





Home

Subject> Journals Books> Resources For Partners > Open Access About Us> Help>

## **Cookies Notification**

We use cookies on this site to enhance your user experience. By continuing to browse the site, you consent to the use

of our cookies. <u>Learn More</u>

I Agree

## **Abstract**

We show that results from the theory of random matrices are potentially of great interest when trying to understand the statistical structure of the empirical correlation matrices appearing in the study of multivariate financial time series. We find a remarkable agreement between the theoretical prediction (based on the assumption that the correlation matrix is random) and empirical data concerning the density of eigenvalues associated to the time series of the different stocks of the S&P500 (or other major markets). Finally, we give a specific example to show how this idea can be sucessfully implemented for improving risk management.





**Privacy policy** 

© 2025 World Scientific Publishing Co Pte Ltd

Powered by Atypon® Literatum