

# Fama-MacBeth 1973: Replication and Extension

Serginio Sylvain \*  
Graduate School of Economics  
University of Chicago  
Chicago, IL 60615, USA

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## Abstract

I reproduce the results of Fama and MacBeth (1973) and extend this paper in several ways. First, I use twenty-five test portfolios constructed using a double-sort on betas and standard deviations of the residuals of the underlying securities (while still maintaining the same timing assumptions and method of Fama and MacBeth; 1973). I find that the coefficient on the average standard deviation of the residuals becomes significant in the cross-sectional regressions, even for the 1929-1968 time period. This goes against some of the results in Fama and MacBeth (1973) and hints that these results may not have been robust. In particular, I alternate between using an equal-weighted and value-weighted NYSE portfolio as proxy for the market portfolio. I also alternate the construction of the test portfolio estimates between equal-weighting and value-weighting of the underlying securities estimates. I find that the Fama-MacBeth (1973) results are unaffected by these variations if the test portfolios are constructed using a single sort on betas as done in Fama-MacBeth (1973). But with test portfolios built with a dual-sort much of the Fama-MacBeth (1973) results are undone.

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# 1 Introduction

Fama and MacBeth (1973) proposed a method of testing some asset pricing implications that arise from the assumption of normally distributed portfolio<sup>1</sup> returns and risk-averse investors. In particular, these two assumption imply that investors would choose portfolios by trading off between the expected returns and the standard deviations of returns of said portfolios. More specifically, the investors choose portfolios that have minimum variance per unit of expected return. Thus investors only hold portfolios that are mean-variance-efficient<sup>2</sup> (MVE). Therefore, the expected return on any portfolio  $p$  held by investors is such that  $E(\tilde{R}_p) = E(\tilde{R}_{0,e}) + \beta_{p,e}[E(\tilde{R}_e) - E(\tilde{R}_{0,e})]$ . Here  $\tilde{R}_e$  is the return on any MVE portfolio  $e$ ,  $\tilde{R}_{0,e}$  is the return on a portfolio with zero beta with respect to portfolio  $e$ , and  $\beta_{p,e}$  is the regression coefficient from regressing  $\tilde{R}_p$  on  $\tilde{R}_e$ .

If there exists a risk-free rate at which investors can borrow (as in the Sharpe-Lintner model) or if there is unlimited short-selling of securities (as in the Black model), with common beliefs and efficient markets<sup>3</sup> then the market portfolio (the value-weighted sum of all investors portfolio holdings where the weights are given be the respective investor's wealth) can be shown to be MVE. Thus we can replace portfolio  $e$  in the above equation with the market portfolio  $M$  and obtain the CAPM.

Fama and MacBeth (1973) proposed the following specification to test three implications of this result.

$$\tilde{R}_p = \hat{\gamma}_{0,t} + \hat{\gamma}_{1,t}\hat{\beta}_{p,t-1} + \hat{\gamma}_{2,t}\hat{\beta}_{p,t-1}^2 + \hat{\gamma}_{3,t}\bar{s}_{p,t-1}(\hat{e}_i) + \hat{\eta}_{p,t} \quad \forall p \quad (1)$$

The author use this specification to test

1. Linearity:  $E(\tilde{R}_p)$  is linear in  $\beta_p$ , the systematic risk of portfolio  $p$ . Linearity implies that  $\hat{\gamma}_{2,t}$  should not be statistically different from zero.
2. Only the systematic risk measured by  $\beta_p$  is priced. Therefore,  $\hat{\gamma}_{3,t}$  should also be statistically indistinguishable from zero.
3. There is positive expected risk-return trade-off. Thus the null hypothesis  $E(\hat{\gamma}_{1,t}) \leq 0$  should be rejected.

The method used in Fama-MacBeth (1973) is very popular even today. It consists of first using time-series regressions of individual securities against (a proxy for) the market portfolio and then grouping the securities into twenty portfolios according to their beta coefficients. The next step is to run the cross-sectional regression using equation (1) for each month and then calculate the average of the coefficients over the time period considered to obtain  $\bar{\gamma}_j$ . I will describe the method in detail later.

<sup>1</sup>Note that portfolios can contain one ore more securities.

<sup>2</sup>For the derivation of this result, see *Foundations of Finance* Chap. 5, Fama (1976).

<sup>3</sup>Market efficiency here means that when investors form expectations they use the “true” joint probability density function for security prices implied by the information set that is relevant for determining security prices (see *Foundations of Finance* Chap. 5, Famal; 1976)

Although the method is still widely used many of the results in the paper have not remained valid in subsequent testing periods and with further investigation. More specifically, Fama-MacBeth (1973) shows that for the time period 1929-1968 the model described above has performed fairly well.  $\hat{\gamma}_{2,t}$  and  $\hat{\gamma}_{3,t}$  were not significantly different from zero (in a statistical sense). Thus Fama-MacBeth (1973) fails to reject that conditional on markets being efficient, the tests portfolios are mean-variance efficient in the set of securities spanned by the proxy for the market portfolio and the test portfolios. However, later research would show that the model performs poorly.

Indeed, in Fama and French (2006) the authors “conclude that the CAPM has fatal problems throughout the 1926 to 2004 period”. Furthermore, Fama and French (1996) also show that there may be additional state variables of interest to investors<sup>4</sup>. The authors find that a three factor model with excess returns of the market portfolio on the risk-free security, the difference in returns between portfolios of small and large stocks and the difference in returns between portfolios of high and low book-to-market value captures a lot of the anomalies in expected returns produced by the CAPM<sup>5</sup>. With the benefit of hindsight, it is all the more surprising that the model performed so well in the pre-1968 period. In particular, Fama and MacBeth (1973) use the equal-weighted NYSE portfolio as a proxy for the market portfolio. In theory, the market portfolio should be the value-weighted portfolio of total investors wealth which includes human capital and other assets not tradeable or readily measurable. Furthermore, any test of asset pricing model is a joint test of market efficiency and of the equilibrium implications of the model’s assumptions. Given the strong assumptions behind the model, and with the benefit of hindsight it is not surprising that a fair amount of evidence was later found against the model.

The question I would like to address in my paper is what could have been done in Fama-MacBeth (1973) to reveal some of the flaws of the model. In particular, I replicate the authors results and through a few robustness checks I show that the results are not consistent. Keeping the same method used in the paper, I alternate between using a value-weighted or equal-weighted NYSE portfolio as proxy for the market portfolio, using value-weighted or equal-weighted underlying securities estimates to build the test portfolios estimates and using dual-sort rather than single-sort test portfolios. I find that with a double-sort on beta and standard deviation of the residuals of the underlying securities, many of the results in Fama-MacBeth (1973) in favor of the model disappear.

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<sup>4</sup>Or that at least additional excess returns are needed to span the true market portfolio of investor’s wealth

<sup>5</sup>We should note that one cannot test the CAPM because the true market portfolio of investors’ wealth is not observed. Furthermore, any test of the CAPM would be a joint test of the CAPM and market efficiency. Nonetheless, to be concise, to avoid confusion and to be consistent with the literature I will use CAPM to describe the following model  $E(\tilde{R}_p) = E(\tilde{R}_{0,M}) + \beta_{p,M}[E(R_M) - E(R_{0,M})]$ ; where  $M$  is a proxy for the market porfolio (eg. NYSE value-weighted portfolio).

## 2 Method

I use the NYSE securities provided by CRSP and follow the Fama and MacBeth (1973) method. I start with a formation period of seven years during which I run the time series regression for each security's monthly return,  $\tilde{R}_{i,t}$ , against the returns of the proxy for the market portfolio (the value-weighted or equal weighted NYSE index),  $\tilde{R}_{M,t}$ .

$$\tilde{R}_{i,t} = \alpha + \beta_i \tilde{R}_{M,t} + e_{i,t}$$

To produce the single-sort portfolios, I group the securities into twenty portfolios (one for each beta quantile). To produce double-sort portfolios, first I sort the securities according to their beta coefficient. Then I sort the securities in each beta-quantile according to the sample standard deviation of the error term ( $s(\hat{e}_{i,t})$ ). Lastly, I group the securities into twenty-five portfolios (one for each of the  $5 \times 5$  quantiles).

I follow each portfolio formation period with an estimation period where I regress the underlying security returns of each portfolio against the returns of the market proxy. I collect the beta coefficients and calculate the respective portfolio beta by taking an equal-weighted or a value-weighted sum of the underlying securities beta estimates. That is  $\hat{\beta}_{p,t} = \sum_{i=1}^N x_i \hat{\beta}_{i,t}$ ; where  $x_i$  is the weight corresponding to security  $i$  in portfolio  $p$ . The testing period is four years long. In particular each month  $t$  of the testing period I run the regression specified by equation (1). In this cross-sectional regression  $\hat{\beta}_{p,t}$  is as defined above and the other regressors<sup>6</sup> are  $\bar{s}_{p,t}(\hat{e}_{i,t}) = \sum_{i=1}^N x_i s(\hat{e}_{i,t})$  and  $\hat{\beta}_{p,t}^2 = \sum_{i=1}^N x_i \hat{\beta}_{i,t}^2$ .

The last step consists of taking the sample averages of  $\hat{\gamma}_{jt}$  across the time periods of interest to obtain the desired statistics. Each estimation period is an increasing time window which starts five year prior to the testing period. The estimation window increases by one year for every year of the testing period (excluding the first year). Thus the portfolio betas are updated annually and these betas are estimated one to twelve month prior to the date of the portfolio returns in testing regressions. I restrict the analysis to securities that have data for all five years of the preceding estimation period and at least four years of the formation period. To be consistent with Fama-Macbeth (1973) the length of the first formation period 1926-1929 will be four years rather than seven. Table 1 replicates and extends Table 1 from Fama-Macbeth (1973) and provides information on the formation, estimation and testing periods. Notice that the sample the authors use in Fama-Macbeth (1973) is from 1926 through 6/1968. I extend their sample through 12/2010. The number of securities in the formation, estimation and testing periods are slightly different from those in Fama and Macbeth (1973) mostly due to changes in the CRSP dataset over the last few decades.

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<sup>6</sup>I use  $\hat{\cdot}$  to denote values estimated from a regression and distinguish estimates from true values. In the limit as the sample gets infinitely large these estimates converge to the true values of the coefficients. Thus  $\hat{\gamma}_0$  is an estimate of  $\gamma_0$ , the true value of the coefficient. I use  $\bar{\cdot}$  to denote sample averages and  $\sim$  to denote random variables.

**PORTFOLIO FORMATION, ESTIMATION AND TESTING PERIODS**

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	PERIODS				
	1	2	3	4	5
Portfolio formation period	1926-29	1927-33	1931-37	1935-41	1939-45
Initial estimation period	1930-34	1934-38	1938-42	1942-46	1946-50
Testing period	1935-38	1939-42	1943-46	1947-50	1951-54
No. of securities available	711	779	807	921	1024
No. of securities meeting data requirement	415	581	608	717	760
	PERIODS				
	1	2	3	4	
Portfolio formation period	1943-49	1947-53	1951-57	1955-61	
Initial estimation period	1950-54	1954-58	1958-62	1962-66	
Testing period	1955-58	1959-62	1963-66	1967-68	
No. of securities available	1062	1071	1189	1284	
No. of securities meeting data requirement	823	869	882	863	
	PERIODS				
	1	2	3	4	5
Portfolio formation period	1959-65	1963-69	1967-73	1971-77	1975-81
Initial estimation period	1966-70	1970-74	1974-78	1978-82	1982-86
Testing period	1971-74	1975-78	1979-82	1983-86	1987-90
No. of securities available	1339	1518	1568	1488	1469
No. of securities meeting data requirement	827	928	1074	1105	978
	PERIODS				
	1	2	3	4	5
Portfolio formation period	1979-85	1983-89	1987-93	1991-97	1995-01
Initial estimation period	1986-90	1990-94	1994-98	1998-02	2002-06
Testing period	1991-94	1995-98	1999-02	2003-06	2007-10
No. of securities available	1565	2176	2429	2024	2005
No. of securities meeting data requirement	899	951	1011	1094	1239

Table 1

## 3 Results

### 3.1 Summary statistics

Most of the results will consist of producing different versions of the tables from Fama-Macbeth (1973). In describing the results I will limit the discussion to and show summary results for 1) the original Fama-Macbeth (1973) tables which I extend to include data for 1968-2010; I will label the resulting tables, Table #a, 2) a version of the tables using both the value-weighted NYSE market portfolio proxy and value-weighted averages of the underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct the corresponding portfolio-level estimates for the twenty portfolios (labelled Table #d), 3) the original Fama and Macbeth (1973) tables but with the twenty-five dual-sort portfolios (labelled Table #e), and 4) the results from using both the value-weighted NYSE market portfolio proxy and a value-weighted average of the underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct the twenty-five dual-sort portfolios estimates (labelled Table #h). I will include other variations of the tables in the Appendix.

First, I replicate and extend Table 2 from Fama and Macbeth (1973) below. The proxy for the market portfolio is the equal-weighted NYSE index and the test portfolios are the twenty beta-sorted portfolios. I obtain point estimates very similar to those in Fama and Macbeth (1973) for the 1926-1968 period. I display the result on Table 2a, below. In particular, the portfolio betas range from 0.24 for the first quantile to 1.56 for the twentieth quantile. Also notice that for the first quantile the average beta increases from 0.24 to 0.66 for the estimation periods 1934-38 through 1966-70. But then it monotonically decreases for the subsequent estimation periods 1974-78 to 2002-06 from 0.56 to 0.23. This may be hinting that the nature of the betas have changed at lowest portfolio beta-quantile between the time period 1926-1968 (used in the Fama and Macbeth; 1973) and the subsequent time period 1968-2010. Although I cannot rule out small sample bias as the cause of these results, time-varying betas may also be part of the reason.

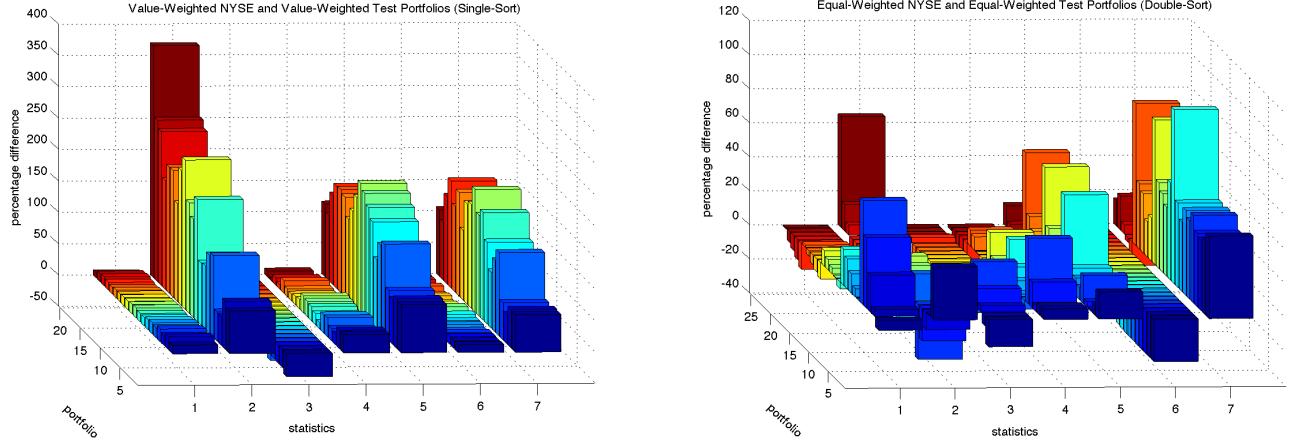
In order to determine how robust these estimates are I produce the following variations of Table 2. First, in Table 2d (of the Appendix), I show the resulting table when I use both the value-weighted NYSE market portfolio proxy and value-weighted averages of the underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct the corresponding portfolio estimates. I calculate the percentage difference between Table 2d and Table 2a and display the results graphically on Figure (1a), shown below. Along the x-axis are the seven statistics of interest in the following order: the portfolio beta  $\hat{\beta}_{p,t-1}$ , the estimated standard error of the portfolio beta  $s(\hat{\beta}_{p,t-1})$ , the square of the correlation between the portfolio return and the market portfolio proxy return  $r(R_p, R_m)^2$ , the estimated standard deviation of the portfolio return  $s(R_p)$ , the standard deviation of the residuals from regressing portfolio returns against market portfolio proxy returns  $s(\hat{e}_p)$ , the weighted-average of the standard deviations of the residuals from regressing each underlying security returns again the market portfolio proxy returns  $\bar{s}_{p,t-1}(\hat{e}_i)$ , and  $s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$ . The y-axis lists the respective portfolio. And the z-axis shows the percentage deviations from Table 2a.

TABLE 2a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 1-10)

Statistics	1	2	3	4	5	6	7	8	9	10
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.2429	0.2938	0.3493	0.5820	0.6477	0.7326	0.7416	0.8639	0.8960	0.8970
$s(\hat{\beta}_{p,t-1})$	0.2035	0.2229	0.1966	0.0828	0.0669	0.0421	0.0298	0.0150	0.0155	0.0267
$r(R_p, R_m)^2$	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421
$s(\hat{R}_p)$	0.0759	0.0944	0.0912	0.0931	0.1012	0.0949	0.1161	0.0998	0.0996	0.1159
$s(\hat{e}_p)$	0.0302	0.0283	0.0282	0.0267	0.0224	0.0256	0.0324	0.0231	0.0265	0.0268
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0838	0.0838	0.0838	0.0838	0.0838	0.0838	0.0838	0.0733	0.0733	0.0733
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3600	0.3372	0.3372	0.3191	0.2678	0.3056	0.3866	0.3149	0.3622	0.3652
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	0.2475	0.4370	0.6118	0.6406	0.7170	0.7622	0.9228	0.9761	0.9810	1.0040
$s(\hat{\beta}_{p,t-1})$	0.0334	0.0035	0.0208	0.0045	0.0163	0.0105	0.0524	0.0437	0.0235	0.0165
$r(R_p, R_m)^2$	0.7474	0.7927	0.8047	0.8439	0.8890	0.8508	0.9034	0.9077	0.9265	0.9510
$s(\hat{R}_p)$	0.03551	0.0396	0.0527	0.0429	0.0466	0.0488	0.0540	0.0547	0.0619	0.0580
$s(\hat{e}_p)$	0.01784	0.0180	0.0233	0.0169	0.0155	0.0189	0.0168	0.0166	0.0168	0.0128
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0542	0.0542	0.0544	0.0542	0.0544	0.0544	0.0544	0.0544	0.0544	0.0544
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3294	0.3326	0.4281	0.3128	0.2852	0.3465	0.3081	0.3050	0.3084	0.2358
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.4597	0.5366	0.6250	0.6502	0.7220	0.7432	0.8038	0.8287	0.8420	0.8977
$s(\hat{\beta}_{p,t-1})$	0.0297	0.0080	0.0283	0.0398	0.0362	0.0393	0.0304	0.0399	0.0392	0.0304
$r(R_p, R_m)^2$	0.6149	0.6981	0.7725	0.8659	0.9095	0.8965	0.9034	0.9403	0.9430	0.9247
$s(\hat{R}_p)$	0.02409	0.0219	0.0269	0.0286	0.0317	0.0312	0.0338	0.0388	0.0372	0.0363
$s(\hat{e}_p)$	0.01495	0.0120	0.0128	0.0105	0.0095	0.0100	0.0105	0.0095	0.0089	0.0100
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0399	0.0399	0.0399	0.0399	0.0399	0.0399	0.0399	0.0399	0.0399	0.0399
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3744	0.3007	0.3211	0.2624	0.2391	0.2512	0.2633	0.2376	0.2221	0.2496
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	0.4394	0.5873	0.7484	0.7549	0.7627	0.8164	0.9793	0.9823	0.9838	1.0160
$s(\hat{\beta}_{p,t-1})$	0.0224	0.0222	0.0568	0.0489	0.0119	0.0049	0.0145	0.0067	0.0080	0.0100
$r(R_p, R_m)^2$	0.7957	0.8430	0.8760	0.8900	0.9188	0.9152	0.9360	0.9467	0.9251	0.9322
$s(\hat{R}_p)$	0.0335	0.0350	0.0359	0.0338	0.0361	0.0373	0.0405	0.0418	0.0423	0.0420
$s(\hat{e}_p)$	0.01514	0.0139	0.0127	0.0112	0.0103	0.0109	0.0102	0.0097	0.0116	0.0110
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3040	0.2787	0.2539	0.2251	0.2064	0.2182	0.2056	0.1939	0.2321	0.2197
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	0.6101	0.6206	0.6965	0.7659	0.7854	0.8456	0.8679	0.9535	0.9550	0.9571
$s(\hat{\beta}_{p,t-1})$	0.0391	0.0154	0.0220	0.0189	0.0200	0.0127	0.0136	0.0379	0.0284	0.0241
$r(R_p, R_m)^2$	0.7802	0.7152	0.7641	0.8635	0.8874	0.9128	0.9263	0.9451	0.9560	0.9458
$s(\hat{R}_p)$	0.04056	0.0388	0.0415	0.0456	0.0468	0.0450	0.0539	0.0501	0.0553	0.0494
$s(\hat{e}_p)$	0.01901	0.0207	0.0201	0.0169	0.0157	0.0133	0.0146	0.0117	0.0116	0.0115
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2740	0.2981	0.2903	0.2429	0.2262	0.1917	0.2106	0.1690	0.1673	0.1659
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.5587	0.5745	0.6114	0.6488	0.7423	0.7487	0.7946	0.8527	0.8551	0.8723
$s(\hat{\beta}_{p,t-1})$	0.0368	0.0270	0.0121	0.0200	0.0227	0.0295	0.0202	0.0196	0.0110	0.0155
$r(R_p, R_m)^2$	0.7538	0.7835	0.8032	0.9065	0.9078	0.9223	0.9111	0.9169	0.9446	0.9308
$s(\hat{R}_p)$	0.05202	0.0493	0.0488	0.0490	0.0501	0.0529	0.0561	0.0521	0.0619	0.0589
$s(\hat{e}_p)$	0.02581	0.0230	0.0217	0.0150	0.0152	0.0147	0.0167	0.0150	0.0146	0.0155
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0595	0.0595	0.0595	0.0595	0.0595	0.0595	0.0595	0.0595	0.0595	0.0595
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4338	0.3858	0.3641	0.2516	0.2558	0.2477	0.2809	0.2526	0.2448	0.2604
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.5491	0.6146	0.6556	0.6696	0.7329	0.7536	0.7905	0.8103	0.8618	0.9154
$s(\hat{\beta}_{p,t-1})$	0.0286	0.0165	0.0143	0.0173	0.0149	0.0135	0.0075	0.0119	0.0106	0.0232
$r(R_p, R_m)^2$	0.6371	0.5766	0.7363	0.8325	0.8207	0.8695	0.9027	0.9324	0.9043	0.9374
$s(\hat{R}_p)$	0.03336	0.0291	0.0347	0.0391	0.0364	0.0393	0.0425	0.0422	0.0441	0.0464
$s(\hat{e}_p)$	0.0201	0.0189	0.0178	0.0160	0.0154	0.0142	0.0132	0.0110	0.0136	0.0116
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0474	0.0474	0.0474	0.0474	0.0474	0.0474	0.0474	0.0474	0.0474	0.0474
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4245	0.4001	0.3758	0.3383	0.3257	0.3001	0.2796	0.2316	0.2290	0.2450
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	0.4535	0.5258	0.6075	0.6612	0.7792	0.7859	0.8080	0.9175	1.0300	1.0470
$s(\hat{\beta}_{p,t-1})$	0.0522	0.0681	0.0565	0.0310	0.0334	0.0341	0.0564	0.0306	0.0280	0.0311
$r(R_p, R_m)^2$	0.2653	0.3506	0.4916	0.6653	0.7747	0.7783	0.7853	0.8352	0.8238	0.8534
$s(\hat{R}_p)$	0.02637	0.0274	0.0322	0.0315	0.0363	0.0366	0.0403	0.0369	0.0429	0.0492
$s(\hat{e}_p)$	0.0226	0.0220	0.0229	0.0182	0.0172	0.0172	0.0187	0.0150	0.0180	0.0189
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0367	0.0367	0.0367	0.0367	0.0367	0.0367	0.0367	0.0367	0.0457	0.0367
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6165	0.6011	0.6255	0.4964	0.4700	0.4700	0.5096	0.4089	0.3942	0.5140
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.2567	0.3555	0.4157	0.5775	0.6683	0.7887	0.8396	0.8742	0.9014	0.9392
$s(\hat{\beta}_{p,t-1})$	0.0248	0.0218	0.0228	0.0592	0.0481	0.0264	0.0552	0.0217	0.0156	0.0202
$r(R_p, R_m)^2$	0.2612	0.1635	0.4095	0.4788	0.6937	0.7833	0.6700	0.9215	0.8208	0.8475
$s(\hat{R}_p)$	0.02507	0.0328	0.0333	0.0421	0.0392	0.0432	0.0460	0.0474	0.0456	0.0515
$s(\hat{e}_p)$	0.02155	0.0300	0.0256	0.0304	0.0217	0.0201	0.0264	0.0133	0.0193	0.0201
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0572	0.0568	0.0572	0.0572	0.0549	0.0549	0.0549	0.0549	0.0554	0.0554
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3768	0.5278	0.4475	0.5314	0.3948	0.3666	0.4816	0.2421	0.3486	0.3627
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.2320	0.2843	0.3283	0.4210	0.6107	0.6318	0.6396	0.7380	0.8787	0.9205
$s(\hat{\beta}_{p,t-1})$	0.0205	0.0203	0.0218	0.0724	0.0207	0.0507	0.0503	0.0744	0.0050	0.0189
$r(R_p, R_m)^2$	0.4433	0.3691	0.5467	0.6055	0.7747	0.7985	0.8758	0.9157	0.8708	0.9036
$s(\hat{R}_p)$	0.02464	0.0244	0.0287	0.0282	0.0329	0.0313	0.0305	0.0345	0.0341	0.0366
$s(\hat{e}_p)$	0.01839	0.0194	0.0193	0.0177	0.0156	0.0141	0.0107	0.0100	0.0122	0.0114
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0447	0.0447	0.0447	0.0447
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4126	0.4351	0.4333	0.3976	0.3504	0.3154	0.2400	0.2239	0.2735	0.2540

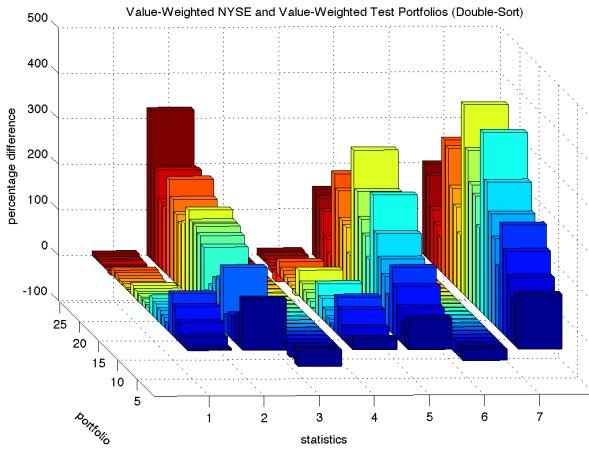
TABLE 2a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 11-20)

Statistics	11	12	13	14	15	16	17	18	19	20
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.9502	1.0090	1.0970	1.1640	1.1920	1.2490	1.3510	1.3570	1.3880	1.4610
$s(\hat{\beta}_{p,t-1})$	0.0170	0.0147	0.0249	0.0586	0.0614	0.0677	0.0577	0.0703	0.0574	0.0218
$r(R_p, R_m)^2$	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421	0.8421
$s(\hat{R}_p)$	0.1149	0.1065	0.1097	0.1177	0.1248	0.1148	0.1233	0.1237	0.1215	0.1403
$s(\hat{e}_p)$	0.0221	0.0251	0.0288	0.0311	0.0333	0.0298	0.0324	0.0314	0.0276	0.0367
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0733	0.0733	0.0851	0.0851	0.0851	0.0851	0.0851	0.0851	0.0851	0.0851
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3017	0.3419	0.3382	0.3655	0.3916	0.3494	0.3799	0.3687	0.3243	0.4309
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	1.0410	1.1320	1.2130	1.2240	1.2330	1.3220	1.3270	1.3660	1.3710	1.5520
$s(\hat{\beta}_{p,t-1})$	0.0186	0.0139	0.0238	0.0244	0.0089	0.0077	0.0247	0.0154	0.0246	0.0478
$r(R_p, R_m)^2$	0.9529	0.9328	0.9151	0.8908	0.9134	0.9488	0.9102	0.8157	0.9715	0.8459
$s(\hat{R}_p)$	0.0654	0.0693	0.0755	0.0814	0.0832	0.0730	0.0837	0.1049	0.0862	0.1198
$s(\hat{e}_p)$	0.0142	0.0180	0.0220	0.0269	0.0245	0.0165	0.0251	0.0450	0.0145	0.0470
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0544	0.0527	0.0544	0.0527	0.0527	0.0527	0.0527	0.0527	0.0527	0.0527
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2608	0.3408	0.4041	0.5107	0.4647	0.3136	0.4760	0.8545	0.2760	0.8927
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.9478	1.0360	1.0480	1.1070	1.1910	1.2940	1.3900	1.4030	1.5570	1.5600
$s(\hat{\beta}_{p,t-1})$	0.0258	0.0069	0.0320	0.0069	0.0097	0.0243	0.0337	0.0219	0.0537	0.0414
$r(R_p, R_m)^2$	0.9531	0.9411	0.9171	0.9382	0.9473	0.9327	0.9452	0.9048	0.8850	0.7996
$s(\hat{R}_p)$	0.0377	0.0411	0.0454	0.0420	0.0447	0.0460	0.0523	0.0509	0.0554	0.0595
$s(\hat{e}_p)$	0.0082	0.0100	0.0131	0.0105	0.0103	0.0119	0.0122	0.0157	0.0188	0.0266
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0430	0.0430	0.0399	0.0399	0.0430	0.0430	0.0430	0.0430	0.0430	0.0430
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.1899	0.2322	0.3272	0.2617	0.2387	0.2775	0.2845	0.3656	0.4372	0.6200
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	1.0740	1.1140	1.1590	1.1650	1.2000	1.2180	1.2410	1.2460	1.4770	1.4990
$s(\hat{\beta}_{p,t-1})$	0.0285	0.0196	0.0191	0.0149	0.0229	0.0158	0.0064	0.0613	0.0248	0.0541
$r(R_p, R_m)^2$	0.9387	0.9486	0.9428	0.8992	0.9463	0.9338	0.9236	0.9052	0.9175	0.8658
$s(\hat{R}_p)$	0.0462	0.0450	0.0487	0.0458	0.0490	0.0495	0.0490	0.0564	0.0567	0.0576
$s(\hat{e}_p)$	0.0114	0.0102	0.0117	0.0145	0.0114	0.0127	0.0135	0.0174	0.0163	0.0211
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0498	0.0517	0.0517	0.0517	0.0498	0.0501	0.0517	0.0501	0.0501	0.0501
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2295	0.1974	0.2255	0.2816	0.2279	0.2545	0.2622	0.3467	0.3249	0.4215
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	1.0110	1.0250	1.0360	1.0390	1.0470	1.1130	1.1260	1.1500	1.3020	1.4500
$s(\hat{\beta}_{p,t-1})$	0.0314	0.0269	0.0194	0.0202	0.0251	0.0363	0.0423	0.0571	0.0287	0.0499
$r(R_p, R_m)^2$	0.9426	0.9579	0.9439	0.9645	0.9495	0.9299	0.9402	0.9294	0.9407	0.9369
$s(\hat{R}_p)$	0.0565	0.0519	0.0587	0.0617	0.0562	0.0631	0.0641	0.0660	0.0672	0.0716
$s(\hat{e}_p)$	0.0135	0.0107	0.0139	0.0116	0.0126	0.0167	0.0157	0.0175	0.0164	0.0180
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0694	0.0694	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0590	0.0590
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.1949	0.1534	0.2323	0.1941	0.2110	0.2791	0.2619	0.2929	0.2773	0.3047
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.8786	0.9812	1.0080	1.0760	1.0900	1.0960	1.1040	1.1930	1.2510	1.4330
$s(\hat{\beta}_{p,t-1})$	0.0190	0.0215	0.0161	0.0200	0.0275	0.0305	0.0280	0.0173	0.0172	0.0226
$r(R_p, R_m)^2$	0.9353	0.9582	0.9569	0.9460	0.9469	0.9540	0.9671	0.9482	0.9084	0.9217
$s(\hat{R}_p)$	0.0636	0.0643	0.0692	0.0717	0.0712	0.0700	0.0803	0.0780	0.0900	0.0927
$s(\hat{e}_p)$	0.0162	0.0132	0.0144	0.0167	0.0164	0.0150	0.0146	0.0178	0.0272	0.0259
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0595	0.0595	0.0564	0.0564	0.0564	0.0564	0.0564	0.0564	0.0564	0.0564
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2720	0.2211	0.2543	0.2952	0.2905	0.2659	0.2581	0.3145	0.4827	0.4596
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.9296	0.9563	0.9936	1.0270	1.0430	1.1120	1.1530	1.2480	1.2560	1.5140
$s(\hat{\beta}_{p,t-1})$	0.0187	0.0179	0.0091	0.0094	0.0189	0.0113	0.0209	0.0182	0.0536	0.0236
$r(R_p, R_m)^2$	0.8934	0.9298	0.9114	0.9356	0.9238	0.9094	0.9343	0.8893	0.8347	0.9006
$s(\hat{R}_p)$	0.0492	0.0475	0.0462	0.0489	0.0471	0.0492	0.0553	0.0477	0.0592	0.0643
$s(\hat{e}_p)$	0.0161	0.0126	0.0138	0.0124	0.0130	0.0148	0.0142	0.0159	0.0241	0.0203
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0474	0.0474	0.0596	0.0474	0.0596	0.0596	0.0596	0.0596	0.0594	0.0594
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3396	0.2656	0.2310	0.2621	0.2182	0.2488	0.2379	0.2663	0.4046	0.3408
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	1.0610	1.0850	1.0920	1.0990	1.1190	1.1340	1.1790	1.1940	1.2340	1.3280
$s(\hat{\beta}_{p,t-1})$	0.0142	0.0076	0.0097	0.0117	0.0128	0.0067	0.0183	0.0180	0.0296	0.0350
$r(R_p, R_m)^2$	0.9021	0.7938	0.8482	0.7453	0.8128	0.8187	0.8754	0.7588	0.5742	0.8091
$s(\hat{R}_p)$	0.0440	0.0462	0.0518	0.0541	0.0441	0.0509	0.0500	0.0594	0.0634	0.0708
$s(\hat{e}_p)$	0.0138	0.0210	0.0202	0.0273	0.0191	0.0217	0.0177	0.0292	0.0414	0.0310
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0367	0.0367	0.0457	0.0367	0.0457	0.0457	0.0457	0.0457	0.0457	0.0457
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3754	0.5726	0.4413	0.7453	0.4176	0.4742	0.3862	0.6384	0.9051	0.6773
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.9516	0.9613	1.0310	1.0490	1.1770	1.2470	1.2640	1.2880	1.3370	1.5570
$s(\hat{\beta}_{p,t-1})$	0.0066	0.0270	0.0297	0.0505	0.0402	0.0294	0.0347	0.0281	0.0248	0.0594
$r(R_p, R_m)^2$	0.8129	0.8314	0.9045	0.8686	0.8904	0.8405	0.9068	0.9060	0.8271	0.8106
$s(\hat{R}_p)$	0.0539	0.0516	0.0582	0.0622	0.0640	0.0732	0.0692	0.0682	0.0766	0.0825
$s(\hat{e}_p)$	0.0233	0.0212	0.0180	0.0225	0.0212	0.0292	0.0211	0.0209	0.0318	0.0359
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0461	0.0563	0.0461	0.0563	0.0461	0.0461	0.0461	0.0461	0.0461	0.0461
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5059	0.3762	0.3902	0.4005	0.4593	0.6337	0.4579	0.4532	0.6903	0.7784
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.9931	1.0500	1.0870	1.1060	1.1490	1.2170	1.2770	1.3360	1.3710	1.4290
$s(\hat{\beta}_{p,t-1})$	0.0237	0.0134	0.0082	0.0248	0.0128	0.0319	0.0322	0.0081	0.0054	0.0096
$r(R_p, R_m)^2$	0.8741	0.8719	0.8852	0.8781	0.8971	0.8796	0.8819	0.8871	0.8786	0.8499
$s(\hat{R}_p)$	0.0398	0.0462	0.0437	0.0423	0.0477	0.0509	0.0504	0.0508	0.0488	0.0582
$s(\hat{e}_p)$	0.0141	0.0165	0.0148	0.0148	0.0153	0.0177	0.0173	0.0171	0.0170	0.0226
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0434	0.0434	0.0351	0.0352	0.0352	0.0354	0.0354	0.0354	0.0354	0.0353
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3255	0.3811	0.4226	0.4197	0.4356	0.4990	0.4897	0.4826	0.4804	0.6392



(a) This figure displays the percentage difference between Table 2d and Table 2a. In Table 2d, I use the value-weighted NYSE as a market portfolio proxy and I use a value-weighted of the underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct  $\hat{\beta}_{p,t-1}$  and  $\bar{s}_{p,t-1}(\hat{e}_i)$  for the twenty portfolios. Table 2a is the original table from Fama-Macbeth (1973).

