Stylus Pro 11.5 New Analytics

Overview

Version 11.5 introduces new analytics such as additional MPT Statistics for the Alpha and Beta calculations and multiple Drawdown calculations.

What's New

1. <u>Alpha Standard Error</u> – The amount by which alpha's mean fluctuates
2. <u>Alpha T-stat</u> – A measure of how significant alpha is, calculated by dividing the mean value of alpha by its standard error.
3. <u>Alpha P-value</u> – A value between 0 and 1 that determines how significant alpha is, typically if the p-value is <0.05 our value is significant.
4. <u>Beta Standard Error</u> – The amount by which beta's mean fluctuates
5. <u>Beta T-stat</u> – A measure of how significant beta is, calculated by dividing the mean value of beta by its standard error.
6. <u>Beta P-value</u> – A value between 0 and 1 that determines how significant beta is, typically if the p-value is <0.05 our value is significant.
7. <u>X Number of Drawdowns</u> –Tthe ability to calculate multiple drawdown returns over a single date range, including the duration and recovery of the drawdown.

Benefits

- New analytics provide statistical methods for comparing alpha/beta samples in terms of their means.
- The standard error provides an improved understanding of an entire data set by visualizing the volatility of the sample mean.
- The application now introduces a method for measuring the strength of sample evidence in hypothesis testing.
- With the number of drawdowns option, users can now account for the frequency of losses throughout a time series and determine significant trough periods.

Finding the New Analytics in Stylus.

- The additional statistics can be found in the MPT Statistics block when creating a chart or table in Stylus, while the Drawdown statistics can be found with the Min/Max block. (see below)
- Selecting the bottom arrow dropdown will allow you to enable these fields.
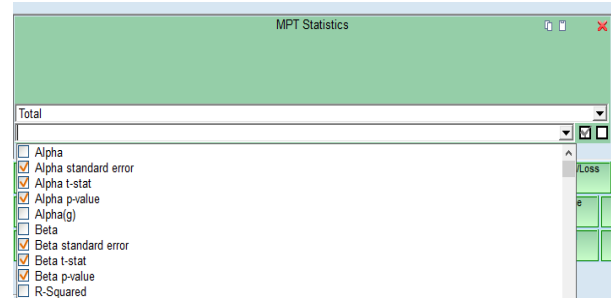
Example: Top 10 drawdowns displayed with the return value and time period.