

Team Chestnut: Describing equities market performance via financial markets
Executive summary

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Stock markets are crucially important financial markets. Experts from a wide variety of fields expend a huge amount of time and effort to try to understand their developments, and to predict their movements. Our project seeks to describe the behavior of stock markets in terms of other financial markets with which stock markets are closely intertwined.

The stakeholders who will benefit most from our project are those who have material exposures to financial markets, and who are sophisticated enough to be concerned with the movements of these markets from the complex and opaque financial networks in which these markets are embedded. They will benefit from our project by seeing a quantitative picture of how and how much other financial markets impact the behavior of stock markets.

Stakeholders who have this kind of exposure and this level of approach can find in our project tools with which to prepare for and predict otherwise unforeseen movements in stock markets coming from usually little-known corners of the financial world. Of course, the market will fluctuate, and everyone will be surprised sometimes. But we hope that our project will help stakeholders take a more informed, structural approach.