(b) This figure displays the percentage difference between Table 2e and Table 2a. In Table 2e, I use the equal-weighted NYSE as a market portfolio proxy and I use the equal-weighted underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct  $\hat{\beta}_{p,t-1}$  and  $\bar{s}_{p,t-1}(\hat{e}_i)$  for the twenty-five double-sort portfolios. To calculate the percentage differences I use portfolios 1, 5, 10, 16 and 20 from Fama-MacBeth (1973) and the corresponding beta-quintile of the  $5 \times 5$  test portfolios.



(c) This figure displays the percentage difference between Table 2h and Table 2a. In Table 2h, I use the value-weighted NYSE as a market portfolio proxy and I use value-weighted underlying securities  $\beta_i$  and  $s(\hat{e}_{it})$  to construct  $\hat{\beta}_{p,t-1}$  and  $\bar{s}_{p,t-1}(\hat{e}_i)$  for the twenty-five double-sort portfolios. To calculate the percentage differences I use portfolios 1, 5, 10, 16 and 20 from Fama-MacBeth (1973) and the corresponding beta-quintile of the  $5 \times 5$  test portfolios.

Figure 1: The x-axis show the following statistics: 1) the portfolio beta  $\hat{\beta}_{p,t-1}$ , 2) the estimated standard error of the portfolio beta  $s(\hat{\beta}_{p,t-1})$ , 3) the square of the correlation between the portfolio return and the market portfolio proxy return  $r(R_p, R_m)^2$ , 4) the estimated standard deviation of the portfolio return  $s(R_p)$ , 5) the standard deviation of the residuals from regressing portfolio returns against market portfolio proxy returns  $s(\hat{e}_p)$ , 6) the weighted-average of the standard deviations of the residuals from regressing each underlying security returns again the market portfolio proxy returns  $\bar{s}_{p,t-1}(\hat{e}_i)$ , and 7)  $s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$ . The y-axis lists the respective portfolio. And the z-axis shows the percentage deviations from Table 2a.

One of the most striking features of Figure (1a) is that statistics 7,  $s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$  seems to be much larger when the market proxy is the value-weighted NYSE compared to when an equal-weighted NYSE index is used. This holds for all portfolio quantiles. In particular, this statistic increases by 50-150%. This implies that the equal-weighted NYSE is better at predicting the twenty beta-sorted portfolios of Fama and Macbeth (1973) than the value-weighted NYSE. Indeed, this is confirmed by statistic 3,  $r(R_p, R_m)^2$ , which is a measure of the goodness of fit. We can observe that the difference between  $r(R_p, R_m)^2$  from Table 2d and Table 2a is slightly negative for all twenty portfolios; thus the fit is slightly worse when I use the value-weighted NYSE as a proxy for the market portfolio. Notice that the portfolio betas (statistics 1) are slightly greater on Table 2d than Table 2a. Recall that  $\beta_{x,y} = \frac{\text{cov}(x,y)}{\sigma_y^2}$  and  $\text{corr}(x,y) = \frac{\text{cov}(x,y)}{\sigma_x \sigma_y}$ . Since the magnitude of the correlation between  $R_p$  and  $R_m$  is smaller on Table 2d than on Table 2a and since  $\hat{\beta}_{p,t-1}$  is larger on Table 2d than on Table 2a, it may be that the volatility in the test portfolio returns is larger when we use the value-weighted NYSE as proxy for the market portfolio, that the value-weighted NYSE is less volatile than the equal-weighted NYSE and that the covariance between the portfolio returns and the market proxy returns increases. I do find that the estimated standard deviation of the test portfolio returns (statistics 4) are a bit larger on Table 2d. Later, I will also show that the equal-weighted NYSE has a greater standard deviation than the value-weighted NYSE. I find that on average the equal-weighted NYSE portfolio has a standard deviation that is twenty-six percent greater than that of the value-weighted NYSE portfolio. Thus, using the value-weighted NYSE market portfolio proxy leads to larger standard errors for the portfolio betas (statistics 2 is increasingly larger as the beta-quantile increases), and lower covariance between the test portfolio returns and the proxy for the market returns. But since the value-weighted NYSE is less volatile than the equal-weighted NYSE the level of the portfolio betas increases a bit but the goodness of fit for the regression of the test portfolio returns against the market proxy returns decreases slightly.

I then repeat the exercise with the twenty-five portfolios based on a dual-sort of betas and standard deviation of the returns on the underlying securities (the results are in Tables 2e, 2f, 2g and 2h). Table 2h is displayed below. I also include the percentage difference between Table 2e and Table 2a on Figure (1b). On Figure (1b) we can see that the differences between Tables 2e and 2a are less systematic. Nonetheless, the change in the statistic 7,  $s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$ , is more than ten percent for most of the portfolios. Figure (1c) shows the difference between Table 2h and Table 2a. Here the results are qualitatively similar to those of Figure (1a). However, the magnitude of statistic 5,  $s(\hat{e}_p)$ , and statistic 7,  $s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$ , are much greater. This hints that model (1) will have difficulties pricing the portfolio returns when the test portfolios estimates are constructed using a value-weighted approach and/or when the test portfolios are constructed from a dual sort on betas and standard deviation of the residuals of the underlying securities.

TABLE 2h: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 1-13)

Statistics	1	2	3	4	5	6	7	8	9	10	11	12	13
Portfolios for Estimation Period 1934-38													
$\hat{\beta}_{p,t-1}$	0.1982	0.2179	0.3416	0.3583	0.5905	0.6921	0.7318	0.7658	0.8538	0.8645	0.9063	0.9174	0.9449
$s(\hat{\beta}_{p,t-1})$	0.3208	0.2990	0.2972	0.2452	0.1587	0.1563	0.1640	0.1504	0.1740	0.1670	0.1778	0.1844	0.2174
$r(R_p, R_m)^2$	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401
$s(R_p)$	0.1490	0.0855	0.0868	0.1178	0.1268	0.1102	0.0955	0.1087	0.1162	0.1596	0.1121	0.1000	0.1325
$s(\hat{e}_p)$	0.1115	0.0508	0.0452	0.0737	0.0943	0.0571	0.0488	0.0590	0.0754	0.1208	0.0636	0.0503	0.0677
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0593	0.0593	0.0593
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	2.5550	1.1640	1.0360	1.6890	2.1610	1.3100	1.1190	1.3540	1.7280	2.7700	1.0710	0.8470	1.1420
Portfolios for Estimation Period 1942-46													
$\hat{\beta}_{p,t-1}$	0.5582	0.6192	0.8563	1.0730	1.1202	1.1390	1.1730	1.2260	1.3720	1.4600	1.5730	1.6390	
$s(\hat{\beta}_{p,t-1})$	0.1171	0.0267	0.0755	0.1247	0.1106	0.0688	0.0533	0.0413	0.0208	0.0361	0.0531	0.0880	0.1047
$r(R_p, R_m)^2$	0.4898	0.7589	0.1020	0.1930	0.6181	0.7678	0.6575	0.7801	0.6143	0.6204	0.8232	0.5185	0.6546
$s(R_p)$	0.05024	0.0428	0.0805	0.1170	0.0678	0.0494	0.0632	0.0488	0.0644	0.0795	0.0506	0.0616	0.0629
$s(\hat{e}_p)$	0.03589	0.0210	0.0763	0.1051	0.0419	0.0238	0.0370	0.0229	0.0400	0.0490	0.0213	0.0427	0.0369
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0441	0.0441	0.0441	0.0441	0.0441	0.0441	0.0441	0.0441	0.0441	0.0441	0.0540	0.0540	0.0540
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.8135	0.4761	1.7300	2.3820	0.9498	0.5401	0.8385	0.5192	0.9067	1.1100	0.4822	0.7918	0.6842
Portfolios for Estimation Period 1950-54													
$\hat{\beta}_{p,t-1}$	0.4110	0.6066	0.7508	0.8363	0.8659	0.9766	1.0570	1.0650	1.1080	1.1430	1.1710	1.2300	1.2560
$s(\hat{\beta}_{p,t-1})$	0.1141	0.0573	0.0258	0.0422	0.0492	0.0651	0.0449	0.0366	0.0317	0.0204	0.0223	0.0362	0.0394
$r(R_p, R_m)^2$	0.5048	0.4156	0.4498	0.4648	0.3043	0.7522	0.6366	0.5915	0.4788	0.3736	0.7766	0.6463	0.6385
$s(R_p)$	0.02798	0.0311	0.0309	0.0329	0.0353	0.0372	0.0459	0.0391	0.0455	0.0411	0.0397	0.0453	0.0444
$s(\hat{e}_p)$	0.01969	0.0253	0.0229	0.0241	0.0294	0.0185	0.0277	0.0250	0.0329	0.0325	0.0188	0.0270	0.0267
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0440	0.0440	0.0440	0.0440	0.0440	0.0406	0.0440	0.0440	0.0406	0.0406	0.0440	0.0406	0.0406
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4471	0.5754	0.5208	0.5467	0.6684	0.4565	0.6287	0.5671	0.8210	0.8005	0.4264	0.6639	0.6580
Portfolios for Estimation Period 1958-62													
$\hat{\beta}_{p,t-1}$	0.4092	0.4104	0.5256	0.5512	0.7272	0.7319	0.7516	0.7728	0.8975	0.9153	0.9633	0.9719	1.0200
$s(\hat{\beta}_{p,t-1})$	0.0562	0.0713	0.0540	0.0514	0.0855	0.0803	0.0544	0.0462	0.0357	0.0375	0.0566	0.0477	0.0546
$r(R_p, R_m)^2$	0.6912	0.6154	0.6353	0.5635	0.6025	0.6186	0.5762	0.5245	0.5787	0.5684	0.6314	0.5666	0.5841
$s(R_p)$	0.03464	0.0385	0.0380	0.0471	0.0503	0.0431	0.0453	0.0548	0.0485	0.0581	0.0421	0.0541	0.0601
$s(\hat{e}_p)$	0.01925	0.0239	0.0229	0.0311	0.0317	0.0266	0.0295	0.0378	0.0315	0.0381	0.0256	0.0356	0.0387
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0407	0.0407	0.0407	0.0407	0.0407	0.0407	0.0407	0.0407	0.0407	0.0445	0.0445	0.0445	0.0445
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4726	0.5857	0.5631	0.7644	0.7786	0.6540	0.7238	0.9283	0.7729	0.8578	0.5754	0.8017	0.8714
Portfolios for Estimation Period 1966-70													
$\hat{\beta}_{p,t-1}$	0.5930	0.6672	0.7041	0.7730	0.7769	0.7876	0.8807	0.9703	0.9964	1.0040	1.0060	1.0510	1.0520
$s(\hat{\beta}_{p,t-1})$	0.0810	0.0349	0.0411	0.0325	0.0413	0.0528	0.0262	0.0197	0.0206	0.0196	0.0429	0.0360	0.0405
$r(R_p, R_m)^2$	0.6384	0.5769	0.5021	0.5893	0.5538	0.6901	0.7126	0.6112	0.5143	0.5143	0.6547	0.7050	0.7150
$s(R_p)$	0.0416	0.0472	0.0468	0.0624	0.0786	0.0466	0.0487	0.0578	0.0687	0.0879	0.0516	0.0521	0.0589
$s(\hat{e}_p)$	0.02502	0.0307	0.0330	0.0400	0.0525	0.0260	0.0261	0.0361	0.0479	0.0613	0.0303	0.0283	0.0314
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0568	0.0568	0.0568	0.0568	0.0568	0.0568	0.0549	0.0568	0.0568	0.0549	0.0568	0.0568	0.0568
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4401	0.5399	0.5809	0.7036	0.9235	0.4568	0.4755	0.6345	0.8420	1.1160	0.5338	0.4978	0.5530
Portfolios for Estimation Period 1974-78													
$\hat{\beta}_{p,t-1}$	0.5693	0.6217	0.6304	0.8976	0.8982	0.9878	0.9972	1.0200	1.0230	1.0380	1.0490	1.0890	1.1010
$s(\hat{\beta}_{p,t-1})$	0.0699	0.0563	0.0816	0.0260	0.0149	0.0482	0.0284	0.0384	0.0482	0.0468	0.0416	0.0399	0.0480
$r(R_p, R_m)^2$	0.4594	0.6416	0.6117	0.5592	0.2604	0.7889	0.6028	0.6571	0.6362	0.3382	0.6228	0.7121	0.6043
$s(R_p)$	0.05901	0.0495	0.0509	0.0481	0.0832	0.0544	0.0592	0.0542	0.0678	0.0875	0.0526	0.0863	0.0726
$s(\hat{e}_p)$	0.04339	0.0297	0.0317	0.0319	0.0716	0.0250	0.0373	0.0318	0.0409	0.0712	0.0323	0.0463	0.0456
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0567	0.0567	0.0567	0.0567	0.0567	0.0567	0.0567	0.0567	0.0567	0.0567	0.0548	0.0567	0.0548
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7652	0.5231	0.5591	0.5631	1.2620	0.4405	0.6583	0.5601	0.7207	1.2550	0.5891	0.8169	0.8331
Portfolios for Estimation Period 1982-86													
$\hat{\beta}_{p,t-1}$	0.6849	0.7125	0.7397	0.8273	0.9317	0.9394	0.9782	0.9830	0.9864	0.9921	1.0360	1.0400	1.0550
$s(\hat{\beta}_{p,t-1})$	0.1051	0.0893	0.0447	0.0527	0.0659	0.0548	0.0503	0.0399	0.0312	0.0307	0.0417	0.0325	0.0353
$r(R_p, R_m)^2$	0.3654	0.3523	0.5918	0.5097	0.5708	0.7124	0.7168	0.5956	0.5599	0.6552	0.7332	0.6233	0.4924
$s(R_p)$	0.03032	0.0349	0.0410	0.0446	0.0596	0.0435	0.0419	0.0643	0.0495	0.0552	0.0507	0.0554	0.0577
$s(\hat{e}_p)$	0.02416	0.0281	0.0262	0.0312	0.0391	0.0233	0.0223	0.0409	0.0328	0.0324	0.0262	0.0340	0.0411
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0405	0.0405	0.0405	0.0405	0.0405	0.0405	0.0508	0.0405	0.0405	0.0508	0.0405	0.0405	0.0508
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5970	0.6942	0.6466	0.7721	0.9651	0.5766	0.4384	1.0100	0.8107	0.6373	0.6476	0.8406	0.8091
Portfolios for Estimation Period 1990-94													
$\hat{\beta}_{p,t-1}$	0.4070	0.5278	0.5906	0.6876	0.7468	0.8203	0.8437	0.9501	0.9575	0.9742	1.0330	1.0430	1.0760
$s(\hat{\beta}_{p,t-1})$	0.0729	0.0592	0.0399	0.0797	0.1184	0.1089	0.0975	0.0850	0.0713	0.0404	0.0284	0.0222	0.0198
$r(R_p, R_m)^2$	0.3238	0.3482	0.3427	0.6814	0.4674	0.6404	0.5992	0.2712	0.4709	0.3714	0.4689	0.5548	0.4116
$s(R_p)$	0.02739	0.0322	0.0323	0.0330	0.0422	0.0377	0.0478	0.0619	0.0540	0.0602	0.0531	0.0541	0.0689
$s(\hat{e}_p)$	0.02252	0.0260	0.0262	0.0186	0.0308	0.0226	0.0302	0.0529	0.0393	0.0478	0.0387	0.0361	0.0529
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0309	0.0309	0.0309	0.0309	0.0415	0.0309	0.0415	0.0309	0.0415	0.0309	0.0309	0.0309	0.0309
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7279	0.8408	0.8469	0.6013	0.9959	0.5458	0.9774	1.7090	0.9470	1.5430	1.2500	1.1660	1.7090
Portfolios for Estimation Period 1998-02													
$\hat{\beta}_{p,t-1}$	0.3272	0.4392	0.4611	0.5011	0.6101	0.6710	0.7954	0.8357	0.8499	0.8874	0.8938	0.9211	0.9464
$s(\hat{\beta}_{p,t-1})$	0.0686	0.0790	0.0568	0.0714	0.0462	0.0407	0.0681	0.0796	0.0547	0.0365</			

TABLE 2h: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 14-25)

Statistics	14	15	16	17	18	19	20	21	22	23	24	25
Portfolios for Estimation Period 1934-38												
Portfolios for Estimation Period 1942-46												
Portfolios for Estimation Period 1950-54												
Portfolios for Estimation Period 1958-62												
Portfolios for Estimation Period 1966-70												
Portfolios for Estimation Period 1974-78												
Portfolios for Estimation Period 1982-86												
Portfolios for Estimation Period 1990-94												
Portfolios for Estimation Period 1998-02												
Portfolios for Estimation Period 2002-06												
$\hat{\beta}_{p,t-1}$	0.9547	1.0390	1.1280	1.1440	1.1450	1.2580	1.2950	1.3200	1.3360	1.3570	1.3810	1.4460
$s(\hat{\beta}_{p,t-1})$	0.2182	0.2165	0.2396	0.2351	0.2510	0.2374	0.2175	0.2340	0.2355	0.3163	0.3473	0.5371
$r(R_p, R_m)^2$	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401	0.4401
$s(R_p)$	0.1470	0.1510	0.0854	0.0982	0.1589	0.1349	0.1567	0.1043	0.1381	0.1385	0.1505	0.1370
$s(\hat{e}_p)$	0.0893	0.0996	0.0425	0.0585	0.0774	0.0892	0.1022	0.0747	0.0740	0.0884	0.0893	0.0728
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0593	0.0593	0.0593	0.0593	0.0436	0.0436	0.0593	0.0593	0.0593	0.0593	0.0593	0.0743
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.5050	1.6790	0.7165	0.9855	1.7750	2.0450	1.7220	0.7996	1.2460	1.4890	1.5040	0.9791
$\hat{\beta}_{p,t-1}$	1.7020	1.7130	1.7190	1.7420	1.8540	1.8980	1.9220	1.9660	1.9960	2.0950	2.0990	2.1320
$s(\hat{\beta}_{p,t-1})$	0.1000	0.0784	0.0687	0.0523	0.0946	0.0875	0.0739	0.0782	0.0726	0.0845	0.0945	0.1142
$r(R_p, R_m)^2$	0.3510	0.4049	0.4960	0.5708	0.4910	0.4234	0.6489	0.6448	0.5338	0.3046	0.3594	0.4072
$s(R_p)$	0.1023	0.0978	0.0756	0.0894	0.0758	0.0890	0.0868	0.0760	0.0981	0.1470	0.1295	0.1013
$s(\hat{e}_p)$	0.0824	0.0755	0.0537	0.0585	0.0541	0.0676	0.0515	0.0453	0.0670	0.1226	0.1037	0.0780
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0540	0.0441	0.0540	0.0540	0.0540	0.0540	0.0540	0.0540	0.0540	0.0540	0.0522	0.0540
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.5260	1.7110	0.9941	1.0850	1.0020	1.2520	0.9532	0.8392	1.2400	2.2710	1.9850	1.4450
$\hat{\beta}_{p,t-1}$	1.3070	1.4260	1.4760	1.4890	1.5240	1.7680	1.8000	1.9220	1.9520	2.0230	2.0530	2.1320
$s(\hat{\beta}_{p,t-1})$	0.0466	0.0876	0.0683	0.0465	0.0582	0.1348	0.1314	0.1634	0.1593	0.1705	0.1395	0.1452
$r(R_p, R_m)^2$	0.5516	0.4357	0.7375	0.5744	0.5572	0.5547	0.3723	0.4832	0.6462	0.4709	0.2259	0.2575
$s(R_p)$	0.0521	0.0493	0.0575	0.0542	0.0468	0.0579	0.0639	0.0578	0.0581	0.0618	0.0776	0.0879
$s(\hat{e}_p)$	0.0349	0.0371	0.0295	0.0353	0.0311	0.0386	0.0506	0.0415	0.0345	0.0450	0.0682	0.0758
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0440	0.0440	0.0406	0.0440	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7925	0.8413	0.7257	0.8025	0.7663	0.9515	1.2460	1.0220	0.7841	1.1070	1.6810	1.8660
$\hat{\beta}_{p,t-1}$	1.0380	1.0910	1.1030	1.1130	1.1410	1.1510	1.1980	1.2030	1.3030	1.4260	1.4430	1.4630
$s(\hat{\beta}_{p,t-1})$	0.0438	0.0374	0.0310	0.0326	0.0298	0.0171	0.0291	0.0294	0.0506	0.0816	0.0645	0.0615
$r(R_p, R_m)^2$	0.6395	0.6017	0.6944	0.5125	0.6516	0.5838	0.4858	0.6830	0.5883	0.6716	0.5748	0.3310
$s(R_p)$	0.0562	0.0637	0.0465	0.0611	0.0597	0.0685	0.0675	0.0516	0.0515	0.0586	0.0670	0.0701
$s(\hat{e}_p)$	0.0337	0.0402	0.0257	0.0427	0.0352	0.0442	0.0484	0.0290	0.0331	0.0336	0.0437	0.0573
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0407	0.0407	0.0445	0.0445	0.0445	0.0445	0.0445	0.0445	0.0445	0.0407	0.0445	0.0560
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.8281	0.9862	0.5779	0.9599	0.7920	0.9945	1.0890	0.6528	0.7437	0.8248	0.9824	1.0240
$\hat{\beta}_{p,t-1}$	1.0810	1.0930	1.1290	1.2070	1.2490	1.2700	1.3000	1.3450	1.3660	1.4690	1.5040	1.5340
$s(\hat{\beta}_{p,t-1})$	0.0392	0.0680	0.0622	0.0593	0.0578	0.0431	0.1072	0.0960	0.1081	0.1094	0.0933	0.0955
$r(R_p, R_m)^2$	0.6716	0.5970	0.7995	0.7340	0.7619	0.6604	0.6130	0.7049	0.6437	0.7007	0.7474	0.5572
$s(R_p)$	0.0708	0.0873	0.0578	0.0509	0.0605	0.0712	0.0904	0.0583	0.0625	0.0616	0.0657	0.0847
$s(\hat{e}_p)$	0.0406	0.0554	0.0259	0.0262	0.0295	0.0415	0.0562	0.0317	0.0373	0.0337	0.0330	0.0564
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0549	0.0549	0.0549	0.0568	0.0549	0.0549	0.0549	0.0549	0.0549	0.0549	0.0549	0.0525
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7396	1.0100	0.4713	0.4617	0.5377	0.7553	1.0240	0.5766	0.6792	0.6135	0.6013	1.0750
$\hat{\beta}_{p,t-1}$	1.1600	1.1690	1.2170	1.3280	1.3940	1.4710	1.5130	1.5250	1.5710	1.7110	1.7440	1.7550
$s(\hat{\beta}_{p,t-1})$	0.0445	0.0462	0.0416	0.0669	0.0810	0.0740	0.0775	0.0795	0.0601	0.0890	0.0950	0.0563
$r(R_p, R_m)^2$	0.7271	0.5043	0.6860	0.6883	0.6612	0.7030	0.6547	0.6864	0.6290	0.4254	0.4166	0.5402
$s(R_p)$	0.0724	0.1175	0.0611	0.0732	0.0822	0.0842	0.0886	0.0832	0.0811	0.0935	0.0935	0.0900
$s(\hat{e}_p)$	0.0378	0.0827	0.0342	0.0409	0.0479	0.0459	0.0521	0.0466	0.0494	0.0709	0.0714	0.0610
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0548	0.0548	0.0548	0.0548	0.0548	0.0567	0.0548	0.0548	0.0548	0.0548	0.0548	0.0568
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6906	1.5100	0.6248	0.7461	0.8736	0.8097	0.9503	0.8501	0.9015	1.2930	1.3030	1.0730
$\hat{\beta}_{p,t-1}$	1.0610	1.0980	1.1120	1.1130	1.1830	1.2090	1.2680	1.3120	1.3400	1.3610	1.3800	1.4230
$s(\hat{\beta}_{p,t-1})$	0.0354	0.0296	0.0437	0.0397	0.0187	0.0194	0.0396	0.0414	0.0743	0.1160	0.0860	0.0989
$r(R_p, R_m)^2$	0.6705	0.4526	0.8265	0.5721	0.6735	0.5463	0.4173	0.5034	0.6800	0.5098	0.4208	0.3911
$s(R_p)$	0.0503	0.0567	0.0542	0.0608	0.0556	0.0580	0.0628	0.0501	0.0716	0.0777	0.0691	0.0940
$s(\hat{e}_p)$	0.0289	0.0420	0.0226	0.0398	0.0318	0.0391	0.0479	0.0353	0.0405	0.0544	0.0526	0.0733
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0508	0.0508	0.0508	0.0508	0.0405	0.0508	0.0508	0.0405	0.0508	0.0508	0.0508	0.0468
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5681	0.8255	0.4446	0.7821	0.7851	0.7686	0.9426	0.8721	0.7974	1.0710	1.0340	1.5660
$\hat{\beta}_{p,t-1}$	1.0950	1.0980	1.1340	1.1350	1.1540	1.1560	1.1580	1.1890	1.2500	1.2690	1.2940	1.3340
$s(\hat{\beta}_{p,t-1})$	0.0150	0.0153	0.0111	0.0110	0.0198	0.0257	0.0339	0.0378	0.0204	0.0282	0.0563	0.1392
$r(R_p, R_m)^2$	0.2586	0.3421	0.6215	0.2634	0.4532	0.2873	0.2210	0.6472	0.4352	0.2504	0.0811	0.1952
$s(R_p)$	0.0582	0.0826	0.0579	0.0665	0.0643	0.0633	0.0875	0.0547	0.0625	0.0636	0.1025	0.0838
$s(\hat{e}_p)$	0.0501	0.0670	0.0342	0.0571	0.0475	0.0535	0.0772	0.0325	0.0470	0.0551	0.0982	0.0752
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0309	0.0415	0.0415	0.0415	0.0415	0.0415	0.0415	0.0415	0.0415	0.0418	0.0415	0.0415
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.6200	1.6160	0.8244	1.3760	1.1460	1.2890	1.8610	0.7826	1.1330	1.3170	2.3680	1.8120
$\hat{\beta}_{p,t-1}$	0.9817	0.9846	1.0790	1.0950	1.1150	1.1150	1.2020	1.2170	1.2700	1.3380	1.3430	1.3810
$s(\hat{\beta}_{p,t-1})$	0.0265	0.0246	0.0394	0.0369	0.0493	0.0447	0.0550	0.0611	0.0631	0.0740	0.0823	0.1139
$r(R_p, R_m)^2$	0.3217	0.1768	0.4313	0.6852	0.4890	0.2336	0.3710	0.4983	0.4563	0.3599	0.4320	0.2063
$s(R_p)$	0.0671	0.0900	0.0637	0.0773	0.0764	0.1055	0.0877	0.0816	0.0742	0.1010	0.0973	0.1161
$s(\hat{e}_p)$	0.0553	0.0817	0.0480	0.0434	0.0546	0.0924	0.0696	0.0578	0.0547	0.0808	0.0733	0.1034
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0240	0.0256	0.0240	0.0256	0.0245	0.024						

### 3.2 Cross-sectional regressions

The most important table of Fama-Macbeth (1973) is arguably Table 3. I replicate their results below, in Table 3a. The table shows the results from the cross-sectional regression

$$\tilde{R}_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(e_i) + \hat{\eta}_p$$

Recall that the cross-sectional regression is done each month of the testing period and the estimates displayed on the table are the corresponding averages for the testing period of interest. I calculate all the statistics displayed in the table using the approach of Fama and MacBeth (1973)<sup>7</sup>. Panel A displays the results from the cross-sectional regression of the test portfolios against a constant and the proxy for the market portfolio returns. For the 1935-6/1968, 7/1968-2010, and 1935-2010 testing periods I find  $\bar{\hat{\gamma}}_1 = 84\text{bps}$ ,  $\bar{\hat{\gamma}}_1 = 36\text{bps}$ , and  $\bar{\hat{\gamma}}_1 = 57\text{bps}$  (respectively). These values are all highly significant with t-statistics greater than 2. Overall, I find that  $\bar{\hat{\gamma}}_1$ , which in this practical test of the CAPM should correspond to the excess return of the market portfolio on the portfolio with zero beta with respect to the market, is positive for almost all the testing periods. In Panel B, the first three regressors are included in the regression specification. The aforementioned results do not change much but I find that  $\bar{\hat{\gamma}}_2$  is negative ( $\bar{\hat{\gamma}}_2 = -24\text{bps}$  for the 1935-2010 testing period) and is not significant (t-statistics=-1.2). Panel C uses the first two as well as the fourth regressor. Here, we can see that  $\bar{\hat{\gamma}}_0$  and  $\bar{\hat{\gamma}}_1$  have point estimates very similar to those in panels A and B. However,  $\bar{\hat{\gamma}}_1$  seems to lose some of its significance as the t-statistics for these estimates are rarely greater than 2.  $\bar{\hat{\gamma}}_3$  is not significant in any of the testing periods. Panel D includes all four regressors and is the proposed test of the CAPM, conditional on the equal-weighted NYSE being the market portfolio, conditional on market efficiency and conditional on the assumptions laid out in the introduction (such as normality). Here, I find that  $\bar{\hat{\gamma}}_1 = 1.15\%$  on average per month for the 1935-6/1968 testing period and  $\bar{\hat{\gamma}}_1 = 88\text{bps}$  on average per month for the full sample (1935-2010). In both cases the t-statistics is above 1.90.  $\bar{\hat{\gamma}}_2$  and  $\bar{\hat{\gamma}}_3$  are overall not significant although  $\bar{\hat{\gamma}}_3$  often has point estimates with rather large magnitudes. In all four panels the average  $R^2$  (which is listed in the column labelled  $\bar{r}^2$ ) remains around 0.30.

The results presented thus far are similar to those found in Fama and Macbeth (1973). With an equal-weighted NYSE portfolio as the proxy for the market portfolio and with test portfolios constructed from a beta-sort using equal-weighted underlying securities  $\beta_i$ , I find little evidence of non-linear dependence on  $\hat{\beta}_p$  and little evidence that idiosyncratic risk as measured by  $\bar{s}_p(\hat{e}_i)$  is priced. However, when I use the  $5 \times 5$  dual sort test portfolios (while maintaining the same market portfolio proxy and the same method of constructing the portfolios estimates using the equal weighting of the underlying securities estimates) much of those results no longer hold. Indeed, on Table 3e we can first notice that in Panel A point estimates for  $\bar{\hat{\gamma}}_1$  are similar to those displayed on Table 3a, and the t-statistics are very similar as well. Indeed, for the 1935-6/1968 testing period the t-statistics is 2.61, for the 7/1968-2010 testing period the t-statistics is 1.40 and for the 1935-2010 testing period the t-statistics is 2.84. For these three testing periods the estimates I find are  $\bar{\hat{\gamma}}_1 = 86\text{bps}$ ,  $36\text{bps}$ , and  $58\text{bps}$  (respectively). Thus, as in Panel A of Table 3a, we observe a deterioration of the significance

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<sup>7</sup>In particular,  $\rho_M(\hat{\gamma}_j)$  is the first-order autocorrelation for  $\hat{\gamma}_{jt}$  while  $\rho_0(\hat{\gamma}_j)$  is the first-order autocorrelation for  $\hat{\gamma}_{jt}$  with the additional assumption that the mean of  $\hat{\gamma}_{jt}$  is zero (that is  $\rho_0(\hat{\gamma}_{jt}, \hat{\gamma}_{jt-1}) = E[\hat{\gamma}_{jt} \cdot \hat{\gamma}_{jt-1}]$ )

of the estimate for the testing periods subsequent to those used in Fama-MacBeth (1973). In Panel B of Table 3e, where I include the additional regressor,  $\hat{\beta}_p^2$ , I find that  $\bar{\gamma}_1$  loses much of its significance. The t-statistics are 0.59, 1.56 and 1.63 for the 1935-6/1968, 7/1968-2010 and 1935-2010 testing periods (respectively). Furthermore, the magnitude of the estimate is halved for the 1935-6/1968 testing period (32bps) but trebles for the 7/1968-2010 testing period (96bps). In Panel C, the regressions include the measure of idiosyncratic risk  $\bar{s}_p(\hat{e}_i)$ . As a result, the estimates  $\bar{\gamma}_1$  lose much of their significance and the estimates for  $\bar{\gamma}_3$  are highly significant for the testing periods within 1935-6/1968. Indeed, the t-statistics are 0.52, 0.32, 0.59 for  $\bar{\gamma}_1$  and 2.68, 0.80, 2.09 for  $\bar{\gamma}_3$  (respectively for the 1935-6/1968, 7/1968-2010 and 1935-2010 testing periods). The most relevant results are in Panel D, which shows that when I include all of the regressors,  $\bar{\gamma}_3$  remains highly significant. In particular, for the full testing period used in Fama-MacBeth (1973)<sup>8</sup> the t-statistics for  $\bar{\gamma}_1$  is only 1.61 while corresponding t-statistics for  $\bar{\gamma}_3$  is 3.08. Furthermore, for the 7/1968-2010 and 1935-2010 testing periods, I find  $t(\bar{\gamma}_1) \approx t(\bar{\gamma}_3) \approx 1.36$  and  $t(\bar{\gamma}_1) \approx 2.03 < t(\bar{\gamma}_3) \approx 2.77$ . Conditional on market efficiency, normality of the distribution of portfolio returns, risk-aversion and common knowledge, these last results would imply that idiosyncratic risk as measured by  $\bar{s}_p(\hat{e}_i)$  is priced.

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<sup>8</sup>The 1935-6/1968 testing period.

