

In the data file, you will find 2 year series of daily prices for several European Companies. It also indicates the equity and debt of these companies. You will also find the EONIA interest rate, which is the risk-less daily return and an index for 100 European large firms- EURONEXT 100.

1. Find the beta of DT. (remember that you need daily returns.)
2. Choose a mobile company and find its beta.
3. Choose a fixed company and find its beta.
4. De-lever the betas of the mobile and fixed company
5. In the DT report find a way to allocate its business into fixed and mobile activity (for example, by looking at revenues)
6. Using the proportions found in 5, find the delevered beta of DT.
7. Re-lever the delivered beta of DT.
8. Compare the beta obtained with this method and the beta obtained in 1.
9. Compare the betas obtained by different members of the class.