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Value at Risk with and without report dates

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Abstract

Mathematical and/or statical models are used to help predict future value and variance of the financial market variables. One model used is Value at Risk. It describes potential losses attached to an investment. This thesis will use the joint estimation of an AR(p)-GARCH(1,1) model to develop a model for Value at Risk. This thesis concentrates on the difference between one data-set containing the returns for report days and another set were these are excluded. The results reveal that for the stock Swedbank.A the exclusion of reports seem to give a better fit for our model.

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