TABLE 3a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION  
 $R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\hat{s}_p(\hat{e}_t) + \hat{\eta}_p$

Period	$\bar{\gamma}_0$	$\bar{\gamma}_1$	$\bar{\gamma}_2$	$\bar{\gamma}_3$	$\bar{\gamma}_0 - \bar{R}_f$	$s(\bar{\gamma}_0)$	$s(\bar{\gamma}_1)$	$s(\bar{\gamma}_2)$	$s(\bar{\gamma}_3)$	$\rho_0(\bar{\gamma}_0)$	$\rho_M(\bar{\gamma}_1)$	$t(\bar{\gamma}_0)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_2)$	$t(\bar{\gamma}_3)$	$t(\bar{R}_f)$	$\bar{r}^2$	$s(r^2)$
Panel A:																		
1935-6/68	0.0063	0.0084	-	-	0.0049	0.0360	0.0659	-	-	0.0047	0.0098	-	-	3.4760	2.5460	-	2.7480	0.3051
1935-45	0.0041	0.0163	-	-	0.0040	0.0485	0.0974	-	-	0.0039	-0.0470	0.9753	1.9160	-	0.9417	0.2945	0.2914	
1946-55	0.0084	0.0028	-	-	0.0075	0.0258	0.0418	-	-	0.1244	0.0720	-	-	3.5830	0.7427	-	3.1900	0.3284
1956-6/68	0.0064	0.0059	-	-	0.0038	0.0299	0.0435	-	-	0.2655	0.1651	-	-	2.6020	1.6560	-	1.5260	0.2958
1935-40	0.0016	0.0124	-	-	0.0015	0.0594	0.1181	-	-	0.1935	-0.0133	-	-	0.2278	0.8809	-	0.2168	0.2371
1941-45	0.0071	0.0210	-	-	0.0069	0.0311	0.0657	-	-	0.1830	0.1490	-	-	1.7700	2.4770	-	1.7180	0.3624
1946-50	0.0047	0.0033	-	-	0.0040	0.0309	0.0483	-	-	0.1967	0.0346	-	-	1.1690	0.5229	-	1.0020	0.4101
1951-55	0.0122	0.0024	-	-	0.0110	0.0189	0.0346	-	-	0.0379	0.0953	-	-	5.0210	0.5401	-	4.5050	0.2466
1956-60	0.0149	-0.0059	-	-	0.0128	0.0201	0.0333	-	-	0.1432	0.1955	-	-	5.7530	-1.3700	-	4.9180	0.2210
1961-6/68	0.0007	0.0137	-	-	-0.0023	0.0339	0.0477	-	-	0.2205	0.1009	-	-	-	-	-	-0.6354	0.3456
7/1968-2010	0.0081	0.0036	-	-	-0.0036	0.0361	0.0594	-	-	0.0737	0.1976	-	-	5.0850	1.3660	-	2.2590	0.3260
1970-80	0.0031	0.0093	-	-	-0.0024	0.0376	0.0664	-	-	0.1828	0.1833	-	-	-	-	-	-0.7373	0.3167
1980-90	0.0181	-0.0051	-	-	0.0111	0.0391	0.0581	-	-	0.0203	0.2402	-	-	5.3340	-1.0030	-	3.2670	0.3021
1990-00	0.0093	0.0023	-	-	0.0052	0.0384	0.0563	-	-	0.0380	-	-	-	2.7700	0.4599	-	1.5570	0.3448
2000-10	0.0063	0.0044	-	-	0.0042	0.0317	0.0605	-	-	0.0046	0.1622	-	-	2.2790	0.8333	-	1.5370	0.3764
1970-75	0.0052	0.0003	-	-	0.0004	0.0410	0.0660	-	-	0.1769	0.1374	-	-	1.0750	0.0373	-	0.0840	0.3097
1975-80	0.0217	-	-	-	-0.0030	0.0357	0.0676	-	-	0.1726	0.2406	-	-	2.7190	-	-	-	-0.7293
1980-85	0.0174	0.0001	-	-	0.0091	0.0365	0.0551	-	-	0.1018	0.2006	-	-	4.0440	0.0123	-	2.1130	0.3452
1985-90	0.0199	-0.0094	-	-	0.0143	0.0402	0.0588	-	-	-0.1050	0.2616	-	-	4.2050	-1.3550	-	3.0330	0.2501
1990-95	0.0077	0.0035	-	-	0.0037	0.0395	0.0584	-	-	0.1317	0.3411	-	-	6.6560	0.4582	-	2.8074	0.2831
1995-00	0.0133	0.0003	-	-	0.0091	0.0359	0.0518	-	-	0.0483	0.1021	-	-	3.1480	0.0427	-	2.1490	0.3512
2000-05	0.0085	0.0033	-	-	0.0062	0.0345	0.0543	-	-	-0.0971	-0.0049	-	-	2.0820	0.05126	-	1.5360	0.3327
2005-10	0.0035	0.0056	-	-	0.0016	0.0264	0.0628	-	-	0.1789	0.2659	-	-	1.1410	0.7522	-	0.5178	0.3008
1935-2010	0.0057	0.0057	-	-	0.0042	0.0360	0.0624	-	-	0.1318	0.1082	-	-	6.1130	2.7580	-	3.5160	0.3168
Panel B:																		
1935-6/68	0.0054	0.0124	-	-	0.0041	0.0518	0.1208	0.0512	-	0.0038	0.0347	0.0002	-	2.1050	2.0490	-	1.5970	0.2998
1935-45	0.0106	0.0062	-	-	0.0105	0.0622	0.1494	0.0662	-	0.0105	-0.0844	0.0001	-	1.9530	0.4787	0.5120	1.9270	0.2895
1946-55	0.0036	0.0132	-	-	0.0026	0.0316	0.0872	0.0317	-	0.0764	-0.0188	-0.0001	-	1.2320	1.6630	-1.6390	0.9041	0.3474
1956-6/68	0.0024	0.0170	-	-	-0.0013	0.0170	0.0546	0.0115	-	0.2876	0.2330	0.0005	-	5.0456	1.7860	-1.5930	-0.0387	0.2898
1935-40	0.0076	0.0035	-	-	0.0075	0.0712	0.1878	0.0707	-	0.1660	-0.0936	-0.0003	-	0.8870	0.1586	-0.2707	0.2428	0.2811
1941-45	0.0142	0.0095	0.0036	-	0.0140	0.0499	0.0854	0.0610	-	0.1620	0.0922	0.0005	-	2.2060	0.8575	0.4524	2.1750	0.3448
1946-50	0.0026	0.0075	-	-	0.0022	0.0355	0.0954	0.0313	-	0.1653	-0.0075	-0.0001	-	0.5757	0.6109	-0.4338	0.4302	0.4079
1951-55	0.0045	0.0190	-	-	0.0032	0.0274	0.0785	0.0322	-	0.0853	-0.1069	-0.0001	-	1.9530	0.4787	0.5120	1.9270	0.2895
1956-60	0.0128	-0.0013	-	-	0.0106	0.0274	0.0665	0.0271	-	0.2653	0.1521	0.0002	-	3.6070	-0.1544	-0.5784	3.0030	0.2376
1961-6/68	-0.0044	0.0292	-	-	-0.0074	0.0662	0.1394	0.0586	-	0.2660	0.2318	0.0007	-	6.0368	1.9880	-1.4850	-0.1580	0.2928
7/1968-2010	0.0070	0.0073	-	-	0.0025	0.0641	0.1497	0.0674	-	0.0593	0.0538	0.0001	-	2.4800	0.1095	0.18815	0.3226	0.2812
1970-80	0.0069	0.0005	0.0044	-	0.0014	0.0920	0.0949	0.02032	-	0.0289	-0.0438	-0.0009	-	0.8734	0.0305	0.5310	0.1780	0.3330
1980-90	0.0086	0.0124	-	-	0.0016	0.0748	0.1754	0.0678	-	0.0877	0.1517	0.0005	-	1.3220	1.1890	-1.9960	0.2410	0.3334
1990-00	0.0114	-0.0055	-	-	0.0073	0.0462	0.1165	0.0570	-	0.2264	0.1768	0.0004	-	0.9161	0.2869	-0.2773	1.8230	0.3160
2000-10	0.0072	0.0075	-	-	0.0052	0.0350	0.0969	0.0436	-	0.1155	-0.0456	-0.0002	-	2.3740	0.8910	-0.8829	1.6940	0.3194
1970-75	0.0033	0.0029	-	-	-0.0015	0.0896	0.1921	0.0983	-	0.0321	-0.1299	-0.0014	-	0.3146	0.1278	-0.0553	-0.1387	0.3007
1975-80	0.0119	0.0027	-	-	0.0059	0.0984	0.2229	0.1019	-	0.0559	0.0041	-0.0006	-	1.0270	0.1021	0.7237	0.5103	0.2615
1980-85	0.0108	0.0164	-0.0084	-	0.0024	0.0757	0.1658	0.0624	-	0.1315	0.1786	0.0005	-	1.2070	0.8933	-1.1410	0.2737	0.2869
1985-90	0.0077	0.0208	-	-	0.0015	-	-	-	-	0.0021	0.0720	0.0709	-	0.9099	0.9873	-1.8510	0.2460	0.2891
1990-95	0.0122	-0.0096	-0.0079	-	0.0082	0.0507	0.1214	0.0629	-	0.2264	0.2788	0.0010	-	1.0671	0.0460	-0.6715	1.3860	0.2946
2000-05	0.0084	0.0093	-0.0049	-	0.0070	0.0401	0.1080	0.0470	-	0.0380	0.0291	-0.0002	-	2.3780	0.8910	-0.0624	1.4760	0.3566
2005-10	0.0052	0.0067	-0.0022	-	0.0062	0.0331	0.0881	0.0497	-	0.0917	-0.1474	-0.0004	-	2.1670	0.8971	-0.8431	1.5880	0.2876
1935-2010	0.0063	0.0059	-0.0024	-	0.0032	0.0364	0.0998	0.0332	-	0.1432	0.0273	0.0000	-	1.2100	0.0568	-0.5744	0.7547	0.3302
						0.0032	0.0589	0.1377	-	0.1060	0.0312	0.0000	-	3.2430	0.2840	-1.2030	1.6490	0.3125

TABLE 3a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\bar{\gamma}_0 - \bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_0)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	Statistics			
<i>Panel C:</i>																	
1935-6/68	0.0091	0.0072	-0.0178	0.0078	0.0431	0.0739	-	0.7547	0.0076	-0.00689	-0.0159	4.230	1.9630	-0.4726			
1935-45	0.0103	0.0137	-0.0384	0.0102	0.0566	0.1070	-	0.6163	0.0101	-0.1500	-0.0048	2.0830	1.4850	-0.7127			
1946-55	0.0102	0.0064	-0.0770	0.0093	0.0344	0.0535	-	0.6997	-0.0200	0.0238	-0.0554	3.2540	1.3110	-1.2050			
1936-6/68	0.0071	0.0023	0.0475	0.0045	0.0352	0.0482	-	0.8939	0.2411	0.1623	-0.0934	2.4840	0.5797	0.6507			
1935-40	0.0091	0.0102	-0.0646	0.0090	0.0688	0.1361	-	0.5118	0.0604	-0.1753	-0.0123	1.1160	0.6314	-1.0630			
1941-45	0.0118	0.0178	-0.0774	0.0116	0.0379	0.0565	-	0.7242	0.0896	0.0273	-0.0179	2.4450	-0.0787	0.2375			
1946-50	0.0071	0.0073	-0.0899	0.0064	0.0406	0.0619	-	0.7454	0.0494	0.0319	-0.0294	1.3490	0.9186	-0.9340			
1951-55	0.0134	-	-0.0641	0.0121	0.0268	0.0441	-	0.6569	-0.1343	-0.0999	-0.0804	3.8680	0.9614	-0.7558			
1956-60	0.0116	-0.0085	0.1002	0.0095	0.0312	0.0356	-	0.9775	0.2965	0.0921	-0.2156	2.8740	-1.8550	3.2530			
1961-5/68	0.0042	-0.0124	0.0012	0.0374	0.0541	0.0436	-	0.8374	0.1884	0.1497	-0.1448	1.0550	1.6640	-1.4011			
7/1968-2010	0.0088	0.0035	-0.0066	0.0042	0.0808	-	-	1.0760	0.0063	0.0295	-0.0918	4.5390	0.9742	-0.1385			
1970-80	0.0001	0.0032	-0.1222	-0.0056	0.0473	0.0762	-	1.1730	0.1540	0.0554	-0.0543	0.4763	-1.1970	0.2955			
1980-90	0.0204	-	-0.1220	0.0133	0.0436	0.1012	-	1.1440	-0.0167	0.0230	-0.1831	5.3720	0.2932	-1.1250			
1990-00	0.0052	-0.032	-0.1190	0.0011	0.0396	0.0675	-	0.7778	-0.0234	0.02170	-0.0722	1.5720	0.5332	-1.2725			
2000-10	0.0102	0.0027	-0.0266	0.0081	0.0478	0.0823	-	1.2600	-0.1818	-0.0529	-0.2889	2.4480	0.3835	-0.2425			
1970-75	0.0045	-0.0119	-0.0048	0.0523	0.0777	-	-	1.2710	0.1183	0.0467	-0.0544	0.0002	-0.4923	-0.7776			
1975-80	0.0022	0.0146	0.0331	-0.0038	0.0445	0.0743	-	1.1790	0.2655	0.0309	-0.1681	4.1425	1.6680	-0.6701			
1980-85	0.0009	-0.0373	-0.0111	0.0442	0.0828	-	-	1.1700	0.0896	-0.0059	-0.2191	3.7250	0.0962	-0.2707			
1985-90	0.0230	-	-0.2003	0.0173	0.0416	0.1157	-	1.1020	-0.1125	0.0311	-0.1603	4.6870	0.2894	-1.5420			
1990-95	0.0065	0.0002	0.0574	0.0349	0.0694	0.0694	-	0.6324	0.0448	0.0324	-0.0899	1.5730	0.0268	0.7585			
1995-00	0.0061	-0.0077	-0.1863	0.0019	0.0418	0.0632	-	0.8563	-0.0524	0.0748	-0.0479	1.2470	-1.0360	-1.8460			
2000-05	0.0104	-0.0024	-0.0507	0.0081	0.0477	0.0629	-	1.1130	-0.3289	-0.0919	-0.3005	1.8470	-0.3273	-0.3862			
2005-10	0.0106	-0.0102	-0.1456	0.0087	0.0457	0.0946	-	1.3570	-0.0542	-0.0503	-0.0447	0.94730	0.9146	-0.9108			
1935-2010	0.0089	-0.0051	-0.0115	0.0058	0.0433	0.0778	-	0.9478	0.0469	-0.0085	-0.0447	6.2050	1.9940	-0.3674			
<i>Panel D:</i>																	
1935-6/68	0.0069	0.0115	-0.0017	-0.0079	0.0056	0.0663	0.1198	0.0586	0.0053	0.0456	0.0001	-0.0222	2.0940	1.9250	-0.5845		
1935-45	0.0159	0.0061	0.0059	-0.0830	0.0158	0.0848	0.1454	0.0814	0.0157	-0.0681	-0.0001	-0.0549	2.1460	0.4840	0.8296		
1946-55	0.0054	0.0135	-0.0040	-0.0371	0.0045	0.0408	0.0869	0.0317	-0.1232	-0.0669	-0.0069	-0.0655	1.4620	1.6890	-1.6062		
1936-6/68	0.0003	0.0146	-0.0066	0.0811	-0.0023	0.0638	0.1184	0.0506	0.0686	-0.1787	0.02218	0.0004	0.0466	1.5140	-1.5860	0.1025	
1935-40	0.0134	-	-0.026	0.0058	-0.0873	0.0133	0.0904	0.1815	0.0864	0.0222	-0.0785	-0.0008	-0.0654	1.2470	0.1212	0.5626	
1941-45	0.0189	0.0103	0.0061	-0.0778	0.0186	0.0782	0.0864	0.0768	0.0790	-0.0705	-0.0198	0.0007	-0.0192	1.8680	1.6189	-0.7618	
1946-50	0.0070	0.0077	0.0001	-0.0907	0.0063	0.0488	0.0961	0.0328	0.0705	-0.0799	0.0125	0.0001	-0.0467	1.1100	0.6201	0.0214	
1951-55	0.0039	0.0193	-0.0080	0.0166	0.0027	0.0312	0.0769	0.0304	0.6311	-0.1653	-0.1019	-0.0705	0.9689	1.9590	-2.0410	0.2036	
1966-60	0.0080	-0.0057	-0.025	0.1631	0.0059	0.0482	0.0660	0.0327	1.1190	0.0869	0.1753	0.0001	0.1210	1.2930	-1.5870	0.1120	
1961-6/68	0.0049	0.0282	-0.0093	-0.0264	-0.0078	0.0722	0.1419	0.0597	0.8559	0.1909	0.2127	0.0006	-0.0008	0.6413	1.8880	-1.4740	
1970-75	0.0057	0.0067	-0.0026	0.0321	0.0012	0.0732	0.1534	0.0732	0.0701	0.9905	0.0516	0.0180	0.0000	-0.0464	1.7570	0.9844	
7/1968-2010	0.0057	-0.0009	0.0005	0.1753	-0.0064	0.1021	0.1961	0.0954	1.0320	0.0971	-0.0522	-0.0005	0.1679	-0.1065	0.0570	0.9520	
1970-80	-	0.0114	0.0155	-0.0078	0.0030	0.0756	0.1804	0.0612	1.0540	0.1147	0.1812	0.0006	-0.2223	1.2750	-0.7290	0.3755	
1980-90	0.0085	0.0199	-0.0129	-0.0057	0.0014	0.0768	0.1803	0.0660	0.9907	0.0988	0.1593	0.0009	-0.1781	1.2680	-1.2410	0.2159	
1990-00	0.0092	-0.0104	-0.0062	0.0767	0.0054	0.1204	0.0658	0.8139	0.1407	0.0863	0.0003	0.0806	1.9000	-0.9839	1.0820	0.10530	
2000-10	0.0075	0.0092	-0.0041	-0.0142	0.0054	0.0478	0.1093	0.0407	1.1280	-0.0603	-0.0972	-0.0001	-0.2175	1.7970	0.9696	-1.1540	
1970-75	-0.0094	0.0092	-0.0090	0.2177	-0.0142	0.1054	0.1903	0.0997	1.1340	-0.0748	-0.3118	-0.0008	-0.1414	1.8880	-1.7490	-1.1450	
1975-80	0.0106	-0.0068	0.0102	0.1043	0.0046	0.1219	0.2129	0.1093	0.9444	0.0788	-0.0080	-0.0007	0.1161	0.8634	-0.2778	0.3116	
1980-85	0.0114	0.0155	-0.0078	0.0057	0.0030	0.0756	0.1804	0.0612	1.0540	0.1147	0.1812	0.0006	-0.2223	1.2750	-0.7290	0.3649	
1985-90	0.0068	0.0248	-0.0181	-0.0062	0.0001	0.0754	0.1767	0.0682	0.9093	0.0743	0.0985	0.0009	-0.1282	0.7622	-2.2490	0.1281	
1990-00	0.0161	-0.0140	0.0137	-0.00707	0.0121	0.0606	0.1250	0.0786	0.7700	0.1205	0.1753	0.0006	0.0441	2.2530	-0.9487	0.2801	
1995-00	0.0119	-0.0023	-0.0048	0.2471	-0.0024	0.0453	0.1121	0.0431	0.7783	0.1132	-0.0261	0.0001	0.1115	0.3555	-0.1777	0.2795	
2000-05	0.0049	0.0081	-0.0072	0.0971	0.0026	0.0504	0.0459	0.0936	0.0459	0.10620	-0.1582	-0.0001	-0.2106	0.8179	0.7753	-0.4450	
2005-10	0.0102	0.0125	-0.01547	0.0083	0.0452	0.0115	0.0320	1.1800	-0.0426	-0.0468	0.0000	-0.3005	1.9550	0.8892	-0.3111	0.3429	
1935-2010	0.0062	0.0088	-0.0022	0.0702	0.0031	0.0745	0.0653	0.09240	0.9240	0.0635	0.0272	0.0001	-0.0356	2.6820	1.9060	-0.3191	0.2882

TABLE 3e: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities

Period	$\bar{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\gamma}_2$	$\bar{\gamma}_3$	$\hat{\gamma}_0 - R_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	Statistics	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\bar{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\bar{\gamma}_3)$	$t(\hat{\gamma}_0 - R_f)$	$\bar{r}^2$	$s(r^2)$
<b>Panel A:</b>																				
1935-6/68	0.0060	0.0086	-	-	0.0047	0.0356	0.0661	-	-	0.0045	0.0378	-	-	3.3930	2.6110	-	-	2.6530	0.2589	0.2666
1935-45	0.0040	0.0165	-	-	0.0038	0.0466	0.0979	-	-	0.0038	-0.0132	-	-	0.9317	1.9310	-	-	0.9368	0.2677	0.2522
1946-55	0.0090	0.0022	-	-	0.0081	0.0258	0.0392	-	-	0.0341	0.0758	-	-	3.4360	0.2654	0.2938	-	3.4360	0.2654	0.2938
1956-6/68	0.0054	0.0068	-	-	0.0028	0.0310	0.0453	-	-	0.0240	0.1762	-	-	2.1460	1.8510	-	-	1.1080	0.2461	0.2572
1935-40	0.0020	0.0119	-	-	0.0020	0.0566	0.1189	-	-	0.0533	-0.0563	-	-	0.3024	0.8452	-	-	0.2809	0.2276	0.2504
1941-45	0.0062	0.0219	-	-	0.0060	0.0311	0.0654	-	-	0.1873	0.1390	-	-	1.5510	1.4980	-	-	0.3152	0.2480	0.2480
1946-50	0.0058	0.0021	-	-	0.0051	0.0303	0.0441	-	-	0.1109	0.0334	-	-	1.4830	0.3642	-	-	1.3140	0.3477	0.3030
1951-55	0.0123	0.0024	-	-	0.0110	0.0201	0.0339	-	-	0.1024	0.1101	-	-	4.7290	0.5425	-	-	4.2470	0.1831	0.2616
1956-60	-0.0137	-0.0047	-	-	0.0116	0.0217	0.0344	-	-	0.1391	0.1421	-	-	4.8830	-0.0610	-	-	4.1200	0.2881	0.2646
1961-6/68	-0.0001	0.0145	-	-	-0.0030	0.0349	0.0499	-	-	0.2273	0.1426	-	-	-0.0250	2.6740	-	-	-0.8214	0.2881	0.2447
7/1968-2010	0.0881	0.0036	-	-	0.0036	0.0358	0.0583	-	-	0.0810	0.2038	-	-	5.1250	1.3980	-	-	2.2750	0.2830	0.2581
1970-80	0.0031	0.0093	-	-	-0.0024	0.0395	0.0663	-	-	0.1371	0.2102	-	-	0.9007	1.6180	-	-	-0.6898	0.2972	0.2660
1980-90	0.0172	-0.0041	-	-	0.0102	0.0385	0.0587	-	-	0.0139	0.2295	-	-	5.1290	-0.7994	-	-	3.0460	0.2616	0.2593
1990-00	0.0098	0.0017	-	-	-0.0057	0.0372	0.0537	-	-	0.1143	0.2472	-	-	3.0170	0.3619	-	-	1.7650	0.2515	0.2374
2000-10	0.0058	0.0049	-	-	0.0037	0.0308	0.0578	-	-	0.0457	0.1582	-	-	2.1630	0.9819	-	-	1.3980	0.3021	0.2628
1970-75	0.0062	-0.0008	-	-	0.0015	0.0443	0.0657	-	-	0.1101	0.1788	-	-	1.1970	-0.1031	-	-	0.2773	0.1349	0.2661
1975-80	0.0023	0.0224	-	-	-0.0037	0.0366	0.0663	-	-	0.1530	0.2594	-	-	0.5427	2.8630	-	-	-0.8618	0.2734	0.2636
1980-85	0.0179	-0.0004	-	-	0.0095	0.0350	0.0552	-	-	0.1287	0.1835	-	-	4.3340	-0.0628	-	-	2.3230	0.3060	0.2561
1985-90	0.0183	-0.0076	-	-	0.0126	0.0409	0.0598	-	-	0.0526	0.2593	-	-	2.7960	-1.0840	-	-	2.6390	0.2238	0.2602
1990-95	0.0084	0.0028	-	-	0.0044	0.0377	0.0547	-	-	0.1664	0.3471	-	-	1.8860	0.4344	-	-	0.9971	0.2366	0.2303
1995-00	0.0136	0.0000	-	-	0.0093	0.0355	0.0508	-	-	0.0861	0.1332	-	-	3.2430	-0.0069	-	-	2.2320	0.2730	0.2561
2000-05	0.0079	0.0040	-	-	0.0056	0.0323	0.0513	-	-	-0.0571	0.0337	-	-	0.0640	0.6612	-	-	1.4810	0.2645	0.2517
2005-10	0.0031	0.0060	-	-	0.0270	0.0607	-	-	-	0.1823	0.2286	-	-	0.5688	0.8427	-	-	0.3598	0.3307	0.2694
1935-2010	0.0072	0.0058	-	-	-0.0041	0.0357	0.0619	-	-	0.1041	0.1238	-	-	6.0890	2.8360	-	-	3.4650	0.2724	0.2620
<b>Panel B:</b>																				
1935-6/68	0.0085	0.0032	0.0025	-	0.0072	0.0499	0.1068	0.0516	-	0.0068	-0.1005	-0.0003	-	3.4230	0.5930	-	-	2.9000	0.2610	0.2623
1935-45	0.0112	0.0006	0.0072	-	0.0110	0.0597	0.1186	0.0653	-	0.0112	-0.2810	-0.0008	-	2.1440	0.0554	-	-	2.1170	0.2407	0.2478
1946-55	0.0028	0.0153	-0.0058	-	0.0018	0.0333	0.0552	-	-	0.0204	-0.0302	-0.0001	-	0.9136	1.7490	-1.8190	-	0.6022	0.3046	0.2889
1956-6/68	0.0108	-0.0042	-0.0022	-	0.0050	0.0084	0.0143	0.0763	-	0.0845	-0.0479	0.0001	-	2.5730	-0.4979	-0.7257	-	1.9730	0.2439	0.2497
1955-40	0.0085	0.0066	-0.0022	-	0.0066	0.0141	0.0446	0.0755	-	0.0910	-0.2834	-0.0016	-	1.0220	-0.1288	-0.7257	-	1.0120	0.2010	0.2515
1941-45	0.0143	0.0039	0.0079	-	0.0071	0.0141	0.0224	0.0333	-	0.1625	-0.2672	0.0001	-	2.4890	0.3996	1.2340	-	2.4530	0.2877	0.2368
1946-50	0.0031	0.0025	0.0025	-	0.0012	0.0024	0.0045	0.0080	-	0.1562	-0.0164	-0.0001	-	0.7169	0.5888	-0.4984	-	0.5612	0.3849	0.2896
1951-55	0.0025	0.0234	-0.0098	-	0.00012	0.0336	0.0580	0.0405	-	-0.1582	-0.1105	-0.0001	-	0.5705	1.8520	-1.8830	-	0.2881	0.2243	0.2671
1956-60	0.0138	-0.0051	0.0003	-	0.0117	0.0339	0.0833	0.0538	-	0.1939	0.0802	0.0002	-	3.1560	-0.4706	0.0575	-	2.6700	0.2075	0.2530
1961-6/68	0.0088	-0.0037	0.0082	-	0.0059	0.0606	0.1167	0.0562	-	0.0565	0.0344	0.0001	-	1.3840	-0.3004	-1.3800	-	0.9242	0.2682	0.2458
7/1968-2010	0.0064	-0.0096	-0.0035	-	0.0018	0.0593	0.1391	0.0623	-	0.0678	-0.0152	-0.0002	-	2.4290	1.5630	-1.2700	-	1.7051	0.2887	0.2440
1970-80	0.0047	0.0065	0.0011	-	-0.0008	0.0842	0.1824	0.0801	-	0.0722	-0.0161	-0.0005	-	0.6417	0.4091	0.1543	-	-0.1037	0.3023	0.2450
1980-90	0.0118	-0.0084	0.0048	-	0.0071	0.0721	0.1618	0.0655	-	0.0386	0.0633	-0.0001	-	1.8830	0.7852	-1.4710	-	0.7655	0.2952	0.2489
1990-00	0.0070	0.0097	-0.0041	-	0.0029	0.0448	0.1194	0.0625	-	0.0999	0.0088	-0.0001	-	1.7910	0.9345	-0.7563	-	0.7447	0.2720	0.2306
2000-10	0.0058	0.0088	-0.0030	-	0.0035	0.0357	0.1147	0.0524	-	0.1117	0.0228	-0.0003	-	1.8780	0.8785	-0.6662	-	1.2150	0.2859	0.2477
1970-75	0.0009	0.0116	-0.0062	-	-0.0039	0.0830	0.1709	0.0829	-	0.1053	-0.0299	-0.0004	-	0.0898	0.5780	-0.6347	-	-0.3993	0.3019	0.2438
1975-80	0.0122	0.0009	0.0122	-	0.0062	0.0927	0.2003	0.0859	-	0.0302	-0.0130	-0.0007	-	1.1200	0.0390	0.9509	-	0.5719	0.3029	0.2476
1980-85	0.0162	-0.0019	0.0048	-	0.0079	0.0806	0.1722	0.0687	-	0.0400	0.0929	-0.0001	-	1.7090	0.1733	-0.2389	-	0.8385	0.3344	0.2418
1985-90	0.0096	0.0111	-0.0138	-	0.0171	0.0138	0.0448	0.0434	-	0.0595	0.1434	0.0086	-	1.3690	1.0100	-1.9980	-	0.5664	0.2591	0.2491
1990-95	0.0070	0.0074	-0.0025	-	0.0030	0.0461	0.1215	0.0668	-	0.1667	0.0222	-0.0001	-	1.2860	0.5178	-0.5538	-	0.2340	0.2106	0.2106
1995-00	0.0086	0.0138	-0.0069	-	0.0043	0.0425	0.1117	0.0535	-	0.144	0.0933	0.0001	-	1.7110	1.0460	-1.0910	-	0.8613	0.3209	0.2411
2000-05	0.0083	0.0055	-0.0015	-	0.0060	0.0351	0.1018	0.0591	-	0.0585	-0.1657	-0.0007	-	2.0030	0.4574	-0.2153	-	1.4450	0.2797	0.2233
2005-10	0.0021	0.0144	-0.0058	-	0.0001	0.0358	0.1209	0.0410	-	0.1425	0.1446	0.0002	-	0.4953	1.0070	-1.1970	-	0.0343	0.2799	0.2395
1935-2010	0.0073	0.0042	-0.0009	-	0.0054	0.0554	0.1259	0.0579	-	0.0542	-0.0212	-0.0002	-	1.6260	-0.4542	-0.4542	-	0.2765	-	0.2525

TABLE 3e: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION (cont.)

$$R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_i) + \hat{\eta}_p$$

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - R_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{s})$	$t(\bar{R}_f)$	$\bar{r}^2$	$s(r^2)$
<b>Panel C:</b>																				
1935-6/68	0.0050	0.0016	-	0.0866	0.0037	0.0384	0.0606	-	0.6482	0.0034	-0.0901	-	0.0684	2.5980	0.5196	-	2.6760	1.9140	0.3175	0.2612
1935-45	0.0018	0.0000	-	0.6441	0.0016	0.0492	0.0844	-	0.5208	0.0016	-0.1704	-	0.0454	0.4140	-0.0052	-	3.6070	0.3807	0.3000	0.2470
1946-55	0.0103	0.0062	-	-0.0812	0.0094	0.0290	0.0492	-	0.4861	-0.0497	-0.0218	-	-0.0288	3.8960	1.3850	-	-1.8310	3.5430	0.3405	0.2855
1956-6/68	0.0035	-	0.1532	-	0.0009	0.0338	0.0415	-	0.8185	0.0260	0.1145	-	0.1666	1.2700	0.2320	-	0.2230	0.3242	0.3144	0.2534
1935-40	-0.0021	-	0.0949	0.0021	-	0.0584	0.1054	-	0.5287	0.0260	-0.1793	-	-0.0012	0.3089	-0.1676	-	1.5220	0.2978	0.2275	0.2457
1941-45	0.0014	0.0024	-	0.2461	0.0011	0.0358	0.0487	-	0.5034	0.1998	-0.1248	-	0.1019	0.2921	0.3814	-	3.7870	0.2444	0.3286	0.2478
1946-50	0.0060	0.0042	-	-0.0326	0.0053	0.0319	0.0574	-	0.4778	0.0113	-0.0369	-	-0.0501	1.4580	0.5715	-	1.2970	0.4180	0.2793	0.2793
1951-55	0.0147	0.0082	-	-0.1299	0.0134	0.0254	0.0597	-	0.4936	-0.1360	-0.1039	-	-0.0664	4.4670	1.5990	-	-0.20380	4.0870	0.4870	0.2723
1956-60	0.0130	-0.0059	-	0.0322	0.0109	0.0247	0.0371	-	0.5821	0.0626	0.1359	-	0.0319	4.0760	-1.2320	-	0.4290	3.4080	0.2538	0.2500
1961-6/68	-0.0028	0.0027	-	0.2339	-0.0058	0.0376	0.0441	-	0.9384	0.2378	0.0876	-	0.2569	-0.7104	0.5806	-	2.3640	-1.4460	0.3548	0.2488
7/1968-2010	0.0079	0.0009	-	0.0324	0.0034	0.0418	0.0598	-	0.9183	0.0859	0.0331	-	0.0840	4.2780	0.3229	-	0.7558	1.8370	0.3312	0.2532
1970-80	0.0005	-0.0008	-	0.1443	-0.0049	0.0489	0.0605	-	1.2250	0.1954	-0.0334	-	0.2707	0.1228	-0.1529	-	1.3540	-1.1610	0.3380	0.2645
1980-90	0.0190	0.0013	-	-0.0885	0.0120	0.0431	0.0688	-	0.8337	0.0163	-0.0096	-	-0.0261	5.0660	0.2168	-	-1.2020	3.1970	0.3062	0.2512
1980-900	0.0104	0.0030	-	-0.0217	0.0063	0.0419	0.0590	-	0.7722	0.0728	-0.0188	-	0.0234	2.8560	0.5784	-	-0.3234	1.7450	0.3393	0.2469
2000-10	0.0044	-0.0059	-	0.1501	0.0023	0.0368	0.0582	-	0.8075	0.0202	0.0422	-	0.0445	1.3680	-1.1650	-	2.1560	0.7276	0.3484	0.2438
1970-75	0.0082	0.0052	-	-0.0991	0.0034	0.0556	0.0650	-	1.4140	0.0976	-0.1280	-	0.1974	1.2530	0.6777	-	-0.5559	0.5216	0.3346	0.2576
1975-80	-0.0045	-0.0032	-	0.3783	-0.0105	0.0426	0.0583	-	0.9849	0.2945	0.0334	-	0.3425	-0.9014	-0.4610	-	3.2950	-2.1140	0.3401	0.2732
1980-85	0.0180	-0.0002	-	-0.0042	0.0042	0.0096	0.0400	-	0.8951	0.1859	-0.1079	-	0.0307	2.0590	0.3565	-	-0.0398	0.0221	0.2501	0.2556
1985-90	0.0212	0.0019	-	-0.1536	0.0156	0.0449	0.0726	-	0.7751	-0.0951	0.0532	-	-0.0788	4.0090	0.2221	-	-1.7970	2.9530	0.2501	0.2304
1990-95	0.0080	-0.0010	-	0.0514	0.0040	0.0407	0.0499	-	0.6570	0.1199	-0.0338	-	-0.0709	1.6630	-0.1684	-	0.6641	0.8395	0.2738	0.2274
1995-00	0.0154	0.0069	-	-0.1041	0.0112	0.0413	0.0647	-	0.8246	0.0535	-0.0178	-	0.0397	3.1680	0.9118	-	-1.0710	2.2990	0.4046	0.2482
2000-05	0.0051	-0.0086	-	0.1887	0.0028	0.0394	0.0545	-	0.8424	-0.1127	-0.0942	-	0.0222	1.1000	-1.3360	-	1.9010	0.6179	0.3605	0.2374
2005-10	0.0029	-0.0045	-	0.1295	0.0016	0.0316	0.0591	-	0.7624	0.1721	0.1640	-	0.0675	0.7666	-0.6392	-	1.4410	0.2464	0.3407	0.2515
1935-2010	0.0066	0.0012	-	0.0562	0.0035	0.0404	0.0601	-	0.8106	0.0948	-0.0380	-	0.0759	4.9570	0.5878	-	2.0540	2.6360	0.3252	0.2567
<b>Panel D:</b>																				
1935-6/68	0.0011	0.0086	-0.0040	0.1056	-0.0002	0.0562	0.1066	0.0520	0.6859	-0.0006	0.0120	0.0002	0.0120	0.4063	1.6090	-1.5250	3.0820	-0.0585	0.3321	0.2652
1935-45	-0.0058	0.0152	-0.0036	0.0597	0.0051	0.0621	0.1207	0.0685	0.5958	-0.0057	0.0833	0.0002	0.0638	-1.0600	1.4400	3.9140	-0.10870	0.3099	0.2472	0.2853
1946-55	0.0061	-0.0036	0.0597	0.0051	0.0326	0.0629	0.0927	0.0463	0.4663	0.0189	0.0192	0.0000	0.0140	0.20370	1.6200	-1.3550	-1.4010	1.7190	0.3628	0.2853
1956-6/68	0.0032	-0.0009	0.0001	0.1627	0.0006	0.0648	0.1064	0.0493	0.8855	0.0237	0.1108	0.0003	0.2280	0.6093	-0.1046	0.0165	2.2510	0.1166	0.3268	0.2631
1935-40	-0.0059	0.0157	-0.0107	0.1162	-0.0060	0.0725	0.1476	0.0831	0.6006	0.0897	-0.0337	0.0006	0.0221	-0.6853	0.8979	-1.0810	1.6300	-0.6943	0.2863	0.2495
1941-45	-0.0056	0.0145	-0.0284	0.0058	0.0051	0.0476	0.0790	0.0460	0.7285	-0.0285	-0.0002	0.0000	0.0140	-1.9093	1.4250	-0.1450	0.3379	0.4365	0.3379	0.2436
1946-50	0.0038	0.0068	-0.0014	0.0126	0.00031	0.0342	0.0878	0.0257	0.4863	0.0404	0.0543	0.0000	0.0303	0.8570	0.6042	-0.4346	-0.2006	0.70407	0.4462	0.2656
1951-55	0.0083	0.0195	-0.0058	0.1067	0.0071	0.0311	0.0908	0.0533	0.4446	-0.0704	-0.0858	0.0000	0.0032	2.0810	0.6650	-1.3480	-0.1850	1.7760	0.2795	0.2820
1956-60	0.0126	-0.0056	-0.0002	0.0378	0.0105	0.0340	0.0827	0.0296	0.5476	0.0508	-0.1474	0.0000	0.0083	2.8740	-0.5222	-0.0439	0.5240	2.3930	0.2644	0.2569
1961-6/68	-0.0030	0.0022	-0.0002	0.2461	-0.0060	0.0764	0.1200	0.0590	1.0470	0.2536	0.1260	0.0006	0.0375	0.3649	0.1742	0.2358	0.2300	0.7190	0.3883	0.2577
7/1968-2010	0.0042	0.0085	-0.0050	0.0597	-0.0003	0.1071	0.1407	0.0665	0.9919	0.0407	0.0003	0.0156	0.1230	1.3630	-0.1720	1.2390	-0.1029	0.3710	0.2537	0.2537
1970-80	-0.0011	0.0003	-0.0012	0.1671	-0.0065	0.1802	0.0860	0.1309	0.2410	-0.0233	0.0005	0.4383	-0.1145	0.0207	-0.1564	0.9047	-0.7073	0.3855	0.2644	0.2848
1980-85	0.0151	0.0044	-0.0028	0.0139	0.0068	0.0957	0.1683	0.0818	0.9613	0.1128	0.0166	0.0166	0.0467	0.0004	1.5540	0.9378	-0.1583	0.7114	0.3538	0.2538
1985-90	0.0130	0.0126	-0.0209	-0.0128	0.01160	-0.0057	0.0209	0.0006	0.1213	0.0625	0.8488	0.2237	0.1624	0.0007	0.0699	0.8161	1.4250	-1.5280	0.2834	0.2443
1990-00	0.0047	0.0151	-0.0084	0.0209	-0.0056	0.1644	-0.0019	0.0388	0.1109	0.0446	0.7715	0.0594	0.0275	-0.0002	0.0472	0.04913	-1.5070	2.4480	-0.5688	0.2455
1995-00	0.0126	0.0002	-0.0042	0.0121	-0.0042	0.03724	-0.00072	0.1975	0.0928	0.1088	0.1975	0.0275	0.2671	-0.0327	0.0009	0.4573	0.3361	-0.4238	-0.0434	0.2471
2000-05	0.0007	0.0013	-0.0054	0.2101	-0.0016	0.0373	0.0952	0.0454	0.7878	0.0708	-0.1982	-0.0006	0.0583	0.1582	0.1188	-1.0170	2.2630	-0.3601	0.2394	0.2497
2005-10	-0.0024	0.0096	-0.0078	0.1408	-0.0016	0.0404	0.1190	0.0422	0.7598	0.0213	0.1672	0.0001	0.0387	0.6825	0.8897	0.1582	-1.5620	0.2374	0.3538	0.2594
1935-2010	0.0028	-0.0046	0.0085	-0.0799	-0.0003	0.0682	0.0605	0.08704	0.1637	0.0317	0.0003	0.0003	0.1326	0.2300	-2.2770	-0.1180	0.2377	0.2377	0.3538	0.2594

### 3.3 Behavior of the market

For completeness I replicate and extend the last two tables of Fama-MacBeth (1973) and describe the results below. First in Table 4a we note that the average monthly return on the market portfolio proxy (the equal-weighted NYSE portfolio) is  $\bar{R}_m = 1.25\%$  for 1935-2010 but it is greater for the 1935-6/1968 testing period ( $\bar{R}_m = 1.45\%$ ) than for the 7/1968-2010 testing period ( $\bar{R}_m = 1.10\%$ ). On the other hand, the return in excess of the three-month Treasury Bill<sup>9</sup> is halved from 1935-6/1968 to 7/1968-2010 because  $R_f$  increases from an average monthly return of 13bps for 1935-6/1968 to 45bps for the 7/1968-2010 testing period. These results may not be so surprising because the post-1968 period includes several noticeable downturns (in the late 1980s, the early 2000's and more recently in the late 2000's). However, the equal-weighted NYSE is slightly less volatile for the 7/1968-2010 testing period ( $s(R_m) = 5.41\%$ ) than for the 1935-6/1968 period ( $s(R_m) = 6.12\%$ ); this is a bit surprising given the previous observation.  $\hat{\gamma}_0$  and  $\hat{\gamma}_1$  are the estimates from the regression specification in Panel A of Table 3a. Recall that for the Sharpe-Lintner model  $E(\tilde{\gamma}_{0t}) = R_f$  while in the Black model  $E(\tilde{\gamma}_{0t})$  is the expected return on the portfolio with zero beta with respect to the market portfolio proxy. In both models,  $E(\tilde{\gamma}_{1t})$  is the excess return of the market portfolio (proxy) on  $\tilde{\gamma}_{0t}$ . I find that  $\hat{\gamma}_0$  is fairly large<sup>10</sup> and more volatile relative to the proxy for the risk-free rate,  $R_f$ . Furthermore  $\hat{\gamma}_0$  is significantly less autocorrelated than  $R_f$ ; indeed  $\rho_M(\hat{\gamma}_0) = 0.1361$  and  $\rho_M(R_f) = 0.9763$  for the 1935-2010 testing period. Nonetheless, I do also find that  $\hat{\gamma}_1 + \hat{\gamma}_0 \approx \bar{R}_m$  in all testing periods.

