**Beta Calculation**

**Homework Assignment**

Pick 5 stocks (including Apple) as you wish and calculate their betas and alphas for the following two five-year periods, respectively: (1) January 2012- December 2016 and (2) January 2007-December 2011 using monthly excess returns (stock or market return – risk free return) and assess their temporal stability.

You can obtain stock prices and market indices (S&P 500) from Yahoo Finance <http://finance.yahoo.com/>

You can obtain data needed for the calculation of risk free rate from: <https://www.treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=billrates>

If you are not familiar with how to run regressions with Excel, the following Youtube video should help: <https://www.youtube.com/watch?v=7LiK-qbmPsw#t=388.243973>