**MIDTERM EXAM REVIEW**

**Section 1 (Chapter 1) 20 points**

* Time Value of Money

|  |  |
| --- | --- |
| **TVM TEMPLATE** |  |
| **INPUT** |  |
| PV= |  |
| FV= |  |
| RATE= |  |
| TIME= |  |
| PMT= |  |
|  |  |
| **OUTPUT** |  |
| Use Excel |  |

**Section 2 (Chapter 2) – 30 points**

1. Historical and Scenario Analysis where you need to calculate the average and standard Deviation
2. Combined Portfolio of Bonds and Stocks and the correlation









**Section 3 (Chapter 3) – 10 points**

Calculating the Beta



**Section 4 (Chapter 4) 40 Points**

INPUT: Give you $100k to invest at percentages of cash, Bonds and Stock

OUTPUT:

You need to calculate your

* combined performance of the portfolio ($/HPR%)
* the performance of the Risky portfolio Return and Standard Deviation.
* If I give you market data, beta, and the risk-free rate you need to calculate the Sharpe Ratio, CAMP, Alpha, Treynor and M^2 ratios.

