

Quiz B: 2/13/13

Name _____

Assume you are planning to invest 75% of your funds in Sony (SNE) and 25% of your funds in Coca-Cola (KO). Use the following returns to set up the calculations needed to determine

- a. the covariance between Sony and Coca-Cola
- b. the correlation between Sony and Coca-Cola

	Return on:	
<u>Year</u>	<u>SNE</u>	<u>KO</u>
2012	- 18%	13%
2011	- 47%	11%
2010	3%	20%
2009	73%	31%

Note: You do not need to solve anything. Just set up all the equations and plug in all the numbers needed to answer the questions.

Wall Street Journal Questions are on the back of this page.