When I use the value-weighted NYSE portfolio returns as a proxy for the market portfolio return I find that  $\bar{R}_m$  decreases and is less volatile. Indeed, from Table 4h,  $\bar{R}_m = 1.09\%$ , 88bps, and 97bps for the 1935-6/1968, 7/1968-2010, and 1935-2010 testing periods (respectively). In addition, the standard deviation of the monthly returns ( $s(R_m)$ ) is much lower and is (close to) 4.50% for the three aforementioned testing periods. The resulting Sharpe ratios  $\left(\frac{\bar{R}_m - R_f}{s(R_m)}\right)$  are also lower with the value-weighted NYSE portfolio returns compared to the equal-weighted NYSE portfolio returns. In Table 4h, I also use the  $5 \times 5$  dual-sort test portfolios where the portfolio betas are the value-weighted averages of the underlying security betas. I find that  $\hat{\gamma}_1$  tends to have much lower magnitude compared the corresponding values in Table 4a. More specifically, with the  $5 \times 5$  test portfolios  $\hat{\gamma}_1$  is about half the corresponding values if I use the 20 Fama-MacBeth (1973) test portfolios for the 1935-6/1968, 7/1968-2010, and 1935-2010 testing periods. Nonetheless, I still find  $\hat{\gamma}_1 + \hat{\gamma}_0 \approx \bar{R}_m$  and the autocorrelation of  $\hat{\gamma}_0$  is much lower than that of  $R_f$  ( $\rho_M(\hat{\gamma}_0) << \rho_M(R_f)$ ). However,  $\rho_M(\hat{\gamma}_0)$  tends to be lower in Table 4h than in Table 4a.

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<sup>9</sup>I obtain the monthly returns of the three-month Treasury Bill from the Fama-French data library

<sup>10</sup> $\hat{\gamma}_0$  tends to be significantly larger than  $R_f$ . From Panel A of Table 3a,  $t(\hat{\gamma}_0 - R_f)$  tends to be larger than the relevant critical values for statistical significance.

TABLE 4a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$\bar{R}_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$\bar{R}_f$	$\frac{\bar{R}_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0145	0.0132	0.0084	0.0063	0.0013	0.2154	0.1369	0.0612	0.0613		
1935-45	0.0201	0.0200	0.0163	0.0041	0.0001	0.2246	0.1832	0.0890	0.0890		
1946-55	0.0112	0.0103	0.0028	0.0084	0.0009	0.2370	0.0653	0.0434	0.0434		
1956-6/68	0.0122	0.0095	0.0059	0.0064	0.0026	0.2392	0.1474	0.0399	0.0400		
1935-40	0.0141	0.0141	0.0124	0.0016	0.0001	0.1292	0.1136	0.1087	0.1087		
1941-45	0.0273	0.0270	0.0210	0.0071	0.0002	0.4669	0.3627	0.0579	0.0578		
1946-50	0.0077	0.0070	0.0033	0.0047	0.0007	0.1355	0.0626	0.0520	0.0520		
1951-55	0.0147	0.0135	0.0024	0.0122	0.0012	0.4144	0.0739	0.0326	0.0328		
1956-60	0.0091	0.0070	-0.0059	0.0149	0.0021	0.2069	-0.1735	0.0340	0.0342		
1961-6/68	0.0142	0.0112	0.0137	0.0007	0.0029	0.2581	0.3158	0.0435	0.0435		
7/1968-2010	0.0110	0.0065	0.0036	0.0081	0.0045	0.1193	0.0665	0.0541	0.0543		
1970-80	0.0116	0.0061	0.0093	0.0031	0.0055	0.0947	0.1447	0.0646	0.0647		
1980-90	0.0122	0.0052	-0.0051	0.0181	0.0071	0.098	-0.0967	0.0525	0.0528		
1990-00	0.0100	0.0060	0.0023	0.0093	0.0041	0.1486	0.0562	0.0401	0.0402		
2000-10	0.0110	0.0089	0.0044	0.0063	0.0021	0.1560	0.0770	0.0570	0.0571		
1970-75	0.0036	-0.0012	0.0003	0.0052	0.0048	-0.0172	0.0041	0.0702	0.0704		
1975-80	0.0250	0.0190	0.0217	0.0030	0.0060	0.3040	0.3463	0.0625	0.0628		
1980-85	0.0173	0.0089	0.0001	0.0174	0.0083	0.185	0.0016	0.0483	0.0490		
1985-90	0.0090	0.0034	-0.0094	0.0199	0.0056	0.061	-0.1714	0.0548	0.0549		
1990-95	0.0103	0.0063	0.0035	0.0077	0.0040	0.1616	0.0897	0.0390	0.0392		
1995-00	0.0113	0.0070	0.0003	0.0133	0.0043	0.181	0.0067	0.0388	0.0388		
2000-05	0.0127	0.0104	0.0033	0.0085	0.0023	0.2474	0.0780	0.0421	0.0422		
2005-10	0.0087	0.0067	0.0056	0.0035	0.0019	0.1017	0.0843	0.0661	0.0662		
1935-2010	0.0125	0.0094	0.0057	0.0073	0.0031	0.1642	0.0994	0.0573	0.0575		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(\bar{R}_m - R_f)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0360	0.0012	4.7400	4.309	2.5460	3.4760	-0.0063	-0.0040	0.0098	0.2008	0.9661
1935-45	0.0485	0.0002	2.5890	2.5710	1.9160	0.9753	-0.0664	-0.0663	-0.0470	0.1935	0.6372
1946-55	0.0258	0.0004	2.8350	2.597	0.7427	3.5890	0.0875	0.0864	0.0720	0.1261	0.8923
1956-6/68	0.0299	0.0009	3.7290	2.926	1.6560	2.6020	0.1357	0.1380	0.1651	0.2567	0.8512
1935-40	0.0594	0.0002	1.0950	1.0890	0.8809	0.2278	-0.1260	-0.1255	-0.1013	0.1927	0.4361
1941-45	0.0311	0.0001	3.6460	3.6200	2.4770	1.7700	0.1493	0.1485	0.1490	0.1841	0.7233
1946-50	0.0309	0.0003	1.1480	1.0510	0.5229	1.1690	0.0922	0.0898	0.0346	0.1969	0.9102
1951-55	0.0189	0.0004	3.5000	3.196	0.5401	5.0210	-0.0244	-0.0172	0.0953	-0.0417	0.7556
1956-60	0.0201	0.0007	2.0840	1.592	-1.3700	5.7530	0.1145	0.1309	0.1955	0.1439	0.6599
1961-6/68	0.0339	0.0008	3.0890	2.449	2.7300	0.1853	0.1318	0.1294	0.1009	0.2153	0.8900
7/1968-2010	0.0361	0.0025	4.5880	2.685	1.3660	5.0850	0.1864	0.1905	0.1976	0.0832	0.9605
1970-80	0.0376	0.0020	2.0600	1.086	1.6170	0.9349	0.1129	0.1148	0.1833	0.1834	0.8931
1980-90	0.0391	0.0023	2.6750	1.124	-1.0030	5.3340	0.1826	0.1887	0.2402	-0.0190	0.8903
1990-00	0.0384	0.0011	2.8790	1.702	0.4599	2.7700	0.2137	0.2177	0.2380	0.0919	0.9055
2000-10	0.0317	0.0016	2.2100	1.788	0.8333	2.2790	0.2689	0.2726	0.1622	0.0165	0.9778
1970-75	0.0410	0.0013	0.4335	-0.146	0.0373	1.0750	0.1535	0.1577	0.1374	0.1702	0.8295
1975-80	0.0357	0.0023	3.3950	2.570	2.7190	0.7100	0.0478	0.0543	0.2406	0.1846	0.8964
1980-85	0.0365	0.0022	3.0340	1.548	0.0123	4.0440	0.1518	0.1729	0.2006	0.0984	0.8306
1985-90	0.0402	0.0010	1.3930	0.518	-1.3550	4.2090	0.1979	0.1980	0.2616	-0.0928	0.7727
1990-95	0.0395	0.0014	2.2370	1.364	0.5082	1.6560	0.2632	0.2685	0.3411	0.1432	0.9459
1995-00	0.0359	0.0005	2.4730	1.540	0.0427	3.1480	0.1544	0.1551	0.1021	0.0547	0.4797
2000-05	0.0345	0.0015	2.5550	2.094	0.5126	2.0820	0.1855	0.1898	-0.0049	-0.0802	0.9728
2005-10	0.0264	0.0016	1.1120	0.8607	0.7522	1.1410	0.2890	0.2927	0.2699	0.1800	0.9795
1935-2010	0.0360	0.0026	6.5970	4.941	2.7580	6.1130	0.0905	0.0962	0.1082	0.1361	0.9763

TABLE 4h: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$R_f$	$\frac{R_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0109	0.0096	0.0044	0.0080	0.0013	0.2138	0.0986	0.0449	0.0450		
1935-45	0.0115	0.0114	0.0077	0.0080	0.0001	0.1899	0.1282	0.0600	0.0600		
1946-55	0.0123	0.0114	0.0024	0.0091	0.0009	0.3078	0.0650	0.0370	0.0370		
1956-6/68	0.0092	0.0066	0.0032	0.0072	0.0026	0.1925	0.0930	0.0344	0.0345		
1935-40	0.0092	0.0092	0.0039	0.0071	0.0001	0.1238	0.0534	0.0739	0.0739		
1941-45	0.0143	0.0141	0.0121	0.0090	0.0002	0.3709	0.3203	0.0379	0.0378		
1946-50	0.0082	0.0075	0.0048	0.0028	0.0007	0.1819	0.1167	0.0414	0.0413		
1951-55	0.0165	0.0152	0.0000	0.0155	0.0012	0.4794	-0.0008	0.0318	0.0319		
1956-60	0.0085	0.0064	-0.0024	0.0107	0.0021	0.1905	-0.0708	0.0337	0.0339		
1961-6/68	0.0097	0.0068	0.0069	0.0048	0.0029	0.1928	0.1974	0.0350	0.0351		
7/1968-2010	0.0088	0.0043	0.0019	0.0093	0.0045	0.0959	0.0419	0.0444	0.0444		
1970-80	0.0078	0.0023	0.0030	0.0086	0.0055	0.0478	0.0615	0.0488	0.0490		
1980-90	0.0130	0.0060	-0.0037	0.0172	0.0071	0.126	-0.0779	0.0476	0.0480		
1990-00	0.0123	0.0082	0.0056	0.0056	0.0041	0.2167	0.1474	0.0379	0.0379		
2000-10	0.0034	0.0014	0.0019	0.0073	0.0021	0.0308	0.0426	0.0443	0.0444		
1970-75	0.0034	-0.0014	0.0001	0.0072	0.0048	-0.0271	0.0019	0.0524	0.0528		
1975-80	0.0157	0.0097	0.0079	0.0124	0.0060	0.2122	0.1722	0.0457	0.0458		
1980-85	0.0147	0.0064	-0.0041	0.0212	0.0083	0.149	-0.0961	0.0430	0.0437		
1985-90	0.0132	0.0076	-0.0038	0.0155	0.0056	0.150	-0.0754	0.0505	0.0506		
1990-95	0.0106	0.0067	0.0072	0.0037	0.0040	0.1986	0.2136	0.0336	0.0336		
1995-00	0.0163	0.0120	0.0026	0.0106	0.0043	0.302	0.0662	0.0397	0.0397		
2000-05	0.0032	0.0010	0.0011	0.0103	0.0023	0.0254	0.0289	0.0384	0.0385		
2005-10	0.0041	0.0021	0.0028	0.0039	0.0019	0.0451	0.0585	0.0471	0.0471		
1935-2010	0.0097	0.0066	0.0030	0.0087	0.0031	0.1482	0.0670	0.0446	0.0447		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(R_m - R_f)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0489	0.0012	4.8620	4.276	1.8990	3.2830	-0.0194	-0.0164	0.0368	0.0000	0.9661
1935-45	0.0667	0.0002	2.2010	2.1750	1.5460	1.3680	-0.0815	-0.0814	-0.0050	-0.0769	0.6372
1946-55	0.0370	0.0004	3.6520	3.374	0.6658	2.6990	0.0116	0.0101	0.0621	-0.0423	0.8923
1956-6/68	0.0380	0.0009	3.2860	2.351	0.9322	2.3130	0.1149	0.1207	0.0754	0.2354	0.8512
1935-40	0.0820	0.0002	1.0520	1.0440	0.5080	0.7304	-0.1453	-0.1445	-0.0950	-0.1019	0.4361
1941-45	0.0427	0.0001	2.9180	2.8770	2.0850	1.6310	0.1957	0.1941	0.1966	0.0333	0.7233
1946-50	0.0420	0.0003	1.5340	1.4120	0.8716	0.5075	0.0581	0.0551	0.0532	0.0578	0.9102
1951-55	0.0303	0.0004	4.0120	3.699	-0.0056	3.9550	-0.1387	-0.1314	0.0579	-0.2748	0.7556
1956-60	0.0268	0.0007	1.9610	1.467	-0.5981	3.0950	0.1006	0.1152	0.0264	0.1372	0.6599
1961-6/68	0.0439	0.0008	2.6250	1.827	1.3720	1.0420	0.1061	0.1064	0.0761	0.2439	0.8900
7/1968-2010	0.0412	0.0025	4.4750	2.160	0.7919	5.0760	0.0676	0.0695	0.1453	0.1188	0.9605
1970-80	0.0509	0.0020	1.8350	0.547	0.5736	1.9410	0.0239	0.0253	0.1456	0.1092	0.8931
1980-90	0.0447	0.0023	3.1430	1.431	-0.7567	4.4110	0.0647	0.0750	0.0989	0.0578	0.8903
1990-00	0.0366	0.0011	3.7280	2.488	1.2700	1.7470	-0.0867	-0.0849	0.1647	0.1145	0.9055
2000-10	0.0294	0.0016	0.8911	0.354	0.4685	2.8380	0.1825	0.1854	0.1688	0.0989	0.9778
1970-75	0.0569	0.0013	0.5462	-0.228	0.0134	1.0800	0.0966	0.1058	0.1369	0.1635	0.8295
1975-80	0.0445	0.0023	2.9150	1.797	1.1510	2.3670	-0.0320	-0.0340	0.1481	-0.0162	0.8964
1980-85	0.0448	0.0022	2.9040	1.240	-0.6459	4.0050	0.0511	0.0778	0.0737	0.0419	0.8306
1985-90	0.0429	0.0010	2.2190	1.270	-0.5810	3.0620	0.0862	0.0844	0.1160	0.0520	0.7727
1990-95	0.0357	0.0014	2.6910	1.684	1.2810	0.8816	-0.1039	-0.1042	0.1412	0.1149	0.9459
1995-00	0.0373	0.0005	3.4740	2.560	0.4309	2.4080	-0.0801	-0.0776	0.1804	0.1241	0.4797
2000-05	0.0270	0.0015	0.7153	0.215	0.2232	3.2440	0.0366	0.0436	0.0388	0.1650	0.9728
2005-10	0.0301	0.0016	0.7322	0.3824	0.4910	1.0940	0.2615	0.2618	0.2561	0.0340	0.9795
1935-2010	0.0447	0.0026	6.5800	4.458	1.7940	5.8790	0.0292	0.0346	0.1051	0.0559	0.9763

### 3.4 Variance decomposition

Following Fama-MacBeth (1973), I let  $\tilde{\phi}_{jt}$  denote the estimation error such that  $\tilde{\phi}_{jt} = \hat{\gamma}_{jt} - \tilde{\gamma}_{jt}$ . Then, let  $s(\tilde{\phi}_{jt})$  be the standard error of  $\hat{\gamma}_{jt}$  in the cross-sectional regression at time  $t$  and let  $\overline{s^2(\tilde{\phi}_j)}$  denote the average of the  $s^2(\tilde{\phi}_{jt})$  values for all  $t$  in the testing period. Lastly with the sample variance of the monthly  $\hat{\gamma}_{jt}$  estimates,  $s^2(\hat{\gamma}_{jt})$ , I define  $s^2(\hat{\gamma}_{jt}) \equiv s^2(\hat{\gamma}_{jt}) - \overline{s^2(\tilde{\phi}_j)}$  and  $F = s^2(\hat{\gamma}_{jt})/\overline{s^2(\tilde{\phi}_j)}$  (the F-statistics).

I will first describe the results in Table 5a. This is the base case with the 20 beta-sorted portfolios. As I include additional regressors in the model the F-statistics tend to decrease. This should be expected because as Fama-MacBeth (1973) explains the additional regressors introduce more collinearity and the error in the new regressors is likely correlated with the error in the original regressors. Nonetheless, focusing on Panel D, the F-statistics tend to be above the relevant critical values<sup>11</sup> except for  $\hat{\gamma}_3$ . These results provide some reassurance that the variation in  $\hat{\gamma}_{jt}$  is not driven by error and likely correctly reflects variation in the true variable,  $\tilde{\gamma}_{jt}$ . The exception is for  $\hat{\gamma}_3$ , where the corresponding F-statistics tend to be too low to reject the null hypothesis that  $s^2(\hat{\gamma}_{3t}) = \overline{s^2(\tilde{\phi}_3)}$ . Nonetheless, I also find that the F-statistics are larger for the 7/1968-2010 testing period than for the 1935-6/1968 testing period.

In Table 5e, I use the value-weighted NYSE portfolio returns as a proxy for the market portfolio returns, the  $5 \times 5$  dual-sorted test portfolios, and regressors constructed using equal-weighted averages of the underlying security estimates. Focusing again on Panel D, I find that the F-statistics are much greater. In particular, for the 1935-2010 testing period,  $s^2(\hat{\gamma}_{0t})/\overline{s^2(\tilde{\phi}_0)} = 2.87$ ,  $s^2(\hat{\gamma}_{1t})/\overline{s^2(\tilde{\phi}_1)} = 2.56$ ,  $s^2(\hat{\gamma}_{2t})/\overline{s^2(\tilde{\phi}_2)} = 1.97$ . These results provide some evidence that estimates  $\hat{\gamma}_0$ ,  $\hat{\gamma}_1$  and  $\hat{\gamma}_2$  are likely accurate (and more so than in Table 5a). However, notice that  $s^2(\hat{\gamma}_{3t})/\overline{s^2(\tilde{\phi}_3)} = 4.18$ , 4.44, and 4.36 for the 1935-6/1968, 7/1968-2010, and 1935-2010 testing periods (respectively). Thus with the  $5 \times 5$  dual-sort test portfolios I find that  $E(\tilde{\gamma}_{3t})$  is more accurately estimated than the other coefficients and it is also more accurately estimated compared to when I use the 20 beta-sorted test portfolios of Fama-MacBeth (1973). Given the results in Table 3e which show that  $\tilde{\gamma}_3$  is significantly different from zero the results on Table 5e cast additional doubt on the validity of the asset pricing model. Lastly, on Table 5e we can also see that the F-statistics are greater for the 7/1968-2010 testing period than for the 1935-6/1968 testing period. This is perhaps hinting that the coefficients in the cross-sectional regressions tend to be better estimated in later time periods.

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<sup>11</sup>The F-stat has degrees of freedom  $\{n - 1, n(P - K)\}$  where  $n$  is the number of months in the testing period,  $P$  is the number of test-portfolios, and  $K$  is the number of coefficients  $\gamma_j$  in the regression. The relevant critical value for a test at a 5% level is between 1.25 and 1.35.

TABLE 5a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$ 

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0010	0.0003	0.0013	4.1530	0.0040	0.0003	0.0043	14.3600	0.0011	0.0007	0.0019	2.5860	0.0039	0.0015	0.0055	3.5910	
1935-45	0.0016	0.0008	0.0023	3.1240	0.0088	0.0007	0.0095	12.9700	1935-45	0.0019	0.0013	0.0032	2.4850	0.0085	0.0029	0.0114	3.9470
1946-55	0.0006	0.0001	0.0007	8.4480	0.0017	0.0001	0.0017	24.2400	1946-55	0.0009	0.0002	0.0012	4.9260	0.0022	0.0007	0.0029	4.3780
1956-6/68	0.0008	0.0001	0.0009	7.7540	0.0018	0.0001	0.0019	16.5500	1956-6/68	0.0006	0.0006	0.0012	2.0570	0.0013	0.0010	0.0023	2.3040
1935-40	0.0024	0.0012	0.0035	3.0160	0.0128	0.0012	0.0140	12.0400	1935-40	0.0030	0.0017	0.0047	2.7630	0.0147	0.0038	0.0185	4.8720
1941-45	0.0007	0.0003	0.0010	3.7860	0.0041	0.0002	0.0043	19.0500	1941-45	0.0006	0.0008	0.0014	1.8250	0.0014	0.0018	0.0032	1.7460
1946-50	0.0009	0.0001	0.0010	11.8200	0.0023	0.0001	0.0023	33.4600	1946-50	0.0014	0.0003	0.0017	5.8420	0.0029	0.0009	0.0038	4.3450
1951-55	0.0003	0.0001	0.0004	4.6550	0.0011	0.0001	0.0012	17.0400	1951-55	0.0005	0.0002	0.0007	3.6190	0.0015	0.0004	0.0019	4.5540
1956-60	0.0003	0.0001	0.0004	4.3960	0.0010	0.0001	0.0011	15.5600	1956-60	0.0004	0.0005	0.0010	1.8150	0.0003	0.0013	0.0013	1.2550
1961-6/68	0.0010	0.0001	0.0012	8.7520	0.0021	0.0001	0.0023	17.3200	1961-6/68	0.0008	0.0006	0.0014	2.1770	0.0019	0.0010	0.0029	2.8950
7/1968-2010	0.0011	0.0002	0.0013	7.5540	0.0034	0.0002	0.0035	19.6600	7/1968-2010	0.0012	0.0007	0.0019	2.7380	0.0041	0.0025	0.0065	2.6340
1970-80	0.0012	0.0002	0.0014	7.1430	0.0042	0.0002	0.0044	20.4300	1970-80	0.0014	0.0009	0.0022	2.5770	0.0026	0.0032	0.0058	1.8150
1980-90	0.0013	0.0002	0.0015	7.8760	0.0032	0.0002	0.0034	16.7000	1980-90	0.0012	0.0007	0.0019	2.7370	0.0072	0.0031	0.0103	3.3380
1990-00	0.0013	0.0002	0.0015	7.1170	0.0032	0.0002	0.0032	14.9200	1990-00	0.0011	0.0004	0.0016	3.5120	0.0030	0.0016	0.0046	2.9120
2000-10	0.0009	0.0001	0.0010	7.5570	0.0035	0.0001	0.0037	27.6800	2000-10	0.0014	0.0009	0.0023	2.6580	0.0041	0.0027	0.0068	2.4960
1970-75	0.0015	0.0002	0.0017	7.4680	0.0041	0.0002	0.0044	17.8500	1970-75	0.0019	0.0009	0.0027	3.1290	0.0035	0.0025	0.0060	2.3780
1975-80	0.0011	0.0002	0.0013	6.6240	0.0044	0.0002	0.0046	21.5700	1975-80	0.0010	0.0010	0.0020	2.0070	0.0012	0.0043	0.0055	1.2860
1980-85	0.0012	0.0002	0.0013	8.8620	0.0029	0.0002	0.0030	18.3200	1980-85	0.0011	0.0009	0.0020	2.2390	0.0033	0.0035	0.0069	1.9530
1985-90	0.0014	0.0002	0.0016	7.2270	0.0032	0.0002	0.0035	15.0700	1985-90	0.0012	0.0005	0.0017	3.4710	0.0109	0.0025	0.0134	5.2820
1990-95	0.0013	0.0003	0.0016	6.0130	0.0031	0.0003	0.0034	12.8800	1990-95	0.0009	0.0004	0.0012	3.4470	0.0033	0.0015	0.0048	3.1280
1995-00	0.0012	0.0001	0.0013	9.5910	0.0025	0.0001	0.0027	19.2300	1995-00	0.0012	0.0005	0.0017	3.3990	0.0025	0.0015	0.0040	2.7150
2000-05	0.0011	0.0001	0.0012	8.7580	0.0028	0.0001	0.0030	21.5300	2000-05	0.0015	0.0007	0.0023	3.0420	0.0020	0.0020	0.0040	1.9770
2005-10	0.0006	0.0001	0.0007	5.9350	0.0038	0.0001	0.0039	34.4700	2005-10	0.0012	0.0009	0.0021	2.2690	0.0056	0.0034	0.0089	2.6650
1935-2010	0.0011	0.0002	0.0013	5.5530	0.0037	0.0002	0.0039	16.6500	1935-2010	0.0012	0.0007	0.0019	2.6670	0.0040	0.0021	0.0061	2.9440
Panel B																	
1935-6/68	0.0014	0.0003	0.0027	2.0370	0.0080	0.0066	0.0146	2.2190	1935-6/68	0.0009	0.0035	0.0044	1.2730	0.0072	0.0071	0.0144	2.0150
1935-45	0.0019	0.0020	0.0039	1.9780	0.0117	0.0107	0.0223	2.0950	1935-45	0.0008	0.0064	0.0072	1.1200	0.0093	0.0119	0.0211	1.7810
1946-55	0.0004	0.0006	0.0010	1.6710	0.0050	0.0026	0.0076	2.9710	1946-55	0.0002	0.0015	0.0017	1.1320	0.0049	0.0026	0.0075	2.8940
1956-6/68	0.0017	0.0013	0.0030	2.2420	0.0073	0.0062	0.0136	2.1790	1956-6/68	0.0016	0.0024	0.0041	1.6660	0.0074	0.0066	0.0140	2.1260
1935-40	0.0022	0.0028	0.0051	1.7810	0.0200	0.0153	0.0353	2.3090	1935-40	0.0003	0.0079	0.0082	1.0330	0.0159	0.0170	0.0330	1.9360
1941-45	0.0016	0.0009	0.0025	2.7560	0.0021	0.0052	0.0073	1.4080	1941-45	0.0015	0.0046	0.0061	1.3190	0.0017	0.0058	0.0075	1.2920
1946-50	0.0007	0.0006	0.0013	2.1150	0.0066	0.0025	0.0091	3.5890	1946-50	0.0006	0.0017	0.0024	1.3630	0.0066	0.0026	0.0092	3.4950
1951-55	0.0002	0.0006	0.0008	2.2560	0.0036	0.0026	0.0062	2.3880	1951-55	0.0002	0.0012	0.0010	0.8148	0.0033	0.0026	0.0069	2.3010
1956-60	0.0002	0.0005	0.0007	1.5000	0.0021	0.0023	0.0044	1.9300	1956-60	0.0007	0.0016	0.0023	1.4450	0.0017	0.0026	0.0043	1.6680
1961-6/68	0.0025	0.0019	0.0044	2.3230	0.0106	0.0089	0.0194	2.1930	1961-6/68	0.0022	0.0030	0.0052	1.7350	0.0109	0.0093	0.0201	2.1750
7/1968-2010	0.0030	0.0011	0.0041	3.6050	0.0161	0.0063	0.0224	3.5560	7/1968-2010	0.0025	0.0028	0.0054	1.8960	0.0150	0.0085	0.0235	2.7670
1970-80	0.0059	0.0023	0.0081	3.5990	0.0297	0.0116	0.0413	3.5480	1970-80	0.0056	0.0048	0.0104	2.1830	0.0235	0.0150	0.0384	2.5690
1980-90	0.0043	0.0013	0.0056	4.3010	0.0241	0.0067	0.0308	4.5900	1980-90	0.0030	0.0029	0.0059	2.0240	0.0224	0.0101	0.0325	3.2090
1990-00	0.0013	0.0008	0.0021	2.6320	0.0080	0.0056	0.0136	2.4150	1990-00	0.0004	0.0026	0.0031	1.1650	0.0058	0.0077	0.0145	1.8930
2000-10	0.0008	0.0004	0.0012	3.2420	0.0068	0.0026	0.0094	3.6610	2000-10	0.0008	0.0015	0.0023	1.5360	0.0081	0.0038	0.0120	3.1060
1970-75	0.0057	0.0023	0.0080	3.4220	0.0243	0.0126	0.0369	2.9190	1970-75	0.0045	0.0066	0.0111	1.6910	0.0223	0.0140	0.0362	2.5940
1975-80	0.0075	0.0022	0.0097	4.3560	0.0386	0.0111	0.0497	4.4970	1975-80	0.0077	0.0033	0.0109	3.3580	0.0293	0.0161	0.0453	2.8230
1980-85	0.0045	0.0012	0.0057	4.5910	0.0220	0.0055	0.0275	4.9910	1980-85	0.0038	0.0019	0.0057	3.0400	0.0225	0.0101	0.0312	3.3850
1985-90	0.0059	0.0012	0.0052	4.1590	0.0248	0.0073	0.0521	4.3900	1985-90	0.0020	0.0037	0.0057	1.5380	0.0220	0.0120	0.0316	3.4530
1990-95	0.0015	0.0011	0.0026	2.3740	0.0073	0.0074	0.0147	1.9930	1990-95	0.0010	0.0011	0.0021	1.9050	0.0049	0.0108	0.0156	3.5080
1995-00	0.0012	0.0004	0.0016	3.6550	0.0085	0.0031	0.0117	3.7220	1995-00	0.0011	0.0014	0.0025	2.4200	0.0025	0.0043	0.0126	2.2940
2000-05	0.0007	0.0004	0.0011	2.5060	0.0046	0.0032	0.0078	2.4020	2000-05	0.0010	0.0015	0.0020	1.3940	0.0102	0.0037	0.0138	3.7690
2005-10	0.0010	0.0003	0.0013	4.5310	0.0083	0.0017	0.0100	5.8940	2005-10	0.0006	0.0015	0.0020	1.3910	0.0102	0.0037	0.0138	3.7690
1935-2010	0.0023	0.0012	0.0035	2.8560	0.0125	0.0064	0.0190	2.9510	1935-2010	0.0018	0.0031	0.0049	1.5890	0.0116	0.0079	0.0195	2.4660

