Homework 4

Due November 19, 2015

Please submit your homework by email to haksun [dot] li {at} numericalmethod -dot- com.

Q1.

Compute and compare Value at Risk and Expected Shortfall of two chosen stocks using the three different methods discussed in class, namely, normal distribution, variance-covariance, and EVT.

You may need a sufficiently long history to have sensible results. Plot the graphs of various thresholds.

Ref:

http://www.numericalmethod.com/javadoc/suanshu/
(search for EVT)