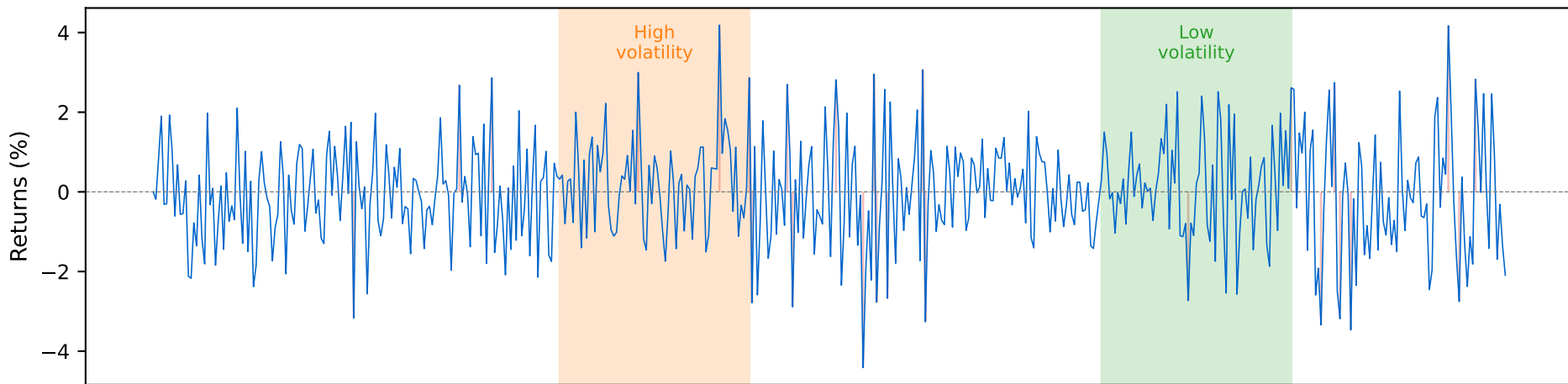
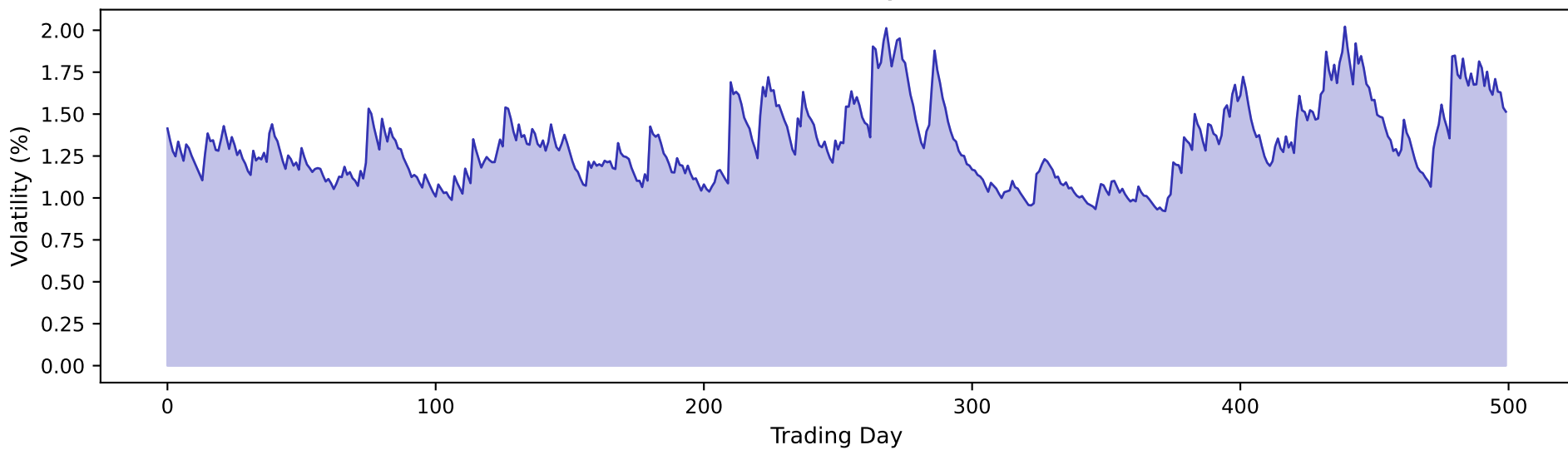


Daily Stock Returns: Evidence of Volatility Clustering



Conditional Volatility σ_t (GARCH)



Stylized Facts: Large returns cluster together | Volatility is persistent | Returns are approximately uncorrelated