TABLE 5a: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
COMPONENTS OF THE  $\gamma_{f,t}$  (cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$\mathcal{F}$	
Panel A															
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Panel B															
1935-6/68	0.0010	0.0016	0.0026	1.6010	-	-	-	0.0008	0.0027	0.0034	1.2930	0.0229	0.6701	0.6930	0.0340
1935-45	0.0015	0.0029	0.0044	1.5050	-	-	-	0.0010	0.0056	0.0066	1.1780	-0.1048	0.7357	0.6309	0.8376
1946-55	0.0005	0.0005	0.0010	1.9410	-	-	-	0.0003	0.0007	0.0010	1.3710	0.0489	0.3996	0.4485	1.1220
1955-6/68	0.0009	0.0014	0.0024	1.6670	-	-	-	0.0010	0.0016	0.0026	1.5950	0.1089	0.8292	0.9381	1.1310
1935-40	0.0007	0.0043	0.0050	1.1710	-	-	-	0.0005	0.0079	0.0075	0.9405	-0.0753	0.7200	0.6447	0.8954
1941-45	0.0024	0.0013	0.0037	2.8590	-	-	-	0.0029	0.0029	0.0057	1.9910	-0.1291	0.7544	0.6253	0.8289
1946-50	0.0005	0.0005	0.0010	2.0980	-	-	-	0.0003	0.0007	0.0011	1.4330	0.0376	0.4629	0.5005	1.0810
1951-55	0.0005	0.0006	0.0010	1.8120	-	-	-	0.0002	0.0007	0.0009	1.2840	0.0619	0.3364	0.3982	1.1840
1956-60	0.0002	0.0005	0.0007	1.4770	-	-	-	0.0004	0.0007	0.0011	1.5230	0.2822	0.9704	1.2530	1.2910
1961-6/68	0.0014	0.0020	0.0034	1.6980	-	-	-	0.0014	0.0022	0.0036	1.6120	-0.0024	0.7350	0.7326	0.9967
7/1968-2010	0.0029	0.0045	0.0045	2.7340	-	-	-	0.0022	0.0027	0.0049	1.8020	0.0712	0.9100	0.3812	1.0780
1970-80	0.0061	0.0029	0.0090	3.1120	-	-	-	0.0052	0.0040	0.0091	2.3050	-0.0805	1.1460	1.0650	0.9297
1980-90	0.0029	0.0017	0.0046	2.6490	-	-	-	0.0014	0.0032	0.0044	1.3460	-0.0494	0.9310	0.3816	0.9520
1990-00	0.0015	0.0018	0.0032	1.8550	-	-	-	0.0002	0.0041	0.0043	1.0550	-0.0044	0.6669	0.6625	0.9934
2000-10	0.0012	0.0007	0.0019	2.7100	-	-	-	0.0009	0.0008	0.0017	2.1780	0.2870	0.9845	0.2720	1.2920
1970-75	0.0064	0.0032	0.0097	2.9830	-	-	-	0.0049	0.0051	0.0099	1.9650	0.0130	1.2730	1.2860	1.0100
1975-80	0.0077	0.0027	0.0104	3.8230	-	-	-	0.0070	0.0030	0.0101	3.3330	-0.2340	1.1260	0.3819	0.7922
1980-85	0.0027	0.0012	0.0039	3.2270	-	-	-	0.0024	0.0013	0.0037	2.8440	0.1015	1.0090	1.1110	1.1010
1985-90	0.0029	0.0021	0.0050	2.3930	-	-	-	0.0001	0.0048	0.0047	0.9796	-0.1708	0.39975	0.8268	0.8288
1990-95	0.0016	0.0024	0.0040	1.6720	-	-	-	0.0004	0.0066	0.0062	0.9398	-0.1807	0.7735	0.5928	0.7664
1995-00	0.0013	0.0009	0.0022	2.4610	-	-	-	0.0008	0.0010	0.0019	1.8210	0.1164	0.4894	0.6058	1.2380
2000-05	0.0015	0.0009	0.0025	2.6370	-	-	-	0.0011	0.0010	0.0021	2.0880	0.3758	0.7527	1.1280	1.4990
2005-10	0.0007	0.0004	0.0011	2.7910	-	-	-	0.0006	0.0004	0.0010	2.3420	0.2167	1.1760	1.3920	1.1840
1935-2010	0.0020	0.0017	0.0037	2.2380	-	-	-	0.0016	0.0027	0.0043	1.5790	0.0494	0.8044	0.8538	1.0610

TABLE 5e: Equal-Weighted NYSE Market Portfolio + 5xS Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 COMPONENTS OF THE VARIANCES OF THE  $\gamma_{j,t}$ 

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0010	0.0003	0.0013	4.1890	0.0041	0.0003	0.0044	15.1500	1935-6/68	0.0012	0.0003	0.0015	4.6120	0.0030	0.0007	0.0037	5.2790
1935-45	0.0015	0.0007	0.0022	3.1310	0.0089	0.0007	0.0096	14.4200	1935-45	0.0017	0.0007	0.0024	3.4130	0.0056	0.0015	0.0071	4.7480
1946-55	0.0006	0.0001	0.0007	7.4270	0.0015	0.0001	0.0015	18.7800	1946-55	0.0007	0.0001	0.0008	8.7940	0.0022	0.0002	0.0024	11.1300
1956-6/68	0.0008	0.0001	0.0010	7.3540	0.0019	0.0001	0.0020	16.4000	1956-6/68	0.0010	0.0002	0.0011	7.1520	0.0013	0.0004	0.0017	4.4920
1935-40	0.0021	0.0011	0.0032	3.0260	0.0131	0.0010	0.0141	13.6800	1935-40	0.0024	0.0010	0.0034	3.3470	0.0091	0.0020	0.0111	5.5100
1941-45	0.0007	0.0003	0.0010	3.7330	0.0041	0.0002	0.0043	18.8400	1941-45	0.0009	0.0003	0.0013	3.7590	0.0015	0.0009	0.0024	2.7500
1946-50	0.0008	0.0001	0.0009	11.4800	0.0019	0.0001	0.0019	26.8800	1946-50	0.0009	0.0001	0.0010	12.7000	0.0030	0.0003	0.0033	12.9800
1951-55	0.0003	0.0001	0.0004	4.0590	0.0011	0.0001	0.0012	12.6200	1951-55	0.0005	0.0001	0.0006	5.7810	0.0014	0.0002	0.0016	8.7310
1956-60	0.0004	0.0001	0.0005	4.2280	0.0011	0.0001	0.0012	15.7400	1956-60	0.0005	0.0001	0.0006	4.3340	0.0011	0.0002	0.0014	5.9130
1961-6/68	0.0011	0.0001	0.0012	8.5090	0.0024	0.0001	0.0025	17.7000	1961-6/68	0.0012	0.0002	0.0014	8.1580	0.0015	0.0005	0.0019	4.0130
7/1968-2010	0.0011	0.0002	0.0013	6.9250	0.0032	0.0002	0.0034	17.9100	7/1968-2010	0.0015	0.0003	0.0017	6.9520	0.0027	0.0009	0.0036	4.0200
1970-80	0.0014	0.0002	0.0016	8.2040	0.0042	0.0002	0.0044	23.3800	1970-80	0.0021	0.0003	0.0024	7.5400	0.0023	0.0014	0.0037	2.6090
1980-90	0.0013	0.0002	0.0015	7.1690	0.0032	0.0002	0.0034	16.1600	1980-90	0.0016	0.0003	0.0019	6.9040	0.0036	0.0011	0.0047	4.3360
1990-00	0.0011	0.0002	0.0014	5.8720	0.0026	0.0002	0.0029	12.9800	1990-00	0.0015	0.0002	0.0002	7.8050	0.0030	0.0005	0.0035	6.8310
2000-10	0.0008	0.0002	0.0009	5.3400	0.0032	0.0002	0.0033	19.1200	2000-10	0.0011	0.0002	0.0014	5.7150	0.0028	0.0006	0.0034	5.4020
1970-75	0.0018	0.0002	0.0020	10.0800	0.0041	0.0002	0.0043	20.9000	1970-75	0.0027	0.0004	0.0031	8.1390	0.0025	0.0017	0.0042	2.4520
1975-80	0.0011	0.0002	0.0013	6.4470	0.0042	0.0002	0.0044	19.3400	1975-80	0.0015	0.0003	0.0018	6.2690	0.0022	0.0012	0.0034	2.7690
1980-85	0.0011	0.0002	0.0012	7.3500	0.0029	0.0002	0.0030	17.2500	1980-85	0.0014	0.0002	0.0016	6.8360	0.0027	0.0011	0.0038	3.3990
1985-90	0.0014	0.0002	0.0017	7.3380	0.0033	0.0002	0.0036	15.5600	1985-90	0.0017	0.0003	0.0020	6.8350	0.0042	0.0011	0.0053	4.8040
1990-95	0.0011	0.0003	0.0014	5.1970	0.0027	0.0003	0.0030	10.5500	1990-95	0.0014	0.0003	0.0017	6.1710	0.0019	0.0006	0.0025	4.3950
1995-00	0.0011	0.0002	0.0013	7.3430	0.0024	0.0002	0.0026	14.6600	1995-00	0.0015	0.0002	0.0017	10.6100	0.0038	0.0004	0.0042	10.2600
2000-05	0.0009	0.0002	0.0010	5.6120	0.0024	0.0002	0.0026	14.1700	2000-05	0.0013	0.0002	0.0015	7.1430	0.0025	0.0005	0.0030	5.8600
2005-10	0.0006	0.0002	0.0007	4.7680	0.0035	0.0001	0.0037	24.8800	2005-10	0.0008	0.0002	0.0010	4.2790	0.0028	0.0007	0.0035	5.0710
1935-2010	0.0010	0.0002	0.0013	5.3860	0.0036	0.0002	0.0038	16.4200	1935-2010	0.0013	0.0003	0.0016	5.7820	0.0028	0.0008	0.0036	4.4950
Panel B																	
1935-6/68	0.0009	0.0016	0.0025	1.5600	0.0036	0.0078	0.0114	1.4610	1935-6/68	0.0013	0.0019	0.0032	1.6900	0.0042	0.0071	0.0114	1.5940
1935-45	0.0009	0.0026	0.0036	1.3510	0.0003	0.0138	0.0141	1.0190	1935-45	0.0008	0.0031	0.0039	1.2530	0.0118	0.0128	0.0146	1.1380
1946-55	0.0005	0.0006	0.0011	1.8260	0.0066	0.0025	0.0091	3.6020	1946-55	0.0003	0.0008	0.0011	1.3530	0.0056	0.0024	0.0080	3.3140
1956-6/68	0.0012	0.0015	0.0027	1.7930	0.0041	0.0068	0.0109	1.6050	1956-6/68	0.0025	0.0017	0.0042	2.5020	0.0054	0.0060	0.0113	1.8970
1935-40	0.0010	0.0039	0.0049	1.2540	0.0098	0.0206	0.0213	1.0370	1935-40	0.0010	0.0043	0.0053	1.2220	0.0029	0.0189	0.0218	1.1550
1941-45	0.0009	0.0011	0.0020	1.7870	-0.0001	0.0058	0.0057	0.9761	1941-45	0.0006	0.0016	0.0023	1.3870	0.0006	0.0056	0.0062	1.1100
1946-50	0.0007	0.0004	0.0011	2.7790	0.0071	0.0015	0.0086	5.6640	1946-50	0.0005	0.0007	0.0012	1.7660	0.0062	0.0015	0.0077	5.0630
1951-55	0.0003	0.0008	0.0011	3.3840	0.0035	0.0061	0.0061	2.1710	1951-55	0.0009	0.0009	0.0010	1.0610	0.0050	0.0033	0.0082	2.5170
1956-60	0.0005	0.0007	0.0011	1.7170	0.0039	0.0030	0.0069	2.2970	1956-60	0.0004	0.0008	0.0012	1.5140	0.0041	0.0027	0.0068	2.4970
1961-6/68	0.0017	0.0020	0.0037	1.8160	0.0043	0.0093	0.0136	1.4660	1961-6/68	0.0039	0.0023	0.0062	2.6930	0.0063	0.0081	0.0144	1.7730
7/1968-2010	0.0024	0.0012	0.0035	3.0350	0.0131	0.0062	0.0194	3.1040	7/1968-2010	0.0044	0.0014	0.0058	4.0740	0.0142	0.0056	0.0198	3.5380
1970-80	0.0049	0.0022	0.0071	3.1830	0.0225	0.0108	0.0333	3.0940	1970-80	0.0087	0.0026	0.0112	4.3820	0.0232	0.0093	0.0325	3.5000
1980-90	0.0038	0.0014	0.0052	3.7920	0.0192	0.0070	0.0262	3.7650	1980-90	0.0075	0.0016	0.0016	5.6610	0.0220	0.0063	0.0283	4.4820
1990-00	0.0012	0.0008	0.0020	2.3820	0.0084	0.0059	0.0143	4.2460	1990-00	0.0033	0.0011	0.0044	4.1060	0.0096	0.0027	0.0123	4.6050
2000-10	0.0008	0.0005	0.0013	2.7770	0.0102	0.0030	0.0132	4.3900	2000-10	0.0009	0.0006	0.0015	2.5480	0.0096	0.0027	0.0123	2.8720
1970-75	0.0047	0.0022	0.0069	3.1850	0.0183	0.0109	0.0292	2.6790	1970-75	0.0084	0.0031	0.0115	3.7280	0.0199	0.0097	0.0296	3.0500
1975-80	0.0062	0.0023	0.0086	3.6670	0.0291	0.0110	0.0401	3.6370	1975-80	0.0097	0.0022	0.0118	5.4270	0.0296	0.0094	0.0390	4.1520
1980-85	0.0049	0.0016	0.0065	4.0380	0.0225	0.0072	0.0297	4.1190	1980-85	0.0076	0.0016	0.0085	5.8510	0.0225	0.0061	0.0287	4.6850
1985-90	0.0026	0.0010	0.0021	3.6040	0.0146	0.0059	0.0206	3.4650	1985-90	0.0069	0.0015	0.0085	5.4760	0.0194	0.0059	0.0253	4.2850
1990-95	0.0010	0.0012	0.0044	1.8280	0.0065	0.0083	0.0148	1.7780	1990-95	0.0042	0.0014	0.0057	3.9890	0.0093	0.0074	0.0167	2.2430
1995-00	0.0014	0.0004	0.0018	4.3300	0.0099	0.0026	0.0125	4.7740	1995-00	0.0021	0.0006	0.0027	4.5600	0.0095	0.0021	0.0116	5.4140
2000-05	0.0008	0.0005	0.0012	2.7170	0.0072	0.0031	0.0104	3.2950	2000-05	0.0008	0.0006	0.0014	2.3820	0.0064	0.0027	0.0091	3.3960
2005-10	0.0008	0.0005	0.0013	2.7960	0.0120	0.0026	0.0146	5.5590	2005-10	0.0011	0.0005	0.0016	3.0360	0.0118	0.0024	0.0142	5.8660
1935-2010	0.0017	0.0014	0.0031	2.2670	0.0089	0.0069	0.0159	2.2880	1935-2010	0.0030	0.0016	0.0047	2.8650	0.0098	0.0063	0.0161	2.5620

TABLE 5e: Equal-Weighted NYSE Market Portfolio + 5x Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 (cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	
Panel A																
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Panel B																
1935-6/68	0.0008	0.0019	0.0027	1.4250	-	-	-	0.0006	0.0021	0.0027	1.3160	0.3581	0.1124	0.4704	4.1860	
1935-45	0.0008	0.0035	0.0043	1.2150	-	-	-	1935-45	0.0007	0.0040	0.0047	1.1710	0.1972	0.1161	0.3134	2.6990
1946-55	0.0007	0.0005	0.0012	2.3700	-	-	-	1946-55	0.0003	0.0006	0.0009	1.5170	0.1498	0.0677	0.2175	3.2130
1955-6/68	0.0008	0.0015	0.0024	1.5600	-	-	-	1955-6/68	0.0009	0.0015	0.0024	1.5850	0.6392	0.1449	0.7841	5.4120
1935-40	0.0005	0.0053	0.0058	1.0930	-	-	-	1935-40	0.0009	0.0060	0.0069	1.1450	0.2627	0.0980	0.3607	3.6800
1941-45	0.0011	0.0014	0.0025	1.8250	-	-	-	1941-45	0.0005	0.0016	0.0021	1.3290	0.1101	0.1376	0.2476	1.8000
1946-50	0.0006	0.0003	0.0008	3.1290	-	-	-	1946-50	0.0003	0.0004	0.0007	1.7340	0.1623	0.0742	0.2365	3.1880
1951-55	0.0009	0.0008	0.0016	2.0990	-	-	-	1951-55	0.0003	0.0008	0.0011	1.4190	0.1364	0.0612	0.1977	3.2280
1956-60	0.0005	0.0006	0.0011	1.7650	-	-	-	1956-60	0.0002	0.0006	0.0009	1.3810	0.2045	0.0953	0.2999	3.1460
1961-6/68	0.0011	0.0021	0.0032	1.5160	-	-	-	1961-6/68	0.0014	0.0021	0.0035	1.6360	0.9185	0.1779	0.0960	6.1620
7/1968-2010	0.0022	0.0016	0.0039	2.3790	-	-	-	7/1968-2010	0.0027	0.0017	0.0044	2.5860	0.7621	0.2217	0.9838	4.4370
1970-80	0.0039	0.0025	0.0064	2.5280	-	-	-	1970-80	0.0049	0.0025	0.0074	3.0070	1.3350	0.3769	1.7120	4.5430
1980-90	0.0025	0.0018	0.0043	2.3880	-	-	-	1980-90	0.0047	0.0020	0.0067	3.4000	0.6821	0.2420	0.9241	3.8190
1990-00	0.0020	0.0019	0.0039	2.0790	-	-	-	1990-00	0.0019	0.0021	0.0039	1.8990	0.6143	0.1061	0.7204	6.7900
2000-10	0.0019	0.0008	0.0027	3.4340	-	-	-	2000-10	0.0012	0.0008	0.0020	2.6120	0.4606	0.1347	0.5953	4.4200
1970-75	0.0042	0.0027	0.0069	2.5800	-	-	-	1970-75	0.0045	0.0029	0.0074	2.5350	1.7440	0.5428	2.2870	4.2140
1975-80	0.0048	0.0026	0.0074	2.8710	-	-	-	1975-80	0.0064	0.0022	0.0086	3.9000	0.7769	0.2393	1.0160	4.2470
1980-85	0.0031	0.0016	0.0047	2.9280	-	-	-	1980-85	0.0042	0.0014	0.0056	4.0340	0.6642	0.2335	0.8977	3.8440
1985-90	0.0017	0.0018	0.0034	1.9320	-	-	-	1985-90	0.0047	0.0023	0.0071	3.0300	0.6026	0.2676	0.8702	3.2520
1990-95	0.0017	0.0028	0.0045	1.6110	-	-	-	1990-95	0.0026	0.0030	0.0056	1.8490	0.5300	0.1048	0.6349	6.0560
1995-00	0.0021	0.0007	0.0029	3.9520	-	-	-	1995-00	0.0009	0.0008	0.0017	2.1490	0.6114	0.0991	0.7105	7.1680
2000-05	0.0026	0.0009	0.0035	3.8540	-	-	-	2000-05	0.0012	0.0009	0.0021	2.3420	0.5121	0.1086	0.6207	5.7180
2005-10	0.0011	0.0006	0.0017	2.6750	-	-	-	2005-10	0.0012	0.0006	0.0018	3.1720	0.4300	0.1474	0.5773	3.9170
1935-2010	0.0016	0.0034	1.9300	-	-	-	-	1935-2010	0.0018	0.0019	0.0037	1.9670	0.5840	0.1736	0.7576	4.3640

## 4 Conclusion

I extend the calculations of Fama and MacBeth (1973) to include data for 7/1968 through 2010. I also reproduce the calculations with  $5 \times 5$  dual-sorted test portfolios and compare the results to those with the original 20 beta-sorted portfolios of Fama-MacBeth (1973). In addition, I alternate between the use of a value-weighted and equal-weighted NYSE portfolio as the market portfolio proxy. I also alternate between using equal-weighted and value-weighted averages of underlying security betas and standard deviations of residuals from security-level market model regressions to construct the corresponding portfolio-level regressors for the cross-sectional regression (1).

I find some evidence that the results from Fama-MacBeth (1973) have weakened over time. More importantly I find that using the  $5 \times 5$  test portfolios constructed with a dual-sort on beta and standard deviation of residuals for the underlying securities leads to results which disagree with those from Fama-MacBeth (1973). In particular, I find that the coefficient on the regressor measuring idiosyncratic risk in (1) is significantly different from zero for testing periods in both 1935-6/1968 (the full sample period of Fama-MacBeth; 1973) and 7/1968-2010. Using some of the other aforementioned variations to the Fama-MacBeth (1973) approach again lead to results inconsistent with those in Fama-MacBeth (1973). This suggests that some of the Fama-MacBeth (1973) results may not be robust and casts some doubt on the relatively good performance of the CAPM<sup>12</sup>. Overall the results suggest that additional robustness inspections would have helped reveal some of the flaws of the CAPM using the regression specification of Fama-MacBeth (1973) without the need for more advanced statistical tests. More generally, these results hint that for empirical work it may sometimes be important to reproduce the calculations with some variations in the method used as a means of verifying the robustness of results.

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<sup>12</sup>As mentioned before, this is not a “true” test of the CAPM but rather a test of some practical implications of the CAPM conditional on several assumptions.

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# 5 Appendix

TABLE 2b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 1-10)

Statistics	1	2	3	4	5	6	7	8	9	10
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.2429	0.2938	0.3493	0.5820	0.6477	0.7326	0.7416	0.8639	0.8960	0.8970
$s(\hat{\beta}_{p,t-1})$	0.1670	0.1910	0.1732	0.0714	0.0597	0.0430	0.0266	0.0098	0.0138	0.0244
$r(R_p, R_m)^2$	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798
$s(\hat{R}_p)$	0.0948	0.1058	0.1212	0.1010	0.1085	0.1014	0.1335	0.1080	0.1119	0.1330
$s(\hat{e}_p)$	0.0614	0.0645	0.0672	0.0556	0.0476	0.0589	0.0696	0.0587	0.0740	0.0733
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0952	0.0952	0.0952	0.0952	0.0952	0.0952	0.0952	0.0904	0.0845	0.0845
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6451	0.6775	0.7055	0.5833	0.5000	0.6180	0.7309	0.6493	0.8759	0.8668
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	0.2668	0.3387	0.6050	0.6437	0.7233	0.7665	0.7711	0.8176	0.8491	1.0600
$s(\hat{\beta}_{p,t-1})$	0.0752	0.0332	0.0232	0.0204	0.0293	0.0385	0.0280	0.0421	0.0634	0.0512
$r(R_p, R_m)^2$	0.6756	0.3854	0.4084	0.6536	0.7629	0.7734	0.7550	0.7257	0.7036	0.7041
$s(\hat{R}_p)$	0.03682	0.0747	0.0824	0.0442	0.0518	0.0617	0.0617	0.0535	0.0643	0.0591
$s(\hat{e}_p)$	0.02097	0.0586	0.0634	0.0260	0.0252	0.0294	0.0306	0.0280	0.0350	0.0322
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0481	0.0481	0.0481	0.0481	0.0481	0.0481	0.0481	0.0481	0.0481	0.0547
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4359	1.2170	1.3170	0.5403	0.5243	0.6102	0.6349	0.5818	0.7278	0.5885
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.3293	0.3905	0.5648	0.6610	0.7493	0.7529	0.7964	0.8250	0.8816	0.9144
$s(\hat{\beta}_{p,t-1})$	0.0933	0.1033	0.0503	0.0449	0.0248	0.0378	0.0247	0.0347	0.0180	0.0212
$r(R_p, R_m)^2$	0.2693	0.5691	0.5072	0.5770	0.5906	0.5423	0.6103	0.6881	0.7282	0.6878
$s(\hat{R}_p)$	0.03592	0.0199	0.0318	0.0351	0.0370	0.0405	0.0401	0.0412	0.0408	0.0417
$s(\hat{e}_p)$	0.0307	0.0131	0.0223	0.0228	0.0237	0.0274	0.0250	0.0230	0.0213	0.0233
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0400	0.0400	0.0400	0.0400	0.0468	0.0400	0.0400	0.0400	0.0400	0.0400
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7680	0.3267	0.5585	0.5708	0.5056	0.6860	0.6265	0.5748	0.5321	0.5822
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	0.3084	0.6031	0.6223	0.7743	0.7955	0.8285	0.8751	0.9072	0.9196	1.0010
$s(\hat{\beta}_{p,t-1})$	0.0935	0.0887	0.0228	0.0649	0.0625	0.0286	0.0393	0.0451	0.0414	0.0204
$r(R_p, R_m)^2$	0.7566	0.5757	0.7028	0.5930	0.6010	0.7511	0.7984	0.7489	0.6986	0.5410
$s(\hat{R}_p)$	0.03888	0.0383	0.0406	0.0444	0.0511	0.0372	0.0483	0.0478	0.0532	0.0540
$s(\hat{e}_p)$	0.01918	0.0250	0.0221	0.0283	0.0323	0.0186	0.0217	0.0239	0.0292	0.0366
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0507	0.0507	0.0507	0.0507	0.0507	0.0507	0.0507	0.0507	0.0507	0.0507
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3781	0.4921	0.4359	0.5577	0.6360	0.3659	0.4270	0.4716	0.5753	0.7205
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	0.5577	0.5824	0.6698	0.7220	0.7227	0.7386	0.7784	0.9208	0.9478	0.9825
$s(\hat{\beta}_{p,t-1})$	0.0696	0.0358	0.0170	0.0291	0.0197	0.0236	0.0381	0.0514	0.0426	0.0435
$r(R_p, R_m)^2$	0.5299	0.5245	0.5554	0.6317	0.7497	0.6908	0.7312	0.7502	0.6734	0.6904
$s(\hat{R}_p)$	0.05095	0.0489	0.0582	0.0508	0.0545	0.0561	0.0594	0.0528	0.0729	0.0521
$s(\hat{e}_p)$	0.03493	0.0337	0.0388	0.0309	0.0272	0.0312	0.0308	0.0264	0.0417	0.0290
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6244	0.6025	0.6934	0.5515	0.6057	0.5572	0.4713	0.7446	0.5179	
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.4740	0.5052	0.5535	0.6491	0.7107	0.7495	0.7911	0.8149	0.8261	0.8967
$s(\hat{\beta}_{p,t-1})$	0.0519	0.0435	0.0219	0.0299	0.0428	0.0361	0.0669	0.0590	0.0475	0.0377
$r(R_p, R_m)^2$	0.5390	0.6285	0.6055	0.6926	0.4894	0.6599	0.7222	0.6973	0.7140	0.5202
$s(\hat{R}_p)$	0.06375	0.0508	0.0474	0.0588	0.0485	0.0670	0.0647	0.0640	0.0725	0.0892
$s(\hat{e}_p)$	0.04328	0.0310	0.0298	0.0326	0.0347	0.0370	0.0341	0.0352	0.0388	0.0618
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0685	0.0685	0.0685	0.0539	0.0685	0.0685	0.0685	0.0685	0.0685	0.0685
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6319	0.4520	0.4346	0.6048	0.5059	0.5398	0.4982	0.5143	0.5662	0.9026
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.5268	0.6173	0.6201	0.6722	0.6926	0.7643	0.8083	0.8420	0.8538	0.8804
$s(\hat{\beta}_{p,t-1})$	0.0505	0.0429	0.0297	0.0239	0.0508	0.0457	0.0464	0.0413	0.0370	0.0278
$r(R_p, R_m)^2$	0.3358	0.5076	0.5185	0.5370	0.6284	0.6899	0.6255	0.6965	0.7178	0.5835
$s(\hat{R}_p)$	0.04451	0.0318	0.0428	0.0421	0.0414	0.0480	0.0563	0.0471	0.0509	0.0551
$s(\hat{e}_p)$	0.03627	0.0223	0.0297	0.0286	0.0253	0.0267	0.0344	0.0260	0.0270	0.0356
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0428	0.0428	0.0428	0.0428	0.0428	0.0428	0.0428	0.0540	0.0428	0.0428
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.8474	0.5204	0.6940	0.6688	0.5900	0.6240	0.8047	0.4807	0.6316	0.8308
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	0.3647	0.5153	0.5914	0.6054	0.6711	0.8440	0.8632	0.9015	0.9535	0.9744
$s(\hat{\beta}_{p,t-1})$	0.0689	0.0958	0.0698	0.0611	0.0509	0.0468	0.0325	0.0238	0.0152	0.0226
$r(R_p, R_m)^2$	0.1919	0.3264	0.4397	0.4914	0.3682	0.4804	0.6637	0.5441	0.5344	0.6133
$s(\hat{R}_p)$	0.02505	0.0322	0.0300	0.0340	0.0648	0.0486	0.0446	0.0463	0.0481	0.0569
$s(\hat{e}_p)$	0.02252	0.0264	0.0225	0.0242	0.0515	0.0350	0.0259	0.0313	0.0328	0.0354
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0347	0.0347	0.0347	0.0347	0.0347	0.0347	0.0347	0.0347	0.0347	0.0347
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6483	0.7598	0.6463	0.6979	1.4820	1.0080	0.7442	0.9009	0.9441	1.0180
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.2298	0.2360	0.2894	0.3523	0.7516	0.8021	0.8065	0.8204	0.8401	0.8578
$s(\hat{\beta}_{p,t-1})$	0.0262	0.0762	0.0705	0.1157	0.0957	0.0800	0.0640	0.0437	0.0681	0.0674
$r(R_p, R_m)^2$	0.2305	0.1471	0.3252	0.3575	0.4904	0.2743	0.3770	0.5940	0.6077	0.5208
$s(\hat{R}_p)$	0.03828	0.0388	0.0394	0.0626	0.0629	0.0611	0.0595	0.0559	0.0507	0.0787
$s(\hat{e}_p)$	0.03358	0.0358	0.0324	0.0501	0.0449	0.0520	0.0469	0.0356	0.0317	0.0545
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0649	0.0649	0.0649	0.0649	0.0626	0.0626	0.0626	0.0404	0.0626	0.0627
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5171	0.5516	0.4983	0.7729	0.7167	0.8308	0.7495	0.8822	0.5066	0.8684
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.2320	0.2843	0.3283	0.4210	0.6107	0.6318	0.6396	0.7380	0.8787	0.9205
$s(\hat{\beta}_{p,t-1})$	0.0163	0.0848	0.0818	0.0341	0.0122	0.0096	0.0373	0.0525	0.0126	0.0194
$r(R_p, R_m)^2$	0.3743	0.2956	0.3653	0.4138	0.5038	0.6303	0.2965	0.6764	0.6362	0.6806
$s(\hat{R}_p)$	0.03035	0.0254	0.0368	0.0366	0.0510	0.0364	0.0373	0.0447	0.0397	0.0451
$s(\hat{e}_p)$	0.024	0.0213	0.0294	0.0280	0.0360	0.0221	0.0313	0.0254	0.0240	0.0255
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0450	0.0450	0.0450	0.0450	0.0450	0.0441	0.0450	0.0450	0.0450	0.0441
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5340	0.4743	0.6530	0.6235	0.7999	0.5020	0.6963	0.5648	0.5325	0.5775

TABLE 2b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 11-20)

Statistics	11	12	13	14	15	16	17	18	19	20
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.9502	1.0090	1.0970	1.1640	1.1920	1.2490	1.3510	1.3570	1.3880	1.4610
$s(\hat{\beta}_{p,t-1})$	0.0283	0.0198	0.0259	0.0530	0.0574	0.0583	0.0591	0.0785	0.0902	0.2683
$r(R_p, R_m)^2$	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798	0.5798
$s(\hat{R}_p)$	0.1506	0.1306	0.1169	0.1360	0.1494	0.1237	0.1413	0.1335	0.1096	0.1454
$s(\hat{e}_p)$	0.0815	0.0657	0.0647	0.0815	0.0751	0.0644	0.0789	0.0606	0.0525	0.0705
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0904	0.0904	0.0845	0.0904	0.0845	0.0904	0.0845	0.0845	0.0845	0.0845
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.9011	0.7266	0.7652	0.9010	0.8884	0.7125	0.9334	0.7175	0.6208	0.8336
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	1.0670	1.1130	1.2400	1.2930	1.3230	1.3280	1.3300	1.4310	1.4400	
$s(\hat{\beta}_{p,t-1})$	0.0481	0.0437	0.0679	0.0458	0.0448	0.0533	0.0295	0.0592	0.0620	0.2554
$r(R_p, R_m)^2$	0.7311	0.6581	0.6973	0.6882	0.7027	0.7055	0.6147	0.6351	0.7762	0.5398
$s(\hat{R}_p)$	0.0713	0.0890	0.0963	0.1009	0.0817	0.0844	0.1011	0.0928	0.0806	0.1475
$s(\hat{e}_p)$	0.0370	0.0520	0.0530	0.0564	0.0446	0.0458	0.0628	0.0561	0.0381	0.1000
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0481	0.0547	0.0481	0.0481	0.0547	0.0547	0.0547	0.0547	0.0547	0.0547
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.7686	0.9518	1.1020	1.1710	0.8152	0.8380	1.1490	1.0260	0.6978	1.8300
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.9179	1.0770	1.1510	1.1910	1.2020	1.3690	1.3940	1.5160	1.5820	2.0840
$s(\hat{\beta}_{p,t-1})$	0.0330	0.0480	0.0627	0.0505	0.0290	0.0610	0.0586	0.0732	0.0475	2.009
$r(R_p, R_m)^2$	0.6580	0.7794	0.6666	0.5686	0.5103	0.6591	0.7141	0.3799	0.7965	0.5764
$s(\hat{R}_p)$	0.0491	0.0484	0.0538	0.0527	0.0486	0.0552	0.0674	0.0738	0.0592	0.0733
$s(\hat{e}_p)$	0.0287	0.0227	0.0311	0.0346	0.0340	0.0322	0.0361	0.0581	0.0267	0.0477
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0468	0.0400	0.0400	0.0468	0.0468	0.0468	0.0400	0.0468	0.0468	0.0468
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.6133	0.5689	0.7768	0.7392	0.7264	0.6889	0.9017	1.2420	0.5702	1.0200
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	1.0540	1.0870	1.1440	1.1820	1.1870	1.2580	1.2670	1.4850	1.5260	1.8840
$s(\hat{\beta}_{p,t-1})$	0.0190	0.0518	0.0531	0.0577	0.0525	0.0520	0.0286	0.0536	0.0590	0.1669
$r(R_p, R_m)^2$	0.7913	0.6931	0.6910	0.7351	0.7024	0.7319	0.6285	0.7422	0.5808	0.6597
$s(\hat{R}_p)$	0.0586	0.0543	0.0593	0.0569	0.0642	0.0589	0.0603	0.0711	0.0549	0.0612
$s(\hat{e}_p)$	0.0268	0.0301	0.0330	0.0293	0.0350	0.0305	0.0368	0.0361	0.0356	0.0357
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0507	0.0582	0.0582	0.0507	0.0580	0.0582	0.0582	0.0580	0.0580	0.0580
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.5276	0.5167	0.5661	0.5774	0.6036	0.5238	0.6315	0.6218	0.6128	0.6151
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	0.9893	0.9974	1.0170	1.0190	1.0270	1.0620	1.0660	1.0900	1.3280	1.4180
$s(\hat{\beta}_{p,t-1})$	0.0467	0.0509	0.0510	0.0595	0.0661	0.0736	0.0811	0.1053	0.0857	0.0657
$r(R_p, R_m)^2$	0.6304	0.8520	0.8041	0.8538	0.6594	0.7420	0.6875	0.8346	0.8022	0.6790
$s(\hat{R}_p)$	0.0678	0.0610	0.0651	0.0700	0.0545	0.0764	0.0795	0.0730	0.0681	0.0719
$s(\hat{e}_p)$	0.0412	0.0235	0.0288	0.0268	0.0318	0.0388	0.0445	0.0297	0.0303	0.0407
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0559	0.0653	0.0653	0.0559	0.0653	0.0653	0.0653	0.0650	0.0653	0.0650
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.7370	0.3597	0.4413	0.4783	0.4870	0.5948	0.6812	0.4567	0.4638	0.6265
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.9119	0.9925	1.0040	1.0240	1.0240	1.2080	1.2240	1.3400	1.3450	1.4540
$s(\hat{\beta}_{p,t-1})$	0.0395	0.0809	0.0810	0.0628	0.0561	0.0604	0.0711	0.1002	0.1040	0.0216
$r(R_p, R_m)^2$	0.7724	0.7283	0.8525	0.7324	0.7033	0.7958	0.8480	0.6657	0.7276	0.7405
$s(\hat{R}_p)$	0.0735	0.0665	0.0850	0.0889	0.0743	0.0970	0.0790	0.0931	0.0969	0.0876
$s(\hat{e}_p)$	0.0351	0.0346	0.0326	0.0460	0.0405	0.0439	0.0308	0.0538	0.0506	0.0446
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0685	0.0539	0.0685	0.0539	0.0539	0.0539	0.0539	0.0685	0.0539	0.0539
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.5117	0.6423	0.4765	0.8522	0.7507	0.8129	0.5706	0.7857	0.9372	0.8274
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.9455	0.9898	1.0030	1.0380	1.0530	1.1030	1.1120	1.1870	1.2690	1.5680
$s(\hat{\beta}_{p,t-1})$	0.0393	0.0139	0.0175	0.0304	0.0245	0.0353	0.0428	0.0501	0.1090	0.0614
$r(R_p, R_m)^2$	0.7385	0.6304	0.6533	0.7723	0.5250	0.6694	0.7144	0.6682	0.4629	0.5132
$s(\hat{R}_p)$	0.0590	0.0532	0.0511	0.0583	0.0687	0.0499	0.0650	0.0610	0.0821	0.0911
$s(\hat{e}_p)$	0.0302	0.0324	0.0301	0.0278	0.0473	0.0287	0.0348	0.0352	0.0602	0.0635
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0428	0.0540	0.0540	0.0540	0.0540	0.0540	0.0428	0.0428	0.0540	0.0540
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.7046	0.5994	0.5573	0.5148	0.8764	0.5321	0.8119	0.8213	1.1140	1.1770
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	0.9746	0.9797	1.0500	1.0740	1.1180	1.1300	1.1470	1.1680	1.2400	1.2460
$s(\hat{\beta}_{p,t-1})$	0.0273	0.0361	0.0242	0.0355	0.0179	0.0274	0.0383	0.0474	0.1104	0.1310
$r(R_p, R_m)^2$	0.5765	0.5451	0.5824	0.6045	0.1389	0.4995	0.5808	0.2737	0.5450	0.3772
$s(\hat{R}_p)$	0.0655	0.0692	0.0558	0.0637	0.0508	0.0714	0.0668	0.1207	0.0778	0.0875
$s(\hat{e}_p)$	0.0426	0.0467	0.0360	0.0400	0.0472	0.0505	0.0433	0.1028	0.0525	0.0691
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0347	0.0347	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	1.2260	1.3440	0.8124	0.9024	1.0630	1.1380	0.9754	2.3190	1.1830	1.5570
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.9436	1.0240	1.0780	1.2360	1.2750	1.2820	1.3020	1.4220	1.4300	1.6700
$s(\hat{\beta}_{p,t-1})$	0.0573	0.0461	0.0331	0.0776	0.0684	0.0426	0.0533	0.0780	0.0968	0.2204
$r(R_p, R_m)^2$	0.5525	0.5833	0.5839	0.4964	0.6446	0.6085	0.6742	0.6555	0.6070	0.5782
$s(\hat{R}_p)$	0.0595	0.0603	0.0710	0.0652	0.0940	0.1102	0.0863	0.0827	0.0938	0.1017
$s(\hat{e}_p)$	0.0398	0.0389	0.0458	0.0463	0.0560	0.0689	0.0493	0.0486	0.0588	0.0661
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0627	0.0628	0.0404	0.0404	0.0404	0.0628	0.0404	0.0404	0.0404	0.0404
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.6347	0.6192	1.1350	1.1460	1.3880	1.0970	1.2200	1.2030	1.4570	1.6360
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.9931	1.0500	1.0870	1.1060	1.1490	1.2170	1.2770	1.3360	1.3710	1.4290
$s(\hat{\beta}_{p,t-1})$	0.0203	0.0197	0.0163	0.0351	0.0223	0.0328	0.0158	0.0666	0.0332	0.0182
$r(R_p, R_m)^2$	0.6425	0.5224	0.6469	0.5710	0.6738	0.7202	0.6638	0.6686	0.6580	0.5799
$s(\hat{R}_p)$	0.0394	0.0546	0.0536	0.0493	0.0555	0.0525	0.0583	0.0577	0.0576	0.0645
$s(\hat{e}_p)$	0.0236	0.0377	0.0319	0.0323	0.0317	0.0278	0.0338	0.0332	0.0337	0.0418
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0450	0.0320	0.0450	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320	0.0320
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.5232	1.1780	0.7078	1.0090	0.9900	0.8674	1.0550	1.0380	1.0510	1.3070

