Lecture 11

Example 1

Use the matrix calculation for estimating parameters in multi-factor model (Company, Market, Brent, XR). Subsequently check the results using the function "linregresion".

Example 2

Calculate the expected return and risk of the security in accordance with the multifactor model. For the beta´s estimation use 30 roll over approach. The risk free rate is 2,5 % p. a.