Python. Looking at the data since 2009 (including all of 2009) through 2018 which Hedge Fund Index has exhibited the highest semi-deviation?

Correct!

Short Selling

Correct Answers

Short Selling



Question 10

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

At the end of which month over the period 1999-2015 did that maximum drawdown on the Large(Lo 20) portfolio occur?

Enter the answer in the format YYYY-MM. Eg for February of 2015 enter 2015-02

Correct!

Correct Answers

2009-02



Question 11

1 / 1 pts

Use the EDHEC Hedge Fund Indices data set that we used in the lab assignment and load them into Python.

Looking at the data since 2009 (including all of 2009) which Hedge Fund Index has been most negatively skewed?

Correct!

Correct Answers

Equity Market Neutral



Question 12

1 / 1 pts



Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Annualized Volatility of the Lo 20 portfolio over the period 1999 - 2015 (both inclusive)?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

22.89 (with margin: 0.05)



Question 13

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Max Drawdown (expressed as a positive number) experienced over the 1999-2015 period in the SmallCap (Lo 20) portfolio?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

62.48 (with margin: 0.05)



Question 14

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

What was the Max Drawdown (expressed as a positive number) experienced over the 1999-2015 period in the LargeCap(Lo 20) portfolio?

Enter the answer as a percentage. e.g. if your answer is 23.43% enter the number 23.43

Correct!

55.27 (with margin: 0.05)



Question 15

1 / 1 pts

Read in the data in the file “Portfolios_Formed_on_ME_monthly_EW.csv” as we did in the lab sessions. We performed a series of analysis on the ‘Lo 10’ and the ‘Hi 10’ columns which are the returns of the lowest and highest decile portfolios. For purposes of this assignment, we will use the lowest and highest quintile portfolios, which are labelled ‘Lo 20’ and ‘Hi 20’ respectively.

At the end of which month over the period 1999-2015 did that maximum drawdown on the SmallCap (Lo 20) portfolio occur?

Enter the answer in the format YYYY-MM. Eg for February of 2015 enter 2015-02

Correct!

Correct Answers

2009-02

Quiz Score: 14 out of 15