TABLE 2c: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 1-10)

Statistics	1	2	3	4	5	6	7	8	9	10
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.2429	0.2938	0.3493	0.5820	0.6477	0.7326	0.7416	0.8639	0.8960	0.8970
$s(\hat{\beta}_{p,t-1})$	0.2370	0.3565	0.3356	0.2189	0.1936	0.1798	0.1760	0.1712	0.2201	0.2280
$r(R_p, R_m)^2$	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409
$s(\hat{R}_p)$	0.0798	0.1009	0.0935	0.0965	0.1111	0.1023	0.0998	0.1009	0.1010	0.1087
$s(\hat{e}_p)$	0.0478	0.0338	0.0363	0.0310	0.0486	0.0486	0.0358	0.0334	0.0374	0.0340
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0907	0.0907	0.0907	0.0907	0.0907	0.0907	0.0907	0.0808	0.0808	0.0808
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5275	0.3732	0.4005	0.3418	0.5355	0.5359	0.3945	0.4128	0.4624	0.4210
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	0.5290	0.8304	0.9300	1.0190	1.0480	1.1270	1.3160	1.4110	1.4840	1.5050
$s(\hat{\beta}_{p,t-1})$	0.0163	0.0157	0.0289	0.0314	0.0060	0.0208	0.0157	0.0229	0.0350	0.0359
$r(R_p, R_m)^2$	0.5719	0.7561	0.8473	0.9053	0.9344	0.8725	0.8049	0.8533	0.6512	0.7062
$s(\hat{R}_p)$	0.03975	0.0499	0.0427	0.0435	0.0440	0.0486	0.0575	0.0596	0.0630	0.0688
$s(\hat{e}_p)$	0.02601	0.0246	0.0167	0.0134	0.0113	0.0173	0.0254	0.0228	0.0372	0.0373
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0541	0.0541	0.0544	0.0541	0.0544	0.0544	0.0544	0.0544	0.0544	0.0544
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4811	0.4555	0.3068	0.2476	0.2070	0.3186	0.4664	0.4191	0.6835	0.6851
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.6639	0.8237	0.8852	0.8949	1.0530	1.0570	1.0720	1.1230	1.1680	1.2870
$s(\hat{\beta}_{p,t-1})$	0.0189	0.0409	0.0382	0.0168	0.0474	0.0114	0.0054	0.0204	0.0191	0.0436
$r(R_p, R_m)^2$	0.6283	0.7373	0.7789	0.8566	0.8291	0.9115	0.9055	0.8451	0.8364	0.8762
$s(\hat{R}_p)$	0.02298	0.0251	0.0232	0.0274	0.0338	0.0331	0.0368	0.0333	0.0393	0.0363
$s(\hat{e}_p)$	0.01401	0.0129	0.0109	0.0104	0.0140	0.0098	0.0113	0.0131	0.0159	0.0128
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0404	0.0404	0.0404	0.0404	0.0404	0.0404	0.0404	0.0404	0.0404	0.0404
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3469	0.3186	0.2697	0.2565	0.3461	0.2435	0.2800	0.3240	0.3932	0.3163
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	0.4917	0.5419	0.7179	0.7376	0.7852	0.8959	0.9459	0.9474	0.9681	0.9898
$s(\hat{\beta}_{p,t-1})$	0.0375	0.0237	0.0818	0.0306	0.0307	0.0523	0.0614	0.0235	0.0301	0.0333
$r(R_p, R_m)^2$	0.7813	0.8043	0.8517	0.8915	0.8830	0.7752	0.8350	0.8133	0.8059	0.8438
$s(\hat{R}_p)$	0.03373	0.0341	0.0345	0.0359	0.0374	0.0408	0.0410	0.0398	0.0441	0.0449
$s(\hat{e}_p)$	0.01577	0.0151	0.0133	0.0118	0.0128	0.0193	0.0167	0.0172	0.0194	0.0177
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0506	0.0552	0.0506	0.0506
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2859	0.2732	0.2406	0.2140	0.2320	0.3505	0.3017	0.3401	0.3521	0.3505
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	0.6953	0.7497	0.8465	0.8541	0.8703	0.9791	1.0060	1.0150	1.0440	1.0870
$s(\hat{\beta}_{p,t-1})$	0.0312	0.0240	0.0117	0.0236	0.0172	0.0279	0.0238	0.0226	0.0240	0.0295
$r(R_p, R_m)^2$	0.7238	0.7875	0.7877	0.8072	0.8487	0.8646	0.8814	0.8217	0.8696	0.8092
$s(\hat{R}_p)$	0.04368	0.0407	0.0436	0.0469	0.0486	0.0453	0.0517	0.0578	0.0509	0.0614
$s(\hat{e}_p)$	0.02295	0.0187	0.0201	0.0206	0.0189	0.0167	0.0178	0.0244	0.0184	0.0268
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0759	0.0573
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3025	0.2470	0.2649	0.2714	0.2491	0.2199	0.2348	0.3216	0.2420	0.4676
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.7939	0.8983	0.9204	0.9619	0.9936	0.9944	1.0360	1.1140	1.1540	1.2240
$s(\hat{\beta}_{p,t-1})$	0.0702	0.0546	0.0219	0.0197	0.0279	0.0153	0.0136	0.0259	0.0352	0.0441
$r(R_p, R_m)^2$	0.5474	0.6395	0.7570	0.7154	0.7896	0.7917	0.8052	0.8313	0.8506	0.8744
$s(\hat{R}_p)$	0.05356	0.0520	0.0461	0.0499	0.0511	0.0559	0.0525	0.0579	0.0609	0.0558
$s(\hat{e}_p)$	0.03603	0.0312	0.0228	0.0266	0.0234	0.0255	0.0232	0.0238	0.0236	0.0198
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0694	0.0573
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5189	0.4497	0.3276	0.3833	0.3372	0.3672	0.3339	0.3425	0.3393	0.3453
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.6761	0.7001	0.8386	0.8839	0.9171	0.9599	1.0020	1.0170	1.0250	1.0810
$s(\hat{\beta}_{p,t-1})$	0.0193	0.0255	0.0483	0.0540	0.0079	0.0131	0.0110	0.0098	0.0094	0.0141
$r(R_p, R_m)^2$	0.6736	0.6442	0.8487	0.8661	0.8926	0.8462	0.8583	0.8888	0.8850	0.8239
$s(\hat{R}_p)$	0.02831	0.0300	0.0360	0.0390	0.0395	0.0389	0.0403	0.0422	0.0486	0.0470
$s(\hat{e}_p)$	0.01618	0.0179	0.0140	0.0143	0.0129	0.0152	0.0152	0.0141	0.0165	0.0197
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0448	0.0448	0.0448	0.0448	0.0448	0.0448	0.0448	0.0448	0.0448	0.0535
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3609	0.3986	0.3125	0.3181	0.2885	0.3401	0.3387	0.3140	0.3679	0.3693
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	0.4389	0.5208	0.6935	0.7940	0.7989	0.9664	1.0210	1.0260	1.0530	1.0790
$s(\hat{\beta}_{p,t-1})$	0.0143	0.0162	0.0485	0.0082	0.0606	0.0215	0.0041	0.0034	0.0082	0.0138
$r(R_p, R_m)^2$	0.5295	0.5258	0.6500	0.7772	0.6086	0.7697	0.8501	0.8392	0.6635	0.6261
$s(\hat{R}_p)$	0.02586	0.0299	0.0287	0.0337	0.0369	0.0410	0.0421	0.0393	0.0438	0.0481
$s(\hat{e}_p)$	0.01774	0.0206	0.0170	0.0159	0.0231	0.0197	0.0163	0.0158	0.0254	0.0294
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0498	0.0458	0.0458	0.0458
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3565	0.4143	0.3414	0.3200	0.4637	0.3950	0.3275	0.3437	0.5541	0.6422
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.3921	0.4585	0.5013	0.6583	0.7675	0.8564	0.8583	0.8936	0.9670	0.9797
$s(\hat{\beta}_{p,t-1})$	0.0616	0.0631	0.0438	0.0728	0.0173	0.0352	0.0414	0.0394	0.0518	0.0458
$r(R_p, R_m)^2$	0.0895	0.1464	0.1993	0.3379	0.5999	0.7332	0.5816	0.6168	0.6026	0.7263
$s(\hat{R}_p)$	0.01992	0.0298	0.0371	0.0453	0.0485	0.0432	0.0455	0.0461	0.0466	0.0523
$s(\hat{e}_p)$	0.01901	0.0275	0.0332	0.0369	0.0307	0.0223	0.0294	0.0285	0.0294	0.0273
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.1023	0.1023	0.1032	0.1007	0.1020	0.1010	0.1010	0.1013	0.0982	0.0984
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.1859	0.2690	0.3212	0.3665	0.3008	0.2208	0.2912	0.2817	0.2988	0.2779
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.2320	0.2843	0.3283	0.4210	0.6107	0.6318	0.6396	0.7380	0.8787	0.9205
$s(\hat{\beta}_{p,t-1})$	0.0123	0.0144	0.0352	0.0156	0.0672	0.0522	0.0495	0.0367	0.0371	0.0381
$r(R_p, R_m)^2$	0.2621	0.3597	0.3541	0.5611	0.6257	0.6987	0.6983	0.6988	0.7286	0.7724
$s(\hat{R}_p)$	0.03163	0.0246	0.0305	0.0297	0.0368	0.0341	0.0328	0.0326	0.0371	0.0395
$s(\hat{e}_p)$	0.02717	0.0197	0.0245	0.0197	0.0225	0.0187	0.0180	0.0179	0.0193	0.0188
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0542	0.0542	0.0542	0.0542	0.0541	0.0541	0.0545	0.0545	0.0545	0.0545
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5011	0.3630	0.4517	0.3624	0.4154	0.3456	0.3304	0.3277	0.3542	0.3458

TABLE 2c: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 11-20)

Statistics	11	12	13	14	15	16	17	18	19	20
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.9502	1.0090	1.0970	1.1640	1.1920	1.2490	1.3510	1.3570	1.3880	1.4610
$s(\hat{\beta}_{p,t-1})$	0.2397	0.2268	0.2138	0.2025	0.1905	0.2091	0.2051	0.1946	0.1897	0.2346
$r(R_p, R_m)^2$	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409	0.6409
$s(\hat{R}_p)$	0.1162	0.1178	0.1176	0.1185	0.0998	0.1169	0.1231	0.1178	0.1265	0.1292
$s(\hat{e}_p)$	0.0427	0.0335	0.0486	0.0459	0.0353	0.0389	0.0525	0.0392	0.0406	0.0413
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0808	0.0878	0.0878	0.0808	0.0878	0.0878	0.0878	0.0878	0.0878	0.0878
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5286	0.3815	0.5536	0.5673	0.4025	0.4428	0.5976	0.4467	0.4626	0.4705
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	1.5420	1.5720	1.5930	1.6850	1.8110	1.9060	1.9210	1.9700	2.0320	2.1160
$s(\hat{\beta}_{p,t-1})$	0.0194	0.0238	0.0178	0.0177	0.0587	0.0397	0.0213	0.0307	0.0208	0.0489
$r(R_p, R_m)^2$	0.7189	0.7290	0.7719	0.6975	0.7670	0.5981	0.7052	0.6380	0.5798	0.6115
$s(\hat{R}_p)$	0.0686	0.0672	0.0670	0.0701	0.0715	0.0871	0.0793	0.1008	0.0986	0.1059
$s(\hat{e}_p)$	0.0363	0.0350	0.0320	0.0385	0.0345	0.0552	0.0430	0.0607	0.0639	0.0660
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0544	0.0544	0.0561	0.0561	0.0561	0.0561	0.0561	0.0561	0.0561	0.0561
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6676	0.6431	0.5708	0.6874	0.6158	0.9848	0.7675	1.0820	1.1400	1.1770
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	1.3320	1.3520	1.4090	1.4290	1.5350	1.7040	1.7040	1.7510	1.8230	1.8570
$s(\hat{\beta}_{p,t-1})$	0.0538	0.0427	0.0580	0.0442	0.0694	0.0983	0.0870	0.0725	0.0921	0.0931
$r(R_p, R_m)^2$	0.8244	0.8385	0.7454	0.7816	0.7566	0.8506	0.7901	0.6184	0.7302	0.5770
$s(\hat{R}_p)$	0.0392	0.0402	0.0414	0.0437	0.0466	0.0479	0.0490	0.0532	0.0549	0.0565
$s(\hat{e}_p)$	0.0164	0.0162	0.0209	0.0204	0.0230	0.0185	0.0224	0.0329	0.0285	0.0368
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0404	0.0443	0.0443	0.0443	0.0404	0.0443	0.0443	0.0443	0.0443	0.0443
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4065	0.3649	0.4717	0.4615	0.5688	0.4187	0.5066	0.7426	0.6435	0.8304
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	1.0560	1.0640	1.0750	1.0910	1.1180	1.1340	1.1370	1.1620	1.2450	1.3310
$s(\hat{\beta}_{p,t-1})$	0.0398	0.0314	0.0132	0.0144	0.0164	0.0162	0.0127	0.0228	0.0190	0.0298
$r(R_p, R_m)^2$	0.8210	0.8637	0.8030	0.8316	0.8103	0.8010	0.7964	0.8149	0.7631	0.7374
$s(\hat{R}_p)$	0.0439	0.0449	0.0481	0.0473	0.0476	0.0466	0.0482	0.0516	0.0579	0.0563
$s(\hat{e}_p)$	0.0186	0.0166	0.0213	0.0194	0.0207	0.0208	0.0218	0.0222	0.0282	0.0288
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0552	0.0506	0.0552	0.0506	0.0506	0.0552	0.0552	0.0506	0.0506	0.0506
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3366	0.3276	0.3868	0.3838	0.4093	0.3763	0.3943	0.4389	0.5573	0.5697
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	1.1040	1.1160	1.1250	1.1530	1.1540	1.1610	1.2220	1.3100	1.3270	1.4090
$s(\hat{\beta}_{p,t-1})$	0.0294	0.0268	0.0300	0.0318	0.0375	0.0399	0.0319	0.0491	0.0562	0.0515
$r(R_p, R_m)^2$	0.8662	0.8317	0.8716	0.8280	0.8959	0.8700	0.8485	0.8515	0.8464	0.8268
$s(\hat{R}_p)$	0.0568	0.0532	0.0548	0.0576	0.0589	0.0590	0.0586	0.0593	0.0663	0.0626
$s(\hat{e}_p)$	0.0208	0.0218	0.0196	0.0239	0.0190	0.0213	0.0228	0.0229	0.0260	0.0261
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0759	0.0759	0.0573	0.0573	0.0759	0.0573	0.0573	0.0573	0.0563	0.0563
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2739	0.2878	0.3424	0.4169	0.2505	0.3711	0.3981	0.3987	0.4622	0.4630
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	1.2600	1.2830	1.2890	1.3010	1.3180	1.3650	1.4250	1.4570	1.6480	1.7520
$s(\hat{\beta}_{p,t-1})$	0.0537	0.0588	0.0524	0.0536	0.0389	0.0469	0.0519	0.0541	0.0916	0.0933
$r(R_p, R_m)^2$	0.7906	0.7829	0.7752	0.8239	0.7682	0.7988	0.7861	0.7491	0.6596	0.6657
$s(\hat{R}_p)$	0.0675	0.0671	0.0660	0.0673	0.0689	0.0755	0.0723	0.0773	0.0850	0.0948
$s(\hat{e}_p)$	0.0309	0.0313	0.0313	0.0282	0.0332	0.0339	0.0334	0.0387	0.0496	0.0548
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0694	0.0694	0.0694	0.0573	0.0573	0.0573	0.0573	0.0573	0.0573	0.0573
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4450	0.4501	0.4509	0.4932	0.5794	0.5913	0.5835	0.6763	0.8659	0.9571
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	1.1030	1.1170	1.1270	1.1660	1.2140	1.2200	1.2730	1.3260	1.3600	1.5580
$s(\hat{\beta}_{p,t-1})$	0.0140	0.0084	0.0069	0.0184	0.0129	0.0100	0.0158	0.0265	0.0355	0.0219
$r(R_p, R_m)^2$	0.8952	0.8975	0.8460	0.8246	0.8718	0.8138	0.7459	0.7626	0.8038	0.7533
$s(\hat{R}_p)$	0.0483	0.0450	0.0469	0.0483	0.0479	0.0508	0.0521	0.0513	0.0578	0.0607
$s(\hat{e}_p)$	0.0156	0.0144	0.0184	0.0202	0.0172	0.0219	0.0263	0.0250	0.0256	0.0302
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0448	0.0535	0.0448	0.0448	0.0535	0.0535	0.0535	0.0535	0.0535	0.0535
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3487	0.2696	0.4110	0.4511	0.3210	0.4103	0.4913	0.4675	0.4786	0.5643
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	1.1070	1.1140	1.1210	1.1240	1.1800	1.1870	1.2320	1.2380	1.2570	1.3100
$s(\hat{\beta}_{p,t-1})$	0.0239	0.0225	0.0231	0.0088	0.0150	0.0143	0.0244	0.0199	0.0288	0.0270
$r(R_p, R_m)^2$	0.7705	0.7266	0.6294	0.6039	0.1712	0.7101	0.5851	0.6291	0.5460	0.4856
$s(\hat{R}_p)$	0.0415	0.0456	0.0478	0.0489	0.0587	0.0488	0.0499	0.0528	0.0548	0.0675
$s(\hat{e}_p)$	0.0199	0.0239	0.0291	0.0308	0.0534	0.0263	0.0322	0.0322	0.0369	0.0484
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0458	0.0458	0.0458	0.0458	0.0444	0.0458	0.0444	0.0444	0.0444	0.0444
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4333	0.5205	0.6350	0.6724	1.2030	0.5734	0.7244	0.7241	0.8312	1.0900
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.9868	0.9912	1.0120	1.0800	1.1630	1.1800	1.2010	1.2270	1.2410	1.4280
$s(\hat{\beta}_{p,t-1})$	0.0370	0.0210	0.0259	0.0357	0.0500	0.0486	0.0480	0.0466	0.0123	0.0339
$r(R_p, R_m)^2$	0.7317	0.6747	0.6466	0.6843	0.6848	0.6764	0.6974	0.6340	0.6353	0.6758
$s(\hat{R}_p)$	0.0539	0.0472	0.0586	0.0624	0.0720	0.0659	0.0620	0.0654	0.0734	0.0804
$s(\hat{e}_p)$	0.0279	0.0269	0.0350	0.0351	0.0404	0.0375	0.0341	0.0396	0.0443	0.0458
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.1014	0.0594	0.1014	0.0594	0.0580	0.0588	0.0588	0.0588	0.0588	0.0588
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2754	0.4537	0.5886	0.3456	0.6810	0.6466	0.5794	0.6723	0.7532	0.7780
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.9931	1.0500	1.0870	1.1060	1.1490	1.2170	1.2770	1.3360	1.3710	1.4290
$s(\hat{\beta}_{p,t-1})$	0.0393	0.0522	0.0646	0.0454	0.0605	0.0637	0.0977	0.1123	0.0587	0.0544
$r(R_p, R_m)^2$	0.8442	0.7029	0.7349	0.8028	0.8241	0.7042	0.7414	0.8081	0.7778	0.7795
$s(\hat{R}_p)$	0.0421	0.0379	0.0400	0.0413	0.0449	0.0459	0.0441	0.0473	0.0487	0.0564
$s(\hat{e}_p)$	0.0166	0.0207	0.0206	0.0184	0.0188	0.0250	0.0224	0.0207	0.0229	0.0265
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0533	0.0533	0.0409	0.0411	0.0405	0.0405	0.0405	0.0405	0.0405	0.0404
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3118	0.3881	0.5033	0.4466	0.4645	0.6154	0.5536	0.5105	0.5657	0.6560

TABLE 2d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 1-10)

Statistics	1	2	3	4	5	6	7	8	9	10
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.2429	0.2938	0.3493	0.5820	0.6477	0.7326	0.7416	0.8639	0.8960	0.8970
$s(\hat{\beta}_{p,t-1})$	0.1763	0.2919	0.2994	0.1914	0.1908	0.2014	0.1780	0.1756	0.1832	0.1894
$r(R_p, R_m)^2$	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475
$s(\hat{R}_p)$	0.0949	0.1112	0.1055	0.1161	0.1185	0.1106	0.1249	0.1148	0.1134	0.1314
$s(\hat{e}_p)$	0.0638	0.0703	0.0702	0.0585	0.0654	0.0735	0.0754	0.0613	0.0720	0.0761
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.1152	0.1152	0.1152	0.1152	0.1152	0.1089	0.1152	0.1152	0.0885	0.1089
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5542	0.6105	0.6093	0.5078	0.5675	0.6754	0.6545	0.5319	0.8136	0.6995
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	0.6907	0.7579	0.7992	1.0160	1.0280	1.2490	1.2990	1.3500	1.4260	1.4450
$s(\hat{\beta}_{p,t-1})$	0.1303	0.0402	0.0315	0.0708	0.0724	0.0813	0.0550	0.0562	0.0552	0.0573
$r(R_p, R_m)^2$	0.3996	0.3970	0.5800	0.6321	0.6258	0.7861	0.6356	0.7520	0.5351	0.5131
$s(\hat{R}_p)$	0.04332	0.0821	0.0512	0.0507	0.0582	0.0521	0.0612	0.0615	0.0649	0.0741
$s(\hat{e}_p)$	0.03357	0.0637	0.0332	0.0307	0.0356	0.0241	0.0369	0.0306	0.0443	0.0517
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7241	1.3750	0.7157	0.6627	0.7679	0.5200	0.7964	0.6607	0.9546	1.1150
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	0.4036	0.7557	0.8834	0.9378	0.9882	1.0020	1.1100	1.1270	1.2070	1.2920
$s(\hat{\beta}_{p,t-1})$	0.0895	0.0883	0.0503	0.0496	0.0606	0.0154	0.0395	0.0317	0.0464	0.0643
$r(R_p, R_m)^2$	0.3093	0.4507	0.5238	0.6160	0.6631	0.7381	0.4884	0.5486	0.6369	0.6771
$s(\hat{R}_p)$	0.03506	0.0251	0.0276	0.0337	0.0420	0.0402	0.0407	0.0377	0.0457	0.0411
$s(\hat{e}_p)$	0.02914	0.0186	0.0191	0.0209	0.0244	0.0206	0.0291	0.0253	0.0276	0.0234
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0451	0.0451	0.0451	0.0451	0.0451	0.0479	0.0451	0.0478	0.0451	0.0451
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6460	0.4125	0.4229	0.4635	0.5405	0.4295	0.6450	0.5295	0.6108	0.5178
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	0.3692	0.5439	0.5548	0.7022	0.7401	0.8784	0.8991	1.0010	1.0080	1.0090
$s(\hat{\beta}_{p,t-1})$	0.1063	0.0407	0.0326	0.0502	0.0137	0.0503	0.0571	0.0809	0.0702	0.0667
$r(R_p, R_m)^2$	0.6838	0.6043	0.6176	0.7301	0.5911	0.5519	0.6817	0.6059	0.5960	0.6654
$s(\hat{R}_p)$	0.04185	0.0384	0.0476	0.0361	0.0429	0.0531	0.0497	0.0468	0.0518	0.0577
$s(\hat{e}_p)$	0.02353	0.0241	0.0295	0.0187	0.0274	0.0356	0.0281	0.0294	0.0329	0.0334
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0581	0.0581	0.0581	0.0581	0.0581	0.0581	0.0581	0.0552	0.0552	0.0581
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4049	0.4151	0.5067	0.3224	0.4716	0.6120	0.4828	0.5319	0.5959	0.5744
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	0.5734	0.6521	0.8431	0.8757	0.9168	0.9565	1.0080	1.0220	1.0260	1.0640
$s(\hat{\beta}_{p,t-1})$	0.0729	0.0538	0.0282	0.0258	0.0423	0.0444	0.0307	0.0242	0.0257	0.0148
$r(R_p, R_m)^2$	0.6108	0.5302	0.5707	0.6686	0.6316	0.7285	0.6185	0.5459	0.7113	0.5469
$s(\hat{R}_p)$	0.05569	0.0586	0.0525	0.0535	0.0586	0.0535	0.0573	0.0690	0.0642	0.0666
$s(\hat{e}_p)$	0.03474	0.0402	0.0344	0.0308	0.0356	0.0279	0.0354	0.0465	0.0345	0.0449
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0719	0.0719	0.0719	0.0719	0.0719	0.0719	0.0719	0.0719	0.0719	0.0719
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4834	0.5589	0.4787	0.4288	0.4948	0.3880	0.4928	0.6465	0.4801	0.6241
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	0.6564	0.8040	0.8971	0.9254	0.9677	1.0400	1.0690	1.0930	1.1270	1.2020
$s(\hat{\beta}_{p,t-1})$	0.0315	0.0666	0.0343	0.0320	0.0310	0.0248	0.0289	0.0322	0.0423	0.0478
$r(R_p, R_m)^2$	0.3181	0.5747	0.6134	0.5198	0.5941	0.5150	0.6161	0.7174	0.6042	0.6210
$s(\hat{R}_p)$	0.0696	0.0525	0.0467	0.0610	0.0590	0.0738	0.0544	0.0631	0.0907	0.0820
$s(\hat{e}_p)$	0.05748	0.0342	0.0291	0.0422	0.0376	0.0514	0.0337	0.0336	0.0571	0.0505
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0599	0.0599	0.0599	0.0599	0.0599	0.0599	0.0599	0.0696	0.0599	0.0696
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.9600	0.5713	0.4854	0.7056	0.6281	0.8583	0.5628	0.4820	0.9536	0.7250
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	0.7104	0.7611	0.8536	0.9193	0.9682	0.9778	0.9893	0.9980	1.0020	1.0870
$s(\hat{\beta}_{p,t-1})$	0.0640	0.0253	0.0496	0.0351	0.0674	0.0401	0.0479	0.0493	0.0406	0.0403
$r(R_p, R_m)^2$	0.3757	0.3402	0.6337	0.7240	0.6013	0.6164	0.6932	0.7031	0.5678	0.5582
$s(\hat{R}_p)$	0.04095	0.0355	0.0416	0.0443	0.0531	0.0473	0.0455	0.0528	0.0527	0.0579
$s(\hat{e}_p)$	0.03235	0.0289	0.0252	0.0233	0.0335	0.0293	0.0252	0.0288	0.0346	0.0385
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0391	0.0391	0.0391	0.0391	0.0391	0.0391	0.0391	0.0391	0.0570	0.0391
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.8271	0.7378	0.6439	0.5953	0.8565	0.7492	0.6437	0.7360	0.6072	0.9832
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	0.4015	0.5794	0.6091	0.7069	0.8113	0.8413	0.9452	0.9677	0.9770	1.0670
$s(\hat{\beta}_{p,t-1})$	0.0503	0.0706	0.0689	0.0345	0.0899	0.0849	0.0746	0.0337	0.0443	0.0166
$r(R_p, R_m)^2$	0.3030	0.4550	0.5382	0.5049	0.2510	0.4264	0.6303	0.6387	0.5314	0.4992
$s(\hat{R}_p)$	0.02638	0.0338	0.0281	0.0377	0.0517	0.0578	0.0484	0.0456	0.0539	0.0589
$s(\hat{e}_p)$	0.02202	0.0250	0.0191	0.0265	0.0447	0.0438	0.0294	0.0274	0.0369	0.0417
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0429	0.0429	0.0429	0.0429	0.0355	0.0429	0.0429	0.0429	0.0355	0.0463
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5133	0.5823	0.4454	0.6180	1.2580	1.0210	0.6853	0.6382	1.0370	0.9003
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	0.3242	0.3928	0.4614	0.5923	0.6126	0.6610	0.7742	0.7779	0.8698	0.9786
$s(\hat{\beta}_{p,t-1})$	0.0656	0.0437	0.0528	0.0403	0.0699	0.0475	0.0498	0.0505	0.0185	0.0428
$r(R_p, R_m)^2$	0.1058	0.1889	0.1453	0.2601	0.3717	0.4622	0.3615	0.4389	0.3134	0.4184
$s(\hat{R}_p)$	0.03297	0.0430	0.0618	0.0529	0.0707	0.0577	0.0493	0.0571	0.0668	0.0620
$s(\hat{e}_p)$	0.03117	0.0387	0.0571	0.0455	0.0561	0.0423	0.0394	0.0428	0.0554	0.0473
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0858	0.0822	0.0853	0.0853	0.0740	0.0856	0.0823	0.0823	0.0765	0.0821
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3635	0.4710	0.6698	0.5333	0.7578	0.4944	0.4791	0.5200	0.7235	0.5759
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.2320	0.2843	0.3283	0.4210	0.6107	0.6318	0.6396	0.7380	0.8787	0.9205
$s(\hat{\beta}_{p,t-1})$	0.0374	0.0307	0.0117	0.0513	0.0331	0.0028	0.1039	0.0671	0.0170	0.0161
$r(R_p, R_m)^2$	0.1926	0.2473	0.2113	0.4225	0.4154	0.5501	0.4451	0.3997	0.3470	0.4385
$s(\hat{R}_p)$	0.03871	0.0301	0.0385	0.0339	0.0420	0.0479	0.0342	0.0393	0.0424	0.0475
$s(\hat{e}_p)$	0.03478	0.0261	0.0342	0.0257	0.0321	0.0321	0.0255	0.0304	0.0343	0.0356
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0461	0.0452	0.0443	0.0461
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7557	0.5672	0.7433	0.5594	0.6978	0.6985	0.5533	0.6737	0.7748	0.7723

TABLE 2d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SECLECTED ESTIMATION PERIODS (test portfolios 11-20)

