Spring 2013 Final -1:00 B

[22]

+7 $\left[\beta_G = \dfrac{cov_{G,S\&P}}{var_{S\&P}}\right.$ ⑦

+7 $\left(cov_{G,S\&P} = \dfrac{1}{3}\left((\overset{+3}{3}-\tilde{R}_G)(\overset{+1}{14}-\tilde{R}_{S\&P}) + (\overset{+3}{11}-\tilde{R}_G)(\overset{+1}{2}-\tilde{R}_{S\&P})\right.\right.$ ㉕

$\left. + (\overset{+3}{7}-\tilde{R}_G)(\overset{+1}{20}-\tilde{R}_{S\&P}) + (\overset{+3}{-18}-\tilde{R}_G)(\overset{+1}{30}-\tilde{R}_{S\&P})\right)$

+7 $\left(var_{S\&P} = \dfrac{1}{3}\left((\overset{+1}{14}-\tilde{R}_{S\&P})^2 + (\overset{+1}{2}-\tilde{R}_{S\&P})^2 + (\overset{+1}{20}-\tilde{R}_{S\&P})^2 + (\overset{+1}{30}-\tilde{R}_{S\&P})^2\right)\right.$ ⑬

+4 $\left(\tilde{R}_G = \dfrac{1}{4}(3 + 11 + 7 - 18)\right.$ ⑥

+4 $\left(\tilde{R}_{S\&P} = \dfrac{1}{4}(14 + 2 + 20 + 30)\right.$ ⑩

+8 $\left(\beta_P = \left(\dfrac{400}{400+100}\right)\beta_G + \left(\dfrac{100}{400+100}\right)0.1\right.$ ⑭