# NDK\_PORTFOLIO\_VARIANCE

Last Modified on 03/14/2016 11:15 am CDT

- <u>C/C++</u>
- <u>.Net</u>

Calculates the overall portfolio variance (volatility squared).

#### **Returns**

status code of the operation

#### **Return values**

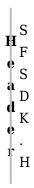
NDK\_SUCCESS Operation successful

NDK FAILED Operation unsuccessful. See Macros for full list.

#### **Remarks**

- 1. The weights array size must equal to the number of risky assets.
- 2. The assets order in must be identical in the covariance and assets weights arrays.
- 3. By definition, the covariance matrix is a square symmetric matrix with order equals to number of assets in the portfolio.
- 4. The number of unique elements in the covariance matrix is equal to:  $\{N+1\}$  Where  $\{N\}$  is the number of risky assets in the portfolio.

## Requirements





## References

Hamilton, J.D.; <u>Time Series Analysis</u>, Princeton University Press (1994), ISBN 0-691-04289-6 Tsay, Ruey S.; <u>Analysis of Financial Time Series</u> John Wiley & SONS. (2005), ISBN 0-471-690740

# See Also

[template("related")]