Statistics	11	12	13	14	15	16	17	18	19	20
Portfolios for Estimation Period 1934-38										
$\hat{\beta}_{p,t-1}$	0.9502	1.0090	1.0970	1.1640	1.1920	1.2490	1.3510	1.3570	1.3880	1.4610
$s(\hat{\beta}_{p,t-1})$	0.2156	0.2127	0.2058	0.2172	0.2292	0.2414	0.2177	0.3308	0.4062	0.8538
$r(R_p, R_m)^2$	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475	0.5475
$s(\hat{R}_p)$	0.1413	0.1210	0.1227	0.1207	0.1011	0.1544	0.1149	0.1235	0.1222	0.1387
$s(\hat{e}_p)$	0.0728	0.0618	0.0559	0.0668	0.0475	0.0939	0.0625	0.0605	0.0660	0.0675
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0885	0.1089	0.1089	0.0885	0.0885	0.0885	0.0885	0.1089	0.0885	0.0885
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.8228	0.5677	0.5137	0.7550	0.5373	1.0620	0.7064	0.5554	0.7457	0.7631
Portfolios for Estimation Period 1942-46										
$\hat{\beta}_{p,t-1}$	1.4870	1.6080	1.6980	1.7210	1.7550	1.7680	1.7910	1.8160	2.0810	2.1570
$s(\hat{\beta}_{p,t-1})$	0.0405	0.0350	0.0461	0.0501	0.0667	0.0754	0.0609	0.0876	0.0630	0.0987
$r(R_p, R_m)^2$	0.3442	0.3915	0.4504	0.6082	0.5329	0.5017	0.4693	0.4700	0.6505	0.3542
$s(\hat{R}_p)$	0.0944	0.0753	0.0873	0.0833	0.0687	0.0900	0.0963	0.1029	0.0878	0.1361
$s(\hat{e}_p)$	0.0764	0.0587	0.0647	0.0521	0.0470	0.0635	0.0702	0.0750	0.0519	0.1094
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0464	0.0541	0.0541	0.0464	0.0541	0.0541	0.0541	0.0541	0.0541	0.0541
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	1.6490	1.0870	1.1980	1.1240	0.8686	1.1750	1.2980	1.3870	0.9599	2.0230
Portfolios for Estimation Period 1950-54										
$\hat{\beta}_{p,t-1}$	1.3050	1.3490	1.4580	1.4820	1.6730	1.7020	1.7910	1.8840	1.8900	1.9660
$s(\hat{\beta}_{p,t-1})$	0.0313	0.0323	0.0629	0.0708	0.1028	0.1077	0.1271	0.1505	0.1305	0.0742
$r(R_p, R_m)^2$	0.6004	0.7015	0.4378	0.6820	0.5855	0.6008	0.3641	0.3005	0.5035	0.4307
$s(\hat{R}_p)$	0.0422	0.0453	0.0488	0.0568	0.0556	0.0544	0.0691	0.0679	0.0580	0.0668
$s(\hat{e}_p)$	0.0267	0.0247	0.0366	0.0320	0.0358	0.0344	0.0551	0.0568	0.0409	0.0504
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0451	0.0451	0.0478	0.0451	0.0479	0.0478	0.0478	0.0451	0.0478	0.0479
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.5919	0.5483	0.7649	0.7101	0.7476	0.7181	1.1520	1.2580	0.8539	1.0530
Portfolios for Estimation Period 1958-62										
$\hat{\beta}_{p,t-1}$	1.0180	1.0280	1.0330	1.0440	1.0800	1.1530	1.3170	1.3390	1.4220	1.6170
$s(\hat{\beta}_{p,t-1})$	0.0452	0.0528	0.0474	0.0529	0.0480	0.0468	0.0559	0.0554	0.0802	0.1404
$r(R_p, R_m)^2$	0.5765	0.6170	0.6668	0.6704	0.6153	0.4737	0.6798	0.6021	0.5173	0.5606
$s(\hat{R}_p)$	0.0594	0.0517	0.0555	0.0611	0.0535	0.0725	0.0479	0.0622	0.0608	0.0635
$s(\hat{e}_p)$	0.0387	0.0320	0.0321	0.0351	0.0332	0.0526	0.0271	0.0392	0.0422	0.0421
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0552	0.0581	0.0552	0.0581	0.0581	0.0552	0.0552	0.0552	0.0552	0.0552
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.6999	0.5508	0.5803	0.6033	0.5709	0.9045	0.4907	0.7099	0.7645	0.7615
Portfolios for Estimation Period 1966-70										
$\hat{\beta}_{p,t-1}$	1.0840	1.0900	1.0900	1.1050	1.1250	1.1890	1.2210	1.4170	1.4190	1.4250
$s(\hat{\beta}_{p,t-1})$	0.0442	0.0432	0.0416	0.0355	0.0765	0.0759	0.0652	0.0492	0.0671	0.0776
$r(R_p, R_m)^2$	0.6996	0.7167	0.7357	0.6918	0.7030	0.7529	0.7188	0.6459	0.6806	0.6715
$s(\hat{R}_p)$	0.0718	0.0612	0.0583	0.0727	0.0598	0.0660	0.0702	0.0586	0.0650	0.0678
$s(\hat{e}_p)$	0.0393	0.0326	0.0300	0.0404	0.0326	0.0328	0.0372	0.0349	0.0367	0.0389
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0719	0.0564	0.0564	0.0554	0.0564	0.0564	0.0564	0.0564	0.0719	0.0554
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.5473	0.5782	0.5320	0.7290	0.5784	0.5824	0.6608	0.6191	0.5112	0.7021
Portfolios for Estimation Period 1974-78										
$\hat{\beta}_{p,t-1}$	1.2290	1.3280	1.3650	1.3710	1.3910	1.4630	1.4720	1.6250	1.6970	1.7590
$s(\hat{\beta}_{p,t-1})$	0.0379	0.0491	0.0577	0.0635	0.0633	0.0806	0.0603	0.0917	0.1352	0.0544
$r(R_p, R_m)^2$	0.5655	0.5657	0.6568	0.6481	0.7381	0.6845	0.6439	0.5189	0.6905	0.4927
$s(\hat{R}_p)$	0.0893	0.0800	0.0645	0.0775	0.0773	0.0839	0.0812	0.0830	0.0832	0.0977
$s(\hat{e}_p)$	0.0589	0.0527	0.0378	0.0460	0.0396	0.0471	0.0485	0.0576	0.0463	0.0696
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0696	0.0599	0.0696	0.0599	0.0599	0.0696	0.0599	0.0696	0.0696	0.0696
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.8454	0.8800	0.5430	0.7684	0.6610	0.6771	0.8097	0.8271	0.6650	0.9992
Portfolios for Estimation Period 1982-86										
$\hat{\beta}_{p,t-1}$	1.1070	1.1190	1.1200	1.1760	1.1760	1.1780	1.3170	1.3310	1.3980	1.4090
$s(\hat{\beta}_{p,t-1})$	0.0349	0.0219	0.0100	0.0190	0.0333	0.0320	0.0512	0.0894	0.0998	0.1285
$r(R_p, R_m)^2$	0.5428	0.5819	0.6524	0.5426	0.7114	0.7325	0.5689	0.3774	0.5859	0.5169
$s(\hat{R}_p)$	0.0585	0.0491	0.0632	0.0531	0.0519	0.0586	0.0617	0.0704	0.0656	0.0908
$s(\hat{e}_p)$	0.0396	0.0318	0.0373	0.0359	0.0279	0.0303	0.0405	0.0555	0.0422	0.0631
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0570	0.0570	0.0391	0.0391	0.0570	0.0570	0.0391	0.0570	0.0570	0.0570
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.6942	0.5572	0.9527	0.9188	0.4889	0.5315	1.0360	0.9737	0.7405	1.1070
Portfolios for Estimation Period 1990-94										
$\hat{\beta}_{p,t-1}$	1.0930	1.1030	1.1190	1.1350	1.1650	1.1750	1.2050	1.2120	1.2410	1.3200
$s(\hat{\beta}_{p,t-1})$	0.0187	0.0154	0.0217	0.0160	0.0139	0.0242	0.0246	0.0333	0.0584	0.1518
$r(R_p, R_m)^2$	0.5328	0.2693	0.4001	0.4531	0.0756	0.4872	0.2704	0.3962	0.1908	0.3613
$s(\hat{R}_p)$	0.0606	0.0651	0.0590	0.0603	0.1061	0.0630	0.0542	0.0705	0.0602	0.0755
$s(\hat{e}_p)$	0.0415	0.0556	0.0457	0.0446	0.1020	0.0451	0.0463	0.0548	0.0542	0.0603
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0355	0.0463	0.0355	0.0464	0.0464	0.0355	0.0464	0.0463	0.0463	0.0463
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	1.1660	1.2010	1.2860	0.9609	2.1980	1.2690	0.9971	1.1840	1.1700	1.3030
Portfolios for Estimation Period 1998-02										
$\hat{\beta}_{p,t-1}$	1.0320	1.0940	1.1270	1.1280	1.1400	1.1500	1.1880	1.3350	1.3820	1.4180
$s(\hat{\beta}_{p,t-1})$	0.0590	0.0668	0.0585	0.0539	0.0446	0.0463	0.0537	0.0925	0.0633	0.0836
$r(R_p, R_m)^2$	0.5637	0.2128	0.4912	0.4206	0.5153	0.5285	0.3798	0.3056	0.3472	0.4496
$s(\hat{R}_p)$	0.0621	0.0624	0.0761	0.0663	0.0931	0.0752	0.0843	0.0946	0.0830	0.0970
$s(\hat{e}_p)$	0.0410	0.0554	0.0543	0.0505	0.0648	0.0517	0.0664	0.0789	0.0671	0.0720
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0376	0.0376	0.0376	0.0740	0.0402	0.0765	0.0402	0.0375	0.0402	0.0402
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	1.0910	1.4720	1.4420	0.6819	1.6110	0.6750	1.6500	2.1010	1.6680	1.7890
Portfolios for Estimation Period 2002-06										
$\hat{\beta}_{p,t-1}$	0.9931	1.0500	1.0870	1.1060	1.1490	1.2170	1.2770	1.3360	1.3710	1.4290
$s(\hat{\beta}_{p,t-1})$	0.0353	0.0437	0.0532	0.0396	0.0481	0.0580	0.1027	0.1102	0.0388	0.0510
$r(R_p, R_m)^2$	0.5152	0.4914	0.6708	0.5798	0.6411	0.3481	0.6240	0.5120	0.5132	0.5568
$s(\hat{R}_p)$	0.0472	0.0476	0.0527	0.0465	0.0472	0.0504	0.0482	0.0572	0.0482	0.0639
$s(\hat{e}_p)$	0.0329	0.0340	0.0303	0.0301	0.0283	0.0407	0.0296	0.0399	0.0336	0.0426
$\hat{s}_{p,t-1}(\hat{e}_i)$	0.0443	0.0461	0.0452	0.0461	0.0443	0.0443	0.0444	0.0443	0.0443	0.0443
$s(\hat{e}_p)/\hat{s}_{p,t-1}(\hat{e}_i)$	0.7412	0.7370	0.6702	0.6536	0.6387	0.9191	0.6660	0.9023	0.7590	0.9613

TABLE 2e: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 1-13)

Statistics	1	2	3	4	5	6	7	8	9	10	11	12	13
Portfolios for Estimation Period 1934-38													
$\hat{\beta}_{p,t-1}$	0.1982	0.2179	0.3416	0.3583	0.5905	0.6921	0.7318	0.7658	0.8538	0.8645	0.9063	0.9174	0.9449
$s(\hat{\beta}_{p,t-1})$	0.1655	0.1886	0.2127	0.1740	0.0517	0.0345	0.0289	0.0208	0.0150	0.0119	0.0088	0.0099	0.0072
$r(R_p, R_m)^2$	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807
$s(R_p)$	0.1164	0.0835	0.0637	0.0834	0.1104	0.0890	0.0958	0.1034	0.1084	0.1285	0.0978	0.1113	0.1047
$s(\hat{e}_p)$	0.0545	0.0242	0.0196	0.0243	0.0509	0.0169	0.0277	0.0226	0.0289	0.0579	0.0348	0.0332	0.0229
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0598	0.0598
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.0140	0.4500	0.3650	0.4520	0.9472	0.3138	0.5155	0.4213	0.5374	1.0770	0.6478	0.5552	0.3833
Portfolios for Estimation Period 1942-46													
$\hat{\beta}_{p,t-1}$	0.2612	0.4558	0.4567	0.6069	0.6995	0.6996	0.7051	0.7606	0.9002	0.9152	0.9486	0.9797	1.1420
$s(\hat{\beta}_{p,t-1})$	0.0440	0.0040	0.0034	0.0112	0.0384	0.0043	0.0248	0.0179	0.0302	0.0069	0.0177	0.0261	0.0422
$r(R_p, R_m)^2$	0.6997	0.8142	0.7765	0.7839	0.8552	0.9186	0.8782	0.8538	0.8844	0.8599	0.8863	0.9125	0.9446
$s(R_p)$	0.03643	0.0411	0.0364	0.0482	0.0533	0.0443	0.0507	0.0459	0.0569	0.0594	0.0554	0.0550	0.0641
$s(\hat{e}_p)$	0.01996	0.0177	0.0172	0.0224	0.0203	0.0127	0.0177	0.0175	0.0194	0.0222	0.0187	0.0163	0.0151
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0483	0.0460	0.0483
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4340	0.3849	0.3745	0.4867	0.4409	0.2748	0.3846	0.3811	0.4204	0.4829	0.3870	0.3536	0.3122
Portfolios for Estimation Period 1950-54													
$\hat{\beta}_{p,t-1}$	0.4506	0.4838	0.5846	0.5904	0.6644	0.6909	0.7289	0.7746	0.8179	0.8277	0.8549	0.9368	0.9383
$s(\hat{\beta}_{p,t-1})$	0.0384	0.0370	0.0138	0.0336	0.0367	0.0307	0.0330	0.0372	0.0232	0.0304	0.0488	0.0275	0.0295
$r(R_p, R_m)^2$	0.7100	0.6700	0.7000	0.8189	0.7896	0.8062	0.8623	0.8876	0.8449	0.8678	0.9234	0.9153	0.9390
$s(R_p)$	0.02253	0.0229	0.0251	0.0235	0.0339	0.0348	0.0356	0.0351	0.0309	0.0388	0.0391	0.0372	0.0396
$s(\hat{e}_p)$	0.01213	0.0131	0.0137	0.0100	0.0156	0.0153	0.0132	0.0118	0.0122	0.0141	0.0108	0.0108	0.0098
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0389	0.0331	0.0389
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3670	0.3972	0.4151	0.3024	0.4708	0.4630	0.3999	0.3565	0.3680	0.4269	0.2788	0.3274	0.2521
Portfolios for Estimation Period 1958-62													
$\hat{\beta}_{p,t-1}$	0.5790	0.5960	0.6217	0.6464	0.7447	0.8657	0.8691	0.8721	0.9045	0.9316	0.9847	1.0230	1.0820
$s(\hat{\beta}_{p,t-1})$	0.0767	0.0283	0.0321	0.0145	0.0245	0.0121	0.0093	0.0156	0.0072	0.0144	0.0099	0.0168	0.0364
$r(R_p, R_m)^2$	0.7842	0.8143	0.8425	0.8224	0.8730	0.9125	0.9326	0.9256	0.9235	0.8813	0.9089	0.9202	0.9214
$s(R_p)$	0.03031	0.0345	0.0370	0.0334	0.0400	0.0348	0.0385	0.0421	0.0388	0.0419	0.0396	0.0440	0.0459
$s(\hat{e}_p)$	0.01408	0.0149	0.0147	0.0141	0.0143	0.0103	0.0100	0.0115	0.0107	0.0144	0.0119	0.0124	0.0129
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0435	0.0406	0.0406	0.0406	0.0435
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3466	0.3659	0.3616	0.3464	0.3512	0.2537	0.2464	0.2824	0.2466	0.3550	0.2939	0.3064	0.2962
Portfolios for Estimation Period 1966-70													
$\hat{\beta}_{p,t-1}$	0.5769	0.5919	0.6742	0.6768	0.6784	0.8338	0.8363	0.8601	0.8678	0.8856	0.8879	0.9121	0.9882
$s(\hat{\beta}_{p,t-1})$	0.0324	0.0153	0.0324	0.0248	0.0149	0.0529	0.0443	0.0420	0.0299	0.0243	0.0127	0.0154	0.0106
$r(R_p, R_m)^2$	0.6408	0.6920	0.6702	0.8007	0.8441	0.7977	0.8517	0.9170	0.9269	0.9102	0.8841	0.9175	0.9299
$s(R_p)$	0.03835	0.0409	0.0377	0.0436	0.0553	0.0388	0.0416	0.0470	0.0539	0.0704	0.0461	0.0505	0.0534
$s(\hat{e}_p)$	0.02298	0.0227	0.0216	0.0195	0.0218	0.0175	0.0160	0.0136	0.0146	0.0211	0.0157	0.0145	0.0141
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0515	0.0453	0.0515	0.0453
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5076	0.5010	0.4778	0.4302	0.4820	0.3858	0.3540	0.2992	0.3214	0.4095	0.3466	0.2814	0.3120
Portfolios for Estimation Period 1974-78													
$\hat{\beta}_{p,t-1}$	0.4459	0.4848	0.6120	0.6449	0.6502	0.6589	0.6869	0.7484	0.8191	0.8378	0.8512	0.8781	0.8842
$s(\hat{\beta}_{p,t-1})$	0.0503	0.0343	0.0169	0.0121	0.0197	0.0226	0.0249	0.0265	0.0149	0.0110	0.0147	0.0278	0.0212
$r(R_p, R_m)^2$	0.6986	0.7524	0.8268	0.8196	0.8361	0.8506	0.9079	0.8742	0.9142	0.9472	0.9093	0.9236	0.9116
$s(R_p)$	0.0524	0.0480	0.0482	0.0466	0.0580	0.0492	0.0523	0.0528	0.0577	0.0543	0.0575	0.0571	0.0601
$s(\hat{e}_p)$	0.02877	0.0239	0.0201	0.0198	0.0235	0.0190	0.0159	0.0187	0.0169	0.0125	0.0173	0.0158	0.0179
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0518
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5868	0.4868	0.4091	0.4032	0.4788	0.3878	0.3234	0.3821	0.3449	0.2544	0.3529	0.3220	0.3453
Portfolios for Estimation Period 1982-86													
$\hat{\beta}_{p,t-1}$	0.5663	0.5685	0.6048	0.6368	0.6989	0.7365	0.7461	0.7755	0.8123	0.8321	0.8338	0.8868	0.8944
$s(\hat{\beta}_{p,t-1})$	0.0831	0.0623	0.0253	0.0164	0.0167	0.0147	0.0063	0.0153	0.0045	0.0281	0.0337	0.0306	0.0336
$r(R_p, R_m)^2$	0.3503	0.3700	0.7861	0.7844	0.7333	0.6313	0.8779	0.8708	0.9046	0.8660	0.8839	0.8995	0.8919
$s(R_p)$	0.02978	0.0304	0.0341	0.0393	0.0495	0.0359	0.0365	0.0402	0.0470	0.0474	0.0447	0.0456	0.0490
$s(\hat{e}_p)$	0.02401	0.0241	0.0158	0.0182	0.0255	0.0218	0.0128	0.0144	0.0145	0.0174	0.0152	0.0145	0.0161
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0467	0.0465	0.0465
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5162	0.5183	0.3396	0.3922	0.5491	0.4690	0.2745	0.3105	0.3117	0.3730	0.3262	0.3112	0.3466
Portfolios for Estimation Period 1990-94													
$\hat{\beta}_{p,t-1}$	0.3768	0.3826	0.4595	0.6799	0.7064	0.7243	0.8467	0.9220	0.9564	0.9692	1.0120	1.0530	1.0630
$s(\hat{\beta}_{p,t-1})$	0.0441	0.0239	0.0273	0.0443	0.0196	0.0574	0.0257	0.0138	0.0168	0.0128	0.0277	0.0334	0.0148
$r(R_p, R_m)^2$	0.2734	0.3217	0.3434	0.5562	0.6450	0.7639	0.7830	0.7747	0.7310	0.7161	0.7984	0.8558	0.8207
$s(R_p)$	0.02403	0.0269	0.0296	0.0330	0.0351	0.0347	0.0391	0.0403	0.0381	0.0407	0.0437	0.0432	0.0461
$s(\hat{e}_p)$	0.02048	0.0221	0.0240	0.0220	0.0209	0.0168	0.0182	0.0191	0.0198	0.0217	0.0196	0.0164	0.0195
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0436	0.0341	0.0341
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6010	0.6487	0.7048	0.6444	0.6144	0.4942	0.5341	0.5612	0.5796	0.6360	0.4500	0.4808	0.5732
Portfolios for Estimation Period 1998-02													
$\hat{\beta}_{p,t-1}$	0.2724	0.3200	0.3237	0.4746	0.6061	0.7194	0.7586	0.7935	0.7987	0.8390	0.9370	0.9388	0.9469
$s(\hat{\beta}_{p,t-1})$	0.0433	0.0420	0.0240	0.0428	0.0575	0.0289	0.0276	0.0413	0.0322				

TABLE 2e: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 14-25)

Statistics	14	15	16	17	18	19	20	21	22	23	24	25
Portfolios for Estimation Period 1934-38												
Portfolios for Estimation Period 1942-46												
Portfolios for Estimation Period 1950-54												
Portfolios for Estimation Period 1958-62												
Portfolios for Estimation Period 1966-70												
Portfolios for Estimation Period 1974-78												
Portfolios for Estimation Period 1982-86												
Portfolios for Estimation Period 1990-94												
Portfolios for Estimation Period 1998-02												
Portfolios for Estimation Period 2002-06												
$\hat{\beta}_{p,t-1}$	0.9547	1.0390	1.1280	1.1440	1.1450	1.2580	1.2950	1.3200	1.3360	1.3570	1.3810	1.4460
$s(\hat{\beta}_{p,t-1})$	0.0126	0.0203	0.0348	0.0436	0.0471	0.0291	0.0307	0.0337	0.0319	0.0621	0.0670	0.0279
$r(R_p, R_m)^2$	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807
$s(R_p)$	0.1174	0.1332	0.0870	0.1033	0.1396	0.1458	0.1244	0.1155	0.1232	0.1385	0.1368	0.1300
$s(\hat{e}_p)$	0.0372	0.0524	0.0286	0.0269	0.0512	0.0480	0.0506	0.0321	0.0329	0.0403	0.0396	0.0469
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0537	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0615	0.0598	0.0598
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6930	0.8762	0.4787	0.4505	0.8563	0.8025	0.8457	0.5373	0.5496	0.6745	0.6434	0.7839
$\hat{\beta}_{p,t-1}$	1.1690	1.1700	1.1710	1.2380	1.2500	1.2580	1.3070	1.3130	1.3470	1.4420	1.4570	1.5360
$s(\hat{\beta}_{p,t-1})$	0.0414	0.0090	0.0156	0.0139	0.0046	0.0021	0.0172	0.0449	0.0374	0.0285	0.0365	0.0302
$r(R_p, R_m)^2$	0.9067	0.8655	0.9008	0.9297	0.9178	0.8738	0.8251	0.9191	0.8072	0.8357	0.8654	0.9443
$s(R_p)$	0.0677	0.0834	0.0764	0.0683	0.0728	0.0894	0.0913	0.0774	0.1124	0.1097	0.1099	0.0860
$s(\hat{e}_p)$	0.0207	0.0306	0.0241	0.0181	0.0209	0.0317	0.0382	0.0220	0.0493	0.0445	0.0403	0.0203
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0460	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0548	0.0483
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4491	0.6332	0.4984	0.3751	0.4323	0.6571	0.7906	0.4555	1.0220	0.9204	0.7365	0.4201
$\hat{\beta}_{p,t-1}$	0.9428	1.0200	1.0510	1.0640	1.0700	1.0920	1.2640	1.3590	1.5440	1.5880	1.6180	1.6270
$s(\hat{\beta}_{p,t-1})$	0.0305	0.0013	0.0243	0.0288	0.0328	0.0379	0.0190	0.0185	0.0742	0.0750	0.0819	0.0717
$r(R_p, R_m)^2$	0.8832	0.8985	0.9538	0.9281	0.9185	0.9117	0.8472	0.9135	0.9170	0.9079	0.8377	0.7225
$s(R_p)$	0.0365	0.0407	0.0458	0.0441	0.0462	0.0453	0.0439	0.0565	0.0547	0.0568	0.0546	0.0533
$s(\hat{e}_p)$	0.0125	0.0130	0.0098	0.0118	0.0132	0.0135	0.0172	0.0166	0.0158	0.0172	0.0220	0.0281
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0331	0.0389	0.0389	0.0389	0.0389	0.0389	0.0389	0.0389	0.0433	0.0389	0.0389	0.0389
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3778	0.3336	0.2534	0.3046	0.3393	0.3469	0.4418	0.4274	0.3637	0.4434	0.5659	0.7225
$\hat{\beta}_{p,t-1}$	1.0990	1.1260	1.1590	1.1740	1.1910	1.1940	1.1950	1.3250	1.3310	1.3320	1.3360	1.3620
$s(\hat{\beta}_{p,t-1})$	0.0318	0.0232	0.0325	0.0233	0.0161	0.0125	0.0274	0.0129	0.0245	0.0255	0.0285	0.1222
$r(R_p, R_m)^2$	0.9174	0.8455	0.9003	0.9024	0.8930	0.9253	0.8874	0.8998	0.8947	0.9273	0.9129	0.8021
$s(R_p)$	0.0447	0.0501	0.0465	0.0442	0.0465	0.0555	0.0526	0.0522	0.0579	0.0545	0.0528	0.0601
$s(\hat{e}_p)$	0.0129	0.0197	0.0147	0.0138	0.0152	0.0152	0.0177	0.0165	0.0188	0.0147	0.0156	0.0267
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0435	0.0434	0.0435	0.0435	0.0435	0.0435	0.0406	0.0435	0.0435	0.0435	0.0434	0.0511
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2957	0.4533	0.3379	0.3174	0.3499	0.3488	0.4344	0.3799	0.4320	0.3379	0.3588	0.5225
$\hat{\beta}_{p,t-1}$	0.9958	1.0040	1.1150	1.1350	1.1480	1.1500	1.1730	1.1780	1.1950	1.2620	1.3200	1.3720
$s(\hat{\beta}_{p,t-1})$	0.0111	0.0114	0.0384	0.0236	0.0109	0.0163	0.0261	0.0380	0.0344	0.0482	0.0519	0.0567
$r(R_p, R_m)^2$	0.9390	0.9251	0.9185	0.9378	0.9389	0.9151	0.8907	0.8945	0.9202	0.9308	0.9212	0.9141
$s(R_p)$	0.0562	0.0653	0.0494	0.0591	0.0552	0.0679	0.0728	0.0611	0.0623	0.0645	0.0661	0.0853
$s(\hat{e}_p)$	0.0139	0.0179	0.0141	0.0147	0.0137	0.0198	0.0241	0.0199	0.0176	0.0170	0.0186	0.0250
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0515	0.0515	0.0515	0.0515	0.0453	0.0515	0.0515	0.0515	0.0515	0.0515	0.0515	0.0596
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2695	0.3465	0.2737	0.2861	0.3014	0.3841	0.4669	0.3853	0.3419	0.3292	0.3601	0.4196
$\hat{\beta}_{p,t-1}$	0.9132	0.9216	1.0090	1.0380	1.0550	1.1270	1.1550	1.1720	1.2630	1.3490	1.3560	1.4010
$s(\hat{\beta}_{p,t-1})$	0.0151	0.0218	0.0141	0.0215	0.0154	0.0290	0.0283	0.0264	0.0218	0.0451	0.0248	0.0331
$r(R_p, R_m)^2$	0.9194	0.9133	0.9175	0.9225	0.9500	0.9596	0.8927	0.9319	0.9433	0.9206	0.9205	0.8674
$s(R_p)$	0.0691	0.0720	0.0644	0.0688	0.0684	0.0759	0.0795	0.0776	0.0826	0.0825	0.0981	0.0903
$s(\hat{e}_p)$	0.0196	0.0212	0.0185	0.0192	0.0153	0.0153	0.0260	0.0203	0.0197	0.0232	0.0277	0.0329
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0580
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3790	0.4097	0.3575	0.3699	0.2956	0.2947	0.5029	0.3913	0.3798	0.4488	0.5345	0.5670
$\hat{\beta}_{p,t-1}$	0.9534	0.9700	0.9831	1.0010	1.0560	1.0630	1.1800	1.1830	1.2470	1.2510	1.3130	1.4770
$s(\hat{\beta}_{p,t-1})$	0.0215	0.0199	0.0232	0.0245	0.0153	0.0425	0.0077	0.0135	0.0064	0.0303	0.0284	0.0563
$r(R_p, R_m)^2$	0.9158	0.9024	0.9144	0.9238	0.9172	0.8773	0.8885	0.8873	0.9168	0.7976	0.8603	0.8576
$s(R_p)$	0.0479	0.0484	0.0491	0.0456	0.0466	0.0491	0.0516	0.0491	0.0548	0.0532	0.0562	0.0735
$s(\hat{e}_p)$	0.0139	0.0151	0.0144	0.0126	0.0134	0.0172	0.0172	0.0165	0.0158	0.0239	0.0210	0.0277
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0543
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2976	0.3244	0.3077	0.2696	0.2873	0.3688	0.3691	0.3531	0.3388	0.5131	0.4506	0.5106
$\hat{\beta}_{p,t-1}$	1.0730	1.0800	1.0810	1.0980	1.1000	1.1040	1.1340	1.1710	1.1890	1.2810	1.2890	1.3070
$s(\hat{\beta}_{p,t-1})$	0.0202	0.0201	0.0188	0.0102	0.0099	0.0130	0.0076	0.0169	0.0135	0.0278	0.0248	0.0360
$r(R_p, R_m)^2$	0.8080	0.8183	0.8234	0.8309	0.7904	0.8261	0.8210	0.8389	0.8346	0.7953	0.3198	0.6949
$s(R_p)$	0.0473	0.0509	0.0500	0.0489	0.0438	0.0521	0.0631	0.0576	0.0581	0.0654	0.0690	0.0691
$s(\hat{e}_p)$	0.0207	0.0217	0.0210	0.0201	0.0201	0.0218	0.0389	0.0196	0.0236	0.0296	0.0569	0.0381
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0438	0.0438	0.0438	0.0438	0.0438	0.0435
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4753	0.4976	0.4811	0.4603	0.4594	0.4983	0.8875	0.4481	0.5399	0.6752	1.3000	0.8767
$\hat{\beta}_{p,t-1}$	0.9583	0.9779	1.0060	1.0280	1.1340	1.1710	1.2190	1.2580	1.3030	1.3210	1.4670	1.5380
$s(\hat{\beta}_{p,t-1})$	0.0308	0.0324	0.0506	0.0482	0.0380	0.0361	0.0300	0.0323	0.0283	0.0208	0.0536	0.0529
$r(R_p, R_m)^2$	0.8517	0.8205	0.7949	0.8326	0.8120	0.8547	0.7467	0.8685	0.8354	0.8698	0.8049	0.7449
$s(R_p)$	0.0492	0.0557	0.0642	0.0656	0.0699	0.0627	0.0715	0.0707	0.0666	0.0767	0.0787	0.0868
$s(\hat{e}_p)$	0.0190	0.0236	0.0291	0.0269	0.0303	0.0239	0.0360	0.0257	0.0270	0.0277	0.0348	0.0438
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0307	0.0300	0.0311	0.0311	0.0311	0.0311	0.					

TABLE 2f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 1-13)

Statistics	1	2	3	4	5	6	7	8	9	10	11	12	13
Portfolios for Estimation Period 1934-38													
$\hat{\beta}_{p,t-1}$	0.1982	0.2179	0.3416	0.3583	0.5905	0.6921	0.7318	0.7658	0.8538	0.8645	0.9063	0.9174	0.9449
$s(\hat{\beta}_{p,t-1})$	0.1374	0.1690	0.1809	0.1454	0.0473	0.0437	0.0456	0.0501	0.0416	0.0459	0.0476	0.0103	0.0072
$r(R_p, R_m)^2$	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741
$s(R_p)$	0.1519	0.0857	0.0708	0.1063	0.1113	0.0994	0.0896	0.1232	0.1131	0.1273	0.1043	0.1198	0.1217
$s(\hat{e}_p)$	0.1102	0.0429	0.0390	0.0562	0.0748	0.0507	0.0446	0.0535	0.0643	0.0586	0.0554	0.0586	0.0668
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487	0.0487
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	2.2640	0.8812	0.8015	1.1540	1.5360	1.0410	0.9158	1.1000	1.0640	1.4090	0.9158	1.2050	1.3730
Portfolios for Estimation Period 1942-46													
$\hat{\beta}_{p,t-1}$	0.3084	0.4479	0.4954	0.6335	0.6474	0.6586	0.7597	0.8310	0.9167	0.9431	0.9929	1.0300	1.0310
$s(\hat{\beta}_{p,t-1})$	0.0700	0.0425	0.0475	0.0518	0.0263	0.0409	0.0555	0.0613	0.0511	0.0449	0.0625	0.0695	0.0725
$r(R_p, R_m)^2$	0.5500	0.3767	0.3692	0.3066	0.6410	0.7781	0.7405	0.5739	0.7157	0.6293	0.8318	0.4657	0.6687
$s(R_p)$	0.04385	0.0783	0.0482	0.1254	0.0664	0.0579	0.0588	0.0496	0.0596	0.0713	0.0567	0.0780	0.0690
$s(\hat{e}_p)$	0.02941	0.0619	0.0383	0.1044	0.0398	0.0273	0.0300	0.0324	0.0318	0.0434	0.0233	0.0570	0.0397
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0446	0.0559	0.0559	0.0559
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6589	1.3860	0.8582	2.3390	0.8911	0.6111	0.6716	0.7259	0.7122	0.9730	0.4160	1.0200	0.7100
Portfolios for Estimation Period 1950-54													
$\hat{\beta}_{p,t-1}$	0.3289	0.3910	0.5092	0.6315	0.6773	0.7063	0.7634	0.7835	0.7898	0.8305	0.8733	0.8821	0.9498
$s(\hat{\beta}_{p,t-1})$	0.0841	0.0881	0.0592	0.0220	0.0280	0.0374	0.0261	0.0296	0.0459	0.0450	0.0337	0.0397	0.0241
$r(R_p, R_m)^2$	0.3800	0.2926	0.4585	0.4819	0.5108	0.6088	0.6329	0.6523	0.4673	0.5205	0.6944	0.7020	0.6381
$s(R_p)$	0.02956	0.0296	0.0360	0.0294	0.0430	0.0405	0.0421	0.0444	0.0362	0.0395	0.0447	0.0454	0.0506
$s(\hat{e}_p)$	0.02328	0.0249	0.0265	0.0212	0.0301	0.0254	0.0255	0.0262	0.0264	0.0274	0.0247	0.0248	0.0305
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0454	0.0454	0.0454	0.0454	0.0454	0.0454	0.0454	0.0454	0.0409	0.0454	0.0454	0.0454	0.0409
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5124	0.5474	0.5828	0.4665	0.6616	0.5581	0.5611	0.5760	0.6453	0.6027	0.5436	0.5450	0.7451
Portfolios for Estimation Period 1958-62													
$\hat{\beta}_{p,t-1}$	0.3473	0.5078	0.6460	0.6498	0.6888	0.7229	0.9016	0.9147	0.9469	0.9627	0.9906	1.0240	1.0440
$s(\hat{\beta}_{p,t-1})$	0.0744	0.0784	0.0803	0.0457	0.0521	0.0376	0.0484	0.0449	0.0341	0.0355	0.0185	0.0218	0.0194
$r(R_p, R_m)^2$	0.6004	0.6712	0.5733	0.5605	0.6745	0.7109	0.7289	0.6992	0.6553	0.6163	0.7062	0.5894	0.5669
$s(R_p)$	0.03479	0.0388	0.0404	0.0420	0.0494	0.0397	0.0484	0.0461	0.0488	0.0509	0.0466	0.0491	0.0641
$s(\hat{e}_p)$	0.02199	0.0223	0.0264	0.0278	0.0282	0.0214	0.0252	0.0253	0.0287	0.0316	0.0253	0.0314	0.0422
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0402	0.0402	0.0402	0.0402	0.0402	0.0402	0.0402	0.0402	0.0442	0.0402	0.0442	0.0442	0.0402
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5476	0.5541	0.6573	0.6930	0.7015	0.5319	0.6278	0.6292	0.6487	0.7142	0.6291	0.7116	1.0510
Portfolios for Estimation Period 1966-70													
$\hat{\beta}_{p,t-1}$	0.4853	0.5941	0.6209	0.6800	0.7138	0.7627	0.7858	0.7865	0.9102	0.9275	0.9290	0.9562	0.9642
$s(\hat{\beta}_{p,t-1})$	0.0693	0.0342	0.0320	0.0303	0.0262	0.0351	0.0330	0.0201	0.0513	0.0543	0.0398	0.0368	0.0245
$r(R_p, R_m)^2$	0.5585	0.5145	0.4710	0.7113	0.6419	0.5885	0.6577	0.6263	0.7245	0.6969	0.6892	0.7027	0.6501
$s(R_p)$	0.04131	0.0457	0.0443	0.0511	0.0684	0.0432	0.0557	0.0537	0.0645	0.0780	0.0531	0.0644	0.0606
$s(\hat{e}_p)$	0.02745	0.0318	0.0322	0.0275	0.0410	0.0277	0.0326	0.0328	0.0339	0.0429	0.0296	0.0351	0.0358
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0537	0.0537	0.0537	0.0537	0.0537	0.0537	0.0607	0.0537	0.0537	0.0537	0.0537	0.0607	0.0607
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5109	0.5921	0.6000	0.5108	0.7622	0.5161	0.5367	0.6104	0.6305	0.7986	0.5505	0.5784	0.5898
Portfolios for Estimation Period 1974-78													
$\hat{\beta}_{p,t-1}$	0.3812	0.4045	0.4218	0.5669	0.6105	0.6900	0.7045	0.7284	0.7759	0.8313	0.8332	0.8848	0.9101
$s(\hat{\beta}_{p,t-1})$	0.0560	0.0640	0.0720	0.0420	0.0390	0.0203	0.0477	0.0633	0.0835	0.0813	0.0827	0.0616	0.0598
$r(R_p, R_m)^2$	0.6495	0.6109	0.6176	0.6372	0.4542	0.7614	0.6953	0.5537	0.7790	0.7233	0.7401	0.6174	0.5742
$s(R_p)$	0.05952	0.0533	0.0522	0.0509	0.0687	0.0511	0.0601	0.0496	0.0757	0.0713	0.0558	0.0883	0.0594
$s(\hat{e}_p)$	0.03524	0.0333	0.0323	0.0307	0.0507	0.0250	0.0332	0.0331	0.0360	0.0304	0.0265	0.0315	0.0388
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0492	0.0492	0.0492	0.0492	0.0492	0.0492	0.0492	0.0535	0.0492	0.0492	0.0492	0.0535	0.0492
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7167	0.6763	0.6566	0.6241	1.0320	0.5076	0.6749	0.6195	0.7235	0.7628	0.5782	1.0210	0.7883
Portfolios for Estimation Period 1982-86													
$\hat{\beta}_{p,t-1}$	0.5588	0.5817	0.5931	0.6048	0.6853	0.7189	0.7325	0.7326	0.7430	0.8472	0.8697	0.8771	0.9094
$s(\hat{\beta}_{p,t-1})$	0.0814	0.0801	0.0453	0.0469	0.0348	0.0249	0.0163	0.0314	0.0541	0.0432	0.0306	0.0280	0.0322
$r(R_p, R_m)^2$	0.2291	0.2879	0.5126	0.5573	0.4842	0.4753	0.5658	0.6294	0.6018	0.6754	0.7487	0.6505	0.5274
$s(R_p)$	0.0318	0.0325	0.0443	0.0462	0.0605	0.0408	0.0466	0.0511	0.0570	0.0533	0.0528	0.0533	0.0605
$s(\hat{e}_p)$	0.02793	0.0274	0.0309	0.0308	0.0435	0.0296	0.0307	0.0311	0.0360	0.0304	0.0265	0.0315	0.0416
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456	0.0456	0.0409	0.0409	0.0456
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6120	0.6012	0.6777	0.6741	0.9523	0.6483	0.6726	0.6820	0.7889	0.6654	0.6472	0.7699	0.9108
Portfolios for Estimation Period 1990-94													
$\hat{\beta}_{p,t-1}$	0.3462	0.3947	0.4087	0.5533	0.6697	0.7832	0.8210	0.8251	0.9501	0.9591	0.9706	1.0170	1.0270
$s(\hat{\beta}_{p,t-1})$	0.0592	0.0525	0.0507	0.0603	0.0461	0.0465	0.0646	0.0366	0.0516	0.0452	0.0270	0.0303	0.0358
$r(R_p, R_m)^2$	0.2722	0.2517	0.2295	0.5224	0.4601	0.4360	0.6436	0.5893	0.3385	0.4518	0.5783	0.6128	0.5950
$s(R_p)$	0.02669	0.0307	0.0304	0.0324	0.0382	0.0413	0.0465	0.0543	0.0484	0.0564	0.0534	0.0686	0.0486
$s(\hat{e}_p)$	0.02277	0.0266	0.0267	0.0224	0.0281	0.0310	0.0278	0.0348	0.0394	0.0417	0.0347	0.0427	0.0309
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0326	0.0326	0.0326	0.0326	0.0326	0.0423	0.0326	0.0326	0.0326	0.0326	0.0326	0.0326	0.0326
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6982	0.8142	0.8180	0.6869	0.8614	0.7330	0.8516	1.0670	1.2070	1.2800	1.0640	1.3090	0.9478
Portfolios for Estimation Period 1998-02													
$\hat{\beta}_{p,t-1}$	0.1992	0.2303	0.3039	0.3070	0.3135	0.6854	0.7208	0.7504	0.7550	0.8862	0.8888	0.9281	0.9306
$s(\hat{\beta}_{p,t-1})$	0.0401	0.0521	0.0491	0.0640	0.1516	0.0602	0.0753	0.0833	0.0762				

