# Assignment 6

- Consider two assets (S&P500 and one stock of your preference) compute the 95-VaR & 99-VaR, and compare the out-of-sample accuracy for the following models:
  - Constant volatility and normal errors.
  - GARCH (1,1) with normal distributional assumption for the underlying.
  - GARCH (1,1) with t-student distributional assumption for the underlying.

Note: For all the cases assume an ARIMA(0,0,0) model for the log-returns.