AECO 480/580(9671/9672) Financial Econometrics

Due: 3:00pm, Thursday, May 17, 2018, Building 25, room 219

Final project: Portfolio analysis

We do a comprehensive portfolio analysis in this project. First, form different portfolios of financial assets from different time periods such as recession and bull market based on criteria created by yourself. Download the data from yahoo finance accordingly. Evaluate and compare the performance of those portfolios using CAPM models. Second, propose your own trading strategies such as technical analysis or fundamental analysis and the timing to buy and sell. Compare cumulative returns of different strategies. Give a detailed discussion of your portfolios and strategies. Keep some observations as holdout sample to examine the out of sample performance of your strategies. Do as best as you can. Write a comprehensive report following the style of the sample reports. Also, submit your codes. Work on the project independently. The report is expected to have around 7 pages. Please stop by my office, Building 25, room 219, at 3:00pm, Thursday, May 17, 2018 to turn in your report.

References

http://stockcharts.com/school/doku.php?id=chart_school:trading_strategies

Sample reports

Guha, Banhi and Bandyopadhyay, Gautam (2016) Gold price forecasting using ARIMA model. Journal of Advanced Management Science 4(2), 117-121.

Tripathy, Naliniprava (2017) Forecasting gold price with auto regressive integrated moving average model. International Journal of Economics and Financial Issues 7(4), 324-329.