

Data Description

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The file “UnitaryData.csv” contains the following variables:

- The first four columns contain Euler equation errors from the unitary risk aversion model corresponding to the 3-month T-bill rate, the market excess return, the SMB excess return, and the HML excess return respectively. Under a feasible belief distortion, all four of these variables should have expectation zero (conditional or unconditional).
- The column “d.p” contains the dividend-price ratio for the CRSP value weighted index, computed at the *start* of the return period. Hence functions of $d.p[i]$ (i.e. quantile indicator functions) are valid instruments for the returns in row i .
- The final column “log.RW” contains values of the logarithmic return on wealth. This is the random variable whose expectation we are interested in bounding.

All returns are quarterly and inflation adjusted.