Revision C3 12-Dec-2014 SFI Volatility Futures Worksheet Readme Notes

| Setup | |
|---|---|
| 1 | The volatility futures settlement data to download is located at http://cfe.cboe.com/products/historicalVIX.aspx<br>Download the .csv data for each month (e.g., "X (Nov 04)"). The computation sheets (e.g. Master) will show lots of "#REF" and "#NA" errors until all the data is provided. |
| 2 | Excel uses the short date format specified in your "regions and languages" settings of your MS windows OS to interpret the .csv file when importing. This date format should be set to a "month-day-year format (e.g, mm/dd/yy ) format for these files to import correctly. You can set the format back to whatever you want, once this step has been completed. |
| 3 | For each of the months downloaded there is a sheet within the SFI Volatility Futures Worksheet wth the same name (e.g., CFE_X04_VX). To transfer the data, first open the SFI Volatility Worksheet, then open each of the downloaded .csv files with another copy of Excel. Select the whole sheet (ctrl a), copy the entire sheet (ctrl c), and then paste the whole sheet (ctrl v) into the sheet of the Futures Worksheet with the same name (e.g., "CFE_X04_VX"). See the "Sample_VX" sheet to see an example of what the contents should look like when you are done. The starting column titled "Trade Date" must be in column A, starting with row 1. The letter/year in column B (e.g, X (Nov 04) must match the sheet name (CFE_X04_VX in this case). |
| 4 | Once all the sheets have been populated the M1 through M7 columns in the "Master" sheet should be showing data for all dates up to Nov 2011, column"N" (M1-M7 error) should be showing blanks, and the value in cell $N$1, the total error count, should be zero. |
| | |
| Notes | |
| 1 | Email support is available at vh2solutions@gmail.com and phone support at 970-430-6092. |
| 2 | Sheet descriptions<br>* Master -- this sheet gives the summarized results (M1 = first month)<br>* Exp Dates -- this sheet holds expiration dates and sheet names of futures months<br>* Lookup -- This sheet pulls in the information from the month sheets and maps in interpolation/ extrapolation data when necessary<br>* Interpolate -- this sheet pulls in the raw information from the month sheets and does interpolation / extrapolation on missing data.<br>* Sample_VX -- example of what a month sheet should look like<br>* CFE_J04_VX, CFE_Z04_VX, CFE_J05_VX, CFE_N05_VX, CFE_U05_VX dummy sheets provided for months with no data available |
| 3 | Interpolation/ extrapolation is done using algorithms documented by some ETN providers. See "Composition of the Indices" in http://www.ibb.ubs.com/mc/etracs_US/downloads/multivix_long_prospectus.pdf for an example. Extrapolation for the first month is not covered in these documents to my knowledge. I adapted their approach for handling missing front month data. |
| 4 | No macros are used. All calculations are visible in the cells (some will make your head hurt…) |
| 5 | The spreadsheet is setup to handle data through December 2011. The November / December information will populate if futures data from the active months is incorporated. |
| 6 | Revision history:<br>Rev B: Improved interpolation and added rounding to 2 decimal places<br>Rev C: Further imroved interpolation and changed rounding to 3 decimal places<br>Rev C1: Error in M6-I formula on Interpolate sheet 26-Mar-04 thru 20-Apr-04, impacts M6 & M7 for those dates. Reset seed setting 16-Jan-07 to 0% error<br>Rev C2: Estimated low values for M2 on 15-Nov-07 (26.09 vs existing 18) and M1 for 31-Dec-08 (41 vs 30.11 existing) because values in CBOE data were unrealistic. Applied ratio from adjacent month for the estimate.<br>Rev C3: Changed expiration date from 20-Dec-05 to the correct 21-Dec-05 |
| 7 | This content is sold for educational / informational purposes only, and is not intended for trading purposes or advice. VH2 LLC (the owner of this site) is not liable for any informational errors, incompleteness, or delays, or for any actions taken in reliance on information contained herein. It is not intended as advice to buy or sell any securities. VH2 LLC is not a registered investment firm, and I am not a registered investment adviser. Please do your own homework and accept full responsibility for any investment decisions you make. |