## Market Risk Modelling Applied Statistical Methods for Practitioners

Nigel Da Costa Lewis

	About the Author	v
	Preface i	xi
1	Introduction to Market Risk Management	1
2	Random Variables and Probability	7
3	Describing Risk Factors and Portfolios	25
4	Displaying Risk Factors and Portfolios	43
5	The Normal Distribution	59
6	The Method of Maximum Likelihood .	75
7	Fitting Probability Distributions to Risk Factors and Portfolios	91
8	Principle Component Analysis	109
9	Modelling Volatility	123
10	Extreme Value Theory	131
11	Methods of Simulation	141
12	Hypothesis Testing	153
13	Statistical Tests for Market Risk Management	171
14	Confidence Intervals •	183
15	The Theory and Practice of Market Risk Management	187
	Glossary	189
	Bibliography	227
	Index	233