TABLE 2f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 14-25)

Statistics	14	15	16	17	18	19	20	21	22	23	24	25
Portfolios for Estimation Period 1934-38												
Portfolios for Estimation Period 1942-46												
Portfolios for Estimation Period 1950-54												
Portfolios for Estimation Period 1958-62												
Portfolios for Estimation Period 1966-70												
Portfolios for Estimation Period 1974-78												
Portfolios for Estimation Period 1982-86												
Portfolios for Estimation Period 1990-94												
Portfolios for Estimation Period 1998-02												
Portfolios for Estimation Period 2002-06												
$\hat{\beta}_{p,t-1}$	0.9547	1.0390	1.1280	1.1440	1.1450	1.2580	1.2950	1.3200	1.3360	1.3570	1.3810	1.4460
$s(\hat{\beta}_{p,t-1})$	0.0355	0.0237	0.0367	0.0409	0.0466	0.0303	0.0265	0.0430	0.0533	0.0726	0.1293	0.4607
$r(R_p, R_m)^2$	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741	0.4741
$s(R_p)$	0.1397	0.1681	0.0809	0.1150	0.1580	0.1470	0.1520	0.1340	0.1319	0.1514	0.1371	0.1263
$s(\hat{e}_p)$	0.0857	0.1098	0.0424	0.0673	0.0689	0.0748	0.0744	0.0674	0.0743	0.0875	0.0632	0.0593
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0604	0.0604	0.0604	0.0604	0.0487	0.0604	0.0604	0.0604	0.0604	0.0604	0.0604	0.0604
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.4170	1.8180	0.7014	1.1130	1.4150	1.2380	1.7780	1.1150	1.2300	1.4490	1.0460	0.9814
$\hat{\beta}_{p,t-1}$	1.0780	1.0990	1.2190	1.2420	1.2950	1.3380	1.3830	1.4210	1.4920	1.5190	1.5300	1.5660
$s(\hat{\beta}_{p,t-1})$	0.0434	0.0403	0.0391	0.0341	0.0407	0.0566	0.0648	0.0864	0.1226	0.0700	0.1041	0.1538
$r(R_p, R_m)^2$	0.5820	0.5683	0.7085	0.6561	0.5793	0.6759	0.6306	0.7507	0.5858	0.5792	0.6255	0.7743
$s(R_p)$	0.0755	0.0902	0.0847	0.0955	0.0956	0.1050	0.0872	0.0744	0.1310	0.1293	0.0964	0.0986
$s(\hat{e}_p)$	0.0488	0.0593	0.0457	0.0560	0.0620	0.0598	0.0530	0.0371	0.0843	0.0839	0.0590	0.0469
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0446	0.0446	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0559	0.0584	0.0559
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.0940	1.3280	0.8177	1.0020	1.1090	1.0690	0.9476	0.6644	1.5080	1.5000	1.0090	0.8381
$\hat{\beta}_{p,t-1}$	1.0450	1.1070	1.1310	1.1340	1.1860	1.3940	1.4700	1.4750	1.5310	1.5620	1.7490	2.1730
$s(\hat{\beta}_{p,t-1})$	0.0405	0.0324	0.0373	0.0409	0.0311	0.0784	0.1001	0.0814	0.0919	0.0776	0.1325	0.2518
$r(R_p, R_m)^2$	0.4492	0.7404	0.7790	0.6893	0.6548	0.5581	0.5088	0.6959	0.8154	0.5272	0.4860	0.4073
$s(R_p)$	0.0398	0.0540	0.0567	0.0485	0.0492	0.0506	0.0583	0.0586	0.0631	0.0703	0.0694	0.0857
$s(\hat{e}_p)$	0.0296	0.0275	0.0267	0.0270	0.0289	0.0336	0.0409	0.0323	0.0271	0.0484	0.0498	0.0660
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0418	0.0409	0.0409	0.0409	0.0409	0.0409	0.0454	0.0409	0.0409	0.0409	0.0409	0.0409
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7073	0.6726	0.6518	0.6612	0.7064	0.8222	0.8994	0.7906	0.6628	1.1820	1.2170	1.6140
$\hat{\beta}_{p,t-1}$	1.0760	1.1490	1.1760	1.1840	1.2060	1.2230	1.2470	1.3480	1.3550	1.3670	1.4670	1.8800
$s(\hat{\beta}_{p,t-1})$	0.0254	0.0429	0.0503	0.0521	0.0528	0.0182	0.0190	0.0316	0.0231	0.0346	0.1239	0.1262
$r(R_p, R_m)^2$	0.7820	0.6404	0.7774	0.6868	0.5764	0.7393	0.7252	0.7051	0.6957	0.5673	0.7171	0.4975
$s(R_p)$	0.0514	0.0719	0.0547	0.0662	0.0581	0.0663	0.0661	0.0533	0.0655	0.0652	0.0660	0.0681
$s(\hat{e}_p)$	0.0240	0.0431	0.0258	0.0370	0.0378	0.0339	0.0347	0.0290	0.0361	0.0429	0.0351	0.0483
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0442	0.0442	0.0442	0.0442	0.0402	0.0442	0.0442	0.0402	0.0442	0.0442	0.0442	0.0574
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5428	0.9759	0.5845	0.8385	0.9407	0.7667	0.7848	0.7207	0.8173	0.9709	0.7945	0.8417
$\hat{\beta}_{p,t-1}$	0.9680	1.0190	1.0560	1.0640	1.0780	1.1580	1.1900	1.2490	1.2550	1.3090	1.3520	1.3980
$s(\hat{\beta}_{p,t-1})$	0.0126	0.0303	0.0355	0.0439	0.0477	0.0274	0.0411	0.0864	0.0715	0.0611	0.0970	0.1341
$r(R_p, R_m)^2$	0.6855	0.6861	0.7573	0.7774	0.6913	0.7151	0.7143	0.7211	0.7411	0.6526	0.7498	0.7525
$s(R_p)$	0.0617	0.0874	0.0601	0.0659	0.0583	0.0778	0.0846	0.0736	0.0649	0.0703	0.0706	0.0861
$s(\hat{e}_p)$	0.0346	0.0490	0.0296	0.0311	0.0324	0.0415	0.0452	0.0386	0.0330	0.0415	0.0353	0.0428
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0537	0.0607	0.0537	0.0607	0.0607	0.0607	0.0607	0.0607	0.0607	0.0607	0.0498	0.0607
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6438	0.8062	0.5513	0.5119	0.5329	0.6837	0.7446	0.6350	0.5436	0.6826	0.7098	0.7050
$\hat{\beta}_{p,t-1}$	0.9360	0.9674	0.9684	1.0200	1.0310	1.0550	1.1560	1.1820	1.3030	1.3280	1.3370	1.5840
$s(\hat{\beta}_{p,t-1})$	0.0711	0.0597	0.0648	0.0640	0.0448	0.0293	0.0541	0.0784	0.0792	0.0653	0.0911	0.0676
$r(R_p, R_m)^2$	0.6958	0.7152	0.8217	0.8266	0.6652	0.7718	0.7471	0.7677	0.8067	0.7223	0.6925	0.7524
$s(R_p)$	0.0869	0.0814	0.0760	0.0918	0.0702	0.0787	0.1389	0.0848	0.0864	0.0903	0.0960	0.0916
$s(\hat{e}_p)$	0.0480	0.0434	0.0321	0.0382	0.0406	0.0376	0.0699	0.0409	0.0380	0.0476	0.0532	0.0456
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0535	0.0535	0.0535	0.0492	0.0505	0.0535	0.0533	0.0535	0.0535	0.0535	0.0535	0.0541
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.8969	0.8125	0.6003	0.7776	0.7596	0.7034	1.3070	0.7643	0.7101	0.8903	0.9953	0.8417
$\hat{\beta}_{p,t-1}$	0.9155	0.9318	0.9506	0.9649	0.9993	1.1440	1.1760	1.1690	1.2180	1.2550	1.3490	1.4510
$s(\hat{\beta}_{p,t-1})$	0.0320	0.0382	0.0373	0.0400	0.0484	0.0388	0.0333	0.0621	0.0734	0.0708	0.0719	0.0772
$r(R_p, R_m)^2$	0.6051	0.5569	0.5782	0.6823	0.7851	0.6610	0.5956	0.7083	0.7309	0.4103	0.6267	0.4757
$s(R_p)$	0.0495	0.0637	0.0627	0.0520	0.0582	0.0543	0.0542	0.0642	0.0702	0.0744	0.0632	0.1004
$s(\hat{e}_p)$	0.0311	0.0424	0.0407	0.0293	0.0270	0.0316	0.0344	0.0347	0.0364	0.0571	0.0386	0.0727
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0409	0.0409	0.0409	0.0409	0.0456	0.0409	0.0409	0.0409	0.0409	0.0409	0.0409	0.0559
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.7608	1.0370	0.9957	0.7163	0.5916	0.7732	0.8423	0.8478	0.8908	1.3970	0.9443	1.3010
$\hat{\beta}_{p,t-1}$	1.0330	1.0360	1.0490	1.0660	1.0730	1.0890	1.1000	1.1120	1.2380	1.2660	1.2680	1.3310
$s(\hat{\beta}_{p,t-1})$	0.0362	0.0094	0.0245	0.0307	0.0273	0.0277	0.0326	0.0381	0.0158	0.0178	0.0799	0.1213
$r(R_p, R_m)^2$	0.3820	0.4980	0.5356	0.4681	0.2847	0.4575	0.1059	0.5410	0.2727	0.4037	0.2231	0.4277
$s(R_p)$	0.0603	0.0734	0.0603	0.0742	0.0528	0.0675	0.0796	0.0678	0.1352	0.0917	0.0783	0.0807
$s(\hat{e}_p)$	0.0474	0.0520	0.0411	0.0541	0.0447	0.0497	0.0753	0.0459	0.1153	0.0708	0.0690	0.0610
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0423	0.0423	0.0423	0.0423	0.0423	0.0423	0.0423	0.0423	0.0423	0.0423	0.0450	0.0423
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.1210	1.2300	0.9729	1.2810	1.0570	1.1770	1.7800	1.0860	2.7270	1.6740	1.5330	1.4430
$\hat{\beta}_{p,t-1}$	0.9658	0.9659	1.0370	1.1310	1.1510	1.1560	1.2260	1.2470	1.2890	1.4950	1.5200	1.7520
$s(\hat{\beta}_{p,t-1})$	0.0285	0.0339	0.0414	0.0311	0.0393	0.0631	0.0552	0.0527	0.0742	0.0943	0.0490	0.2188
$r(R_p, R_m)^2$	0.4774	0.3912	0.5852	0.6431	0.4807	0.5078	0.4573	0.6318	0.6583	0.6218	0.4864	0.5043
$s(R_p)$	0.0592	0.0829	0.0724	0.0747	0.0840	0.1011	0.1159	0.0819	0.0834	0.0895	0.0953	0.1269
$s(\hat{e}_p)$	0.0428	0.0646	0.0466	0.0446	0.0605	0.0709	0.0854	0.0497	0.0487	0.0550	0.0683	0.0894
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0240	0.0236	0.0254	0.0240	0.0240	0.0						

TABLE 2g: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 1-13)

Statistics	1	2	3	4	5	6	7	8	9	10	11	12	13
Portfolios for Estimation Period 1934-38													
$\hat{\beta}_{p,t-1}$	0.1982	0.2179	0.3416	0.3583	0.5905	0.6921	0.7318	0.7658	0.8538	0.8645	0.9063	0.9174	0.9449
$s(\hat{\beta}_{p,t-1})$	0.2895	0.2822	0.3083	0.3186	0.2218	0.2056	0.2037	0.1869	0.1853	0.1765	0.1725	0.1716	0.1831
$r(R_p, R_m)^2$	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242	0.7242
$s(R_p)$	0.1076	0.0781	0.0708	0.0867	0.1351	0.1020	0.0998	0.0913	0.1011	0.1398	0.0958	0.0999	0.1200
$s(\hat{e}_p)$	0.0565	0.0219	0.0224	0.0324	0.0803	0.0335	0.0347	0.0224	0.0403	0.0928	0.0242	0.0250	0.0443
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0488	0.0592	0.0592
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	1.1590	0.4490	0.4602	0.6638	1.6460	0.6865	0.7123	0.4592	0.8273	1.9030	0.4952	0.4217	0.7493
Portfolios for Estimation Period 1942-46													
$\hat{\beta}_{p,t-1}$	0.4600	0.6638	0.7427	0.9694	1.0190	1.0500	1.0990	1.2700	1.3290	1.3760	1.4120	1.5520	1.5900
$s(\hat{\beta}_{p,t-1})$	0.0692	0.0229	0.0094	0.0935	0.0273	0.0367	0.0265	0.0406	0.0423	0.0439	0.0480	0.0616	0.0279
$r(R_p, R_m)^2$	0.6997	0.8142	0.7765	0.7839	0.8552	0.9186	0.8782	0.8538	0.8844	0.8599	0.8863	0.9125	0.9446
$s(R_p)$	0.03643	0.0411	0.0364	0.0482	0.0533	0.0443	0.0507	0.0459	0.0569	0.0594	0.0554	0.0550	0.0641
$s(\hat{e}_p)$	0.01996	0.0177	0.0172	0.0224	0.0203	0.0127	0.0177	0.0175	0.0194	0.0222	0.0187	0.0163	0.0151
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0460	0.0483	0.0460	0.0483
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4340	0.3849	0.3745	0.4867	0.4409	0.2748	0.3846	0.3811	0.4204	0.4829	0.3870	0.3536	0.3122
Portfolios for Estimation Period 1950-54													
$\hat{\beta}_{p,t-1}$	0.4506	0.4838	0.5846	0.5904	0.6644	0.6909	0.7289	0.7746	0.8179	0.8277	0.8549	0.9368	0.9383
$s(\hat{\beta}_{p,t-1})$	0.0384	0.0370	0.0138	0.0336	0.0367	0.0307	0.0330	0.0372	0.0232	0.0304	0.0488	0.0275	0.0295
$r(R_p, R_m)^2$	0.7100	0.6700	0.7000	0.8189	0.7896	0.8062	0.8623	0.8876	0.8449	0.8678	0.9234	0.9153	0.9390
$s(R_p)$	0.02253	0.0229	0.0251	0.0235	0.0339	0.0348	0.0356	0.0351	0.0309	0.0388	0.0391	0.0372	0.0396
$s(\hat{e}_p)$	0.01213	0.0131	0.0137	0.0100	0.0156	0.0153	0.0132	0.0118	0.0122	0.0141	0.0108	0.0108	0.0098
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0331	0.0389	0.0331	0.0389
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3670	0.3972	0.4151	0.3024	0.4708	0.4630	0.3999	0.3565	0.3680	0.4269	0.2788	0.3274	0.2521
Portfolios for Estimation Period 1958-62													
$\hat{\beta}_{p,t-1}$	0.5790	0.5960	0.6217	0.6464	0.7447	0.8657	0.8691	0.8721	0.9045	0.9316	0.9847	1.0230	1.0820
$s(\hat{\beta}_{p,t-1})$	0.0767	0.0283	0.0321	0.0145	0.0245	0.0121	0.0093	0.0156	0.0072	0.0144	0.0099	0.0168	0.0364
$r(R_p, R_m)^2$	0.7842	0.8143	0.8425	0.8224	0.8730	0.9125	0.9326	0.9256	0.9235	0.8813	0.9089	0.9202	0.9214
$s(R_p)$	0.03031	0.0345	0.0370	0.0334	0.0400	0.0348	0.0385	0.0421	0.0388	0.0419	0.0396	0.0440	0.0459
$s(\hat{e}_p)$	0.01408	0.0149	0.0147	0.0141	0.0143	0.0103	0.0100	0.0115	0.0107	0.0144	0.0119	0.0124	0.0129
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0406	0.0435	0.0406	0.0406	0.0406	0.0435
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3466	0.3659	0.3616	0.3464	0.3512	0.2537	0.2464	0.2824	0.2466	0.3550	0.2939	0.3064	0.2962
Portfolios for Estimation Period 1966-70													
$\hat{\beta}_{p,t-1}$	0.5769	0.5919	0.6742	0.6768	0.6784	0.8338	0.8363	0.8601	0.8678	0.8856	0.8879	0.9121	0.9882
$s(\hat{\beta}_{p,t-1})$	0.0324	0.0153	0.0324	0.0248	0.0149	0.0529	0.0443	0.0420	0.0299	0.0243	0.0127	0.0154	0.0106
$r(R_p, R_m)^2$	0.6408	0.6920	0.6702	0.8007	0.8441	0.7977	0.8517	0.9170	0.9269	0.9102	0.8841	0.9175	0.9299
$s(R_p)$	0.03835	0.0409	0.0377	0.0436	0.0553	0.0388	0.0416	0.0470	0.0539	0.0704	0.0461	0.0505	0.0534
$s(\hat{e}_p)$	0.02298	0.0227	0.0216	0.0195	0.0218	0.0175	0.0160	0.0136	0.0146	0.0211	0.0157	0.0145	0.0141
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0453	0.0515	0.0453	0.0515	0.0453
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5076	0.5010	0.4778	0.4302	0.4820	0.3858	0.3540	0.2992	0.3214	0.4095	0.3466	0.2814	0.3120
Portfolios for Estimation Period 1974-78													
$\hat{\beta}_{p,t-1}$	0.4459	0.4848	0.6120	0.6449	0.6502	0.6589	0.6869	0.7484	0.8191	0.8378	0.8512	0.8781	0.8842
$s(\hat{\beta}_{p,t-1})$	0.0503	0.0343	0.0169	0.0121	0.0197	0.0226	0.0249	0.0265	0.0149	0.0110	0.0147	0.0278	0.0212
$r(R_p, R_m)^2$	0.6986	0.7524	0.8268	0.8196	0.8361	0.8506	0.9079	0.8742	0.9142	0.9472	0.9093	0.9236	0.9116
$s(R_p)$	0.0524	0.0480	0.0482	0.0466	0.0580	0.0492	0.0523	0.0528	0.0577	0.0543	0.0575	0.0571	0.0601
$s(\hat{e}_p)$	0.02877	0.0239	0.0201	0.0198	0.0235	0.0190	0.0159	0.0187	0.0169	0.0125	0.0173	0.0158	0.0179
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0490	0.0518
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5868	0.4868	0.4091	0.4032	0.4788	0.3878	0.3234	0.3821	0.3449	0.2544	0.3529	0.3220	0.3453
Portfolios for Estimation Period 1982-86													
$\hat{\beta}_{p,t-1}$	0.5663	0.5685	0.6048	0.6368	0.6989	0.7365	0.7461	0.7755	0.8123	0.8321	0.8338	0.8868	0.8944
$s(\hat{\beta}_{p,t-1})$	0.0831	0.0623	0.0253	0.0164	0.0167	0.0147	0.0063	0.0153	0.0045	0.0281	0.0337	0.0306	0.0336
$r(R_p, R_m)^2$	0.3503	0.3700	0.7861	0.7844	0.7333	0.6313	0.8779	0.8708	0.9046	0.8660	0.8839	0.8995	0.8919
$s(R_p)$	0.02978	0.0304	0.0341	0.0393	0.0495	0.0359	0.0365	0.0402	0.0470	0.0474	0.0447	0.0456	0.0490
$s(\hat{e}_p)$	0.02401	0.0241	0.0158	0.0182	0.0255	0.0218	0.0128	0.0144	0.0145	0.0174	0.0152	0.0145	0.0161
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0465	0.0467	0.0465	0.0465
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.5162	0.5183	0.3396	0.3922	0.5491	0.4690	0.2745	0.3105	0.3117	0.3730	0.3262	0.3112	0.3466
Portfolios for Estimation Period 1990-94													
$\hat{\beta}_{p,t-1}$	0.3768	0.3826	0.4595	0.6799	0.7064	0.7243	0.8467	0.9220	0.9564	0.9692	1.0120	1.0530	1.0630
$s(\hat{\beta}_{p,t-1})$	0.0441	0.0239	0.0273	0.0443	0.0196	0.0574	0.0257	0.0138	0.0168	0.0128	0.0277	0.0334	0.0148
$r(R_p, R_m)^2$	0.2734	0.3217	0.3434	0.5562	0.6450	0.7639	0.7830	0.7747	0.7310	0.7161	0.7984	0.8558	0.8207
$s(R_p)$	0.02403	0.0269	0.0296	0.0330	0.0351	0.0347	0.0391	0.0403	0.0381	0.0407	0.0437	0.0432	0.0461
$s(\hat{e}_p)$	0.02048	0.0221	0.0240	0.0220	0.0209	0.0168	0.0182	0.0191	0.0198	0.0217	0.0196	0.0164	0.0195
$\bar{s}_{p,t-1}(\hat{e}_i)$	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0341	0.0436	0.0341	0.0341
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6010	0.6487	0.7048	0.6444	0.6144	0.4942	0.5341	0.5612	0.5796	0.6360	0.4500	0.4808	0.5732
Portfolios for Estimation Period 1998-02													
$\hat{\beta}_{p,t-1}$	0.2724	0.3200	0.3237	0.4746	0.6061	0.7194	0.7586	0.7935	0.7987	0.8390	0.9370	0.9388	0.9469
$s(\hat{\beta}_{p,t-1})$	0.0433	0.0420	0.0240	0.0428	0.0575	0.0289	0.0276	0.0413	0.0322				

TABLE 2g: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SAMPLE STATISTICS FOR FOUR SELECTED ESTIMATION PERIODS (test portfolios 14-25)

Statistics	14	15	16	17	18	19	20	21	22	23	24	25
Portfolios for Estimation Period 1934-38												
$\hat{\beta}_{p,t-1}$	0.9547	1.0390	1.1280	1.1440	1.1450	1.2580	1.2950	1.3200	1.3360	1.3570	1.3810	1.4460
$s(\hat{\beta}_{p,t-1})$	0.0126	0.0203	0.0348	0.0436	0.0471	0.0291	0.0307	0.0337	0.0319	0.0621	0.0670	0.0279
$r(R_p, R_m)^2$	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807	0.7807
$s(R_p)$	0.1174	0.1332	0.0870	0.1033	0.1396	0.1458	0.1244	0.1155	0.1232	0.1385	0.1368	0.1300
$s(\hat{e}_p)$	0.0372	0.0524	0.0286	0.0269	0.0512	0.0480	0.0506	0.0321	0.0329	0.0403	0.0396	0.0469
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0537	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0598	0.0615	0.0598
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6930	0.8762	0.4787	0.4505	0.8563	0.8025	0.8457	0.5373	0.5496	0.6745	0.6434	0.7839
Portfolios for Estimation Period 1942-46												
$\hat{\beta}_{p,t-1}$	1.1690	1.1700	1.1710	1.2380	1.2500	1.2580	1.3070	1.3130	1.3470	1.4420	1.4570	1.5360
$s(\hat{\beta}_{p,t-1})$	0.0414	0.0090	0.0156	0.0139	0.0046	0.0021	0.0172	0.0449	0.0374	0.0285	0.0365	0.0302
$r(R_p, R_m)^2$	0.9067	0.8655	0.9008	0.9297	0.9178	0.8738	0.8251	0.9191	0.8072	0.8357	0.8654	0.9443
$s(R_p)$	0.0677	0.0834	0.0764	0.0683	0.0728	0.0894	0.0913	0.0774	0.1124	0.1097	0.1099	0.0860
$s(\hat{e}_p)$	0.0207	0.0306	0.0241	0.0181	0.0209	0.0317	0.0382	0.0220	0.0493	0.0445	0.0403	0.0203
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0460	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0483	0.0548	0.0483
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4491	0.6332	0.3751	0.4323	0.6571	0.7906	0.4555	1.0220	0.9204	0.7365	0.4201	
Portfolios for Estimation Period 1950-54												
$\hat{\beta}_{p,t-1}$	0.9428	1.0200	1.0510	1.0640	1.0700	1.0920	1.2640	1.3590	1.5440	1.5880	1.6180	1.6270
$s(\hat{\beta}_{p,t-1})$	0.0305	0.0013	0.0243	0.0288	0.0328	0.0379	0.0190	0.0185	0.0742	0.0750	0.0819	0.0717
$r(R_p, R_m)^2$	0.8832	0.8985	0.9538	0.9281	0.9185	0.9117	0.8472	0.9135	0.9170	0.9079	0.8377	0.7225
$s(R_p)$	0.0365	0.0407	0.0458	0.0441	0.0462	0.0453	0.0439	0.0565	0.0547	0.0568	0.0546	0.0533
$s(\hat{e}_p)$	0.0125	0.0130	0.0098	0.0118	0.0132	0.0135	0.0172	0.0166	0.0158	0.0172	0.0220	0.0281
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0331	0.0389	0.0389	0.0389	0.0389	0.0389	0.0389	0.0433	0.0389	0.0389	0.0389	0.0389
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3778	0.3336	0.2534	0.3046	0.3393	0.3469	0.4418	0.4274	0.3637	0.4434	0.5659	0.7225
Portfolios for Estimation Period 1958-62												
$\hat{\beta}_{p,t-1}$	1.0990	1.1260	1.1590	1.1740	1.1910	1.1940	1.1950	1.3250	1.3310	1.3320	1.3360	1.3620
$s(\hat{\beta}_{p,t-1})$	0.0318	0.0232	0.0325	0.0233	0.0161	0.0125	0.0274	0.0129	0.0245	0.0255	0.0285	0.1222
$r(R_p, R_m)^2$	0.9174	0.8455	0.9003	0.9024	0.8930	0.9253	0.8874	0.8998	0.8947	0.9273	0.9129	0.8021
$s(R_p)$	0.0447	0.0501	0.0465	0.0442	0.0465	0.0555	0.0526	0.0522	0.0579	0.0545	0.0528	0.0601
$s(\hat{e}_p)$	0.0129	0.0197	0.0147	0.0138	0.0152	0.0152	0.0177	0.0165	0.0188	0.0147	0.0156	0.0267
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0435	0.0434	0.0435	0.0435	0.0435	0.0435	0.0406	0.0435	0.0435	0.0435	0.0434	0.0511
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2957	0.4533	0.3379	0.3174	0.3499	0.3488	0.4344	0.3799	0.4320	0.3379	0.3588	0.5225
Portfolios for Estimation Period 1966-70												
$\hat{\beta}_{p,t-1}$	0.9958	1.0040	1.1150	1.1350	1.1480	1.1500	1.1730	1.1780	1.1950	1.2620	1.3200	1.3720
$s(\hat{\beta}_{p,t-1})$	0.0111	0.0114	0.0384	0.0236	0.0109	0.0163	0.0261	0.0380	0.0344	0.0482	0.0519	0.0567
$r(R_p, R_m)^2$	0.9390	0.9251	0.9185	0.9378	0.9389	0.9151	0.8907	0.8945	0.9020	0.9308	0.9212	0.9141
$s(R_p)$	0.0562	0.0653	0.0494	0.0591	0.0552	0.0679	0.0728	0.0611	0.0623	0.0645	0.0661	0.0853
$s(\hat{e}_p)$	0.0139	0.0179	0.0141	0.0147	0.0137	0.0198	0.0241	0.0199	0.0176	0.0170	0.0186	0.0250
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0515	0.0515	0.0515	0.0515	0.0453	0.0515	0.0515	0.0515	0.0515	0.0515	0.0515	0.0596
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2695	0.3465	0.2737	0.2861	0.3014	0.3841	0.4669	0.3853	0.3419	0.3292	0.3601	0.4196
Portfolios for Estimation Period 1974-78												
$\hat{\beta}_{p,t-1}$	0.9132	0.9216	1.0090	1.0380	1.0550	1.1270	1.1550	1.1720	1.2630	1.3490	1.3560	1.4010
$s(\hat{\beta}_{p,t-1})$	0.0151	0.0218	0.0141	0.0215	0.0154	0.0290	0.0283	0.0264	0.0218	0.0451	0.0248	0.0331
$r(R_p, R_m)^2$	0.9194	0.9133	0.9175	0.9225	0.9500	0.9596	0.8927	0.9319	0.9433	0.9206	0.9205	0.8674
$s(R_p)$	0.0691	0.0720	0.0644	0.0688	0.0684	0.0759	0.0795	0.0776	0.0826	0.0825	0.0981	0.0903
$s(\hat{e}_p)$	0.0196	0.0212	0.0185	0.0192	0.0153	0.0153	0.0260	0.0203	0.0197	0.0232	0.0277	0.0329
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0518	0.0580
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.3790	0.4097	0.3575	0.3699	0.2956	0.2947	0.5029	0.3913	0.3798	0.4488	0.5345	0.5670
Portfolios for Estimation Period 1982-86												
$\hat{\beta}_{p,t-1}$	0.9534	0.9700	0.9831	1.0010	1.0560	1.0630	1.1800	1.1830	1.2470	1.2510	1.3130	1.4770
$s(\hat{\beta}_{p,t-1})$	0.0215	0.0199	0.0232	0.0245	0.0153	0.0425	0.0077	0.0135	0.0064	0.0303	0.0284	0.0563
$r(R_p, R_m)^2$	0.9158	0.9024	0.9144	0.9238	0.9172	0.8773	0.8885	0.8873	0.9168	0.9796	0.8603	0.8576
$s(R_p)$	0.0479	0.0484	0.0491	0.0456	0.0466	0.0491	0.0516	0.0491	0.0548	0.0532	0.0562	0.0735
$s(\hat{e}_p)$	0.0139	0.0151	0.0144	0.0126	0.0134	0.0172	0.0172	0.0165	0.0158	0.0239	0.0210	0.0277
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0467	0.0543
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.2976	0.3244	0.3077	0.2696	0.2873	0.3688	0.3691	0.3531	0.3388	0.5131	0.4506	0.5106
Portfolios for Estimation Period 1990-94												
$\hat{\beta}_{p,t-1}$	1.0730	1.0800	1.0810	1.0980	1.1000	1.1040	1.1340	1.1710	1.1890	1.2810	1.2890	1.3070
$s(\hat{\beta}_{p,t-1})$	0.0202	0.0201	0.0188	0.0102	0.0099	0.0130	0.0076	0.0169	0.0135	0.0278	0.0248	0.0360
$r(R_p, R_m)^2$	0.8080	0.8183	0.8234	0.8309	0.7904	0.8261	0.6210	0.8839	0.8346	0.7953	0.3198	0.6949
$s(R_p)$	0.0473	0.0509	0.0500	0.0489	0.0438	0.0521	0.0631	0.0576	0.0581	0.0654	0.0690	0.0691
$s(\hat{e}_p)$	0.0207	0.0217	0.0210	0.0201	0.0218	0.0389	0.0196	0.0236	0.0296	0.0569	0.0381	
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436	0.0438	0.0438	0.0438	0.0438	0.0438	0.0435
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.4753	0.4976	0.4811	0.4603	0.4594	0.4983	0.8875	0.4481	0.5399	0.6752	1.3000	0.8676
Portfolios for Estimation Period 1998-02												
$\hat{\beta}_{p,t-1}$	0.9583	0.9779	1.0060	1.0280	1.1340	1.1710	1.2190	1.2580	1.3030	1.3210	1.4670	1.5380
$s(\hat{\beta}_{p,t-1})$	0.0308	0.0324	0.0506	0.0482	0.0380	0.0361	0.0300	0.0323	0.0283	0.0208	0.0356	0.0529
$r(R_p, R_m)^2$	0.8517	0.8205	0.7949	0.8326	0.8120	0.8547	0.7467	0.8685	0.8354	0.8698	0.8049	0.7449
$s(R_p)$	0.0492	0.0557	0.0642	0.0656	0.0699	0.0627	0.0715	0.0707	0.0666	0.0767	0.0787	0.0868
$s(\hat{e}_p)$	0.0190	0.0236	0.0291	0.0269	0.0303	0.0239	0.0360	0.0257	0.0270	0.0277	0.0348	0.0438
$s_{p,t-1}^{(1)}(\hat{e}_i)$	0.0307	0.0300	0.0311	0.0311	0.0311	0.0311	0.0311	0.0307	0.0311	0.0311	0.0311	0.0505
$s(\hat{e}_p)/\bar{s}_{p,t-1}(\hat{e}_i)$	0.6184	0.7881	0.9354	0.8642	0.9748	0.7693	1.1580	0.8256	0.8816	0.8911	1.1190	0.8680
Portfolios for Estimation Period 2002-06												
$\hat{\beta}_{p,t-1}$	0.9979	1.0300	1.1240	1.1390	1.1470	1.2340	1.2400	1.2700	1.2780	1.2930	1.3220	1.6310
$s(\hat{\beta}_{p,t-1})$	0.0193	0.0207	0.0103	0.0062	0.0044	0.0190	0.0193	0.0232	0.0216	0.0240	0.0254	0.1159
$r(R_p, R_m)^2$	0.8766	0.8306	0.7733	0.8334	0.8747	0.8831	0.8094	0.8624	0.8533	0.8384	0.8522	0.7839
$s(R_p)$	0.0423	0.0499	0.0386	0.0503	0.0496	0.0476	0.0512	0.0511	0.0467	0.0506	0.0508	0.0669
$s(\hat{e}_p)$	0.0149	0.0205	0.0184	0.0205	0.0176	0.0163	0.0224	0.				

TABLE 3b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION

Period	Statistics																
	$\bar{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\gamma}_2$	$\bar{\gamma}_3$	$\bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$t(\bar{\gamma}_0)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_2)$	$t(\bar{\gamma}_3)$	$t(\hat{\gamma}_0 - R_f)$	$\hat{r}^2$
<b>Panel A:</b>																	
1935-6/68	0.0097	0.0043	-	-	0.0084	0.0486	0.0550	-	-	0.0082	0.0077	-	-	-	-	3.4690	0.3051
1935-45	0.0079	0.0114	-	-	0.0077	0.0687	0.0757	-	-	0.0078	0.00795	-	-	-	-	1.2890	0.2945
1946-55	0.0089	0.0028	-	-	0.0080	0.0333	0.0418	-	-	0.0043	0.0611	-	-	-	-	2.6170	0.3284
1956-6/68	0.0120	-0.0007	-	-	0.0094	0.0363	0.0407	-	-	0.1369	0.0139	-	-	-	-	1.1490	0.2958
1935-40	0.0052	0.0084	-	-	0.0051	0.0864	0.0872	-	-	-0.0805	0.0615	-	-	-	-	0.4956	0.2371
1941-45	0.0111	0.0150	-	-	0.0109	0.0388	0.0597	-	-	0.0950	0.1096	-	-	-	-	2.1710	0.3624
1946-50	0.0052	0.0034	-	-	0.0045	0.0377	0.0457	-	-	0.1602	0.0692	-	-	-	-	0.9293	0.3265
1951-55	0.0126	0.0022	-	-	0.0114	0.0281	0.0379	-	-	-0.1685	0.0462	-	-	-	-	3.1340	0.2466
1956-60	0.0158	-0.0077	-	-	0.0137	0.0277	0.0285	-	-	0.0960	0.0746	-	-	-	-	3.8050	0.2210
1961-6/68	0.0094	0.0039	-	-	0.0065	0.0410	0.0467	-	-	0.1263	0.0197	-	-	-	-	4.4980	0.3456
7/1968-2010	0.0203	0.0059	-	-	0.0057	0.0421	0.0573	-	-	0.0617	0.1131	-	-	-	-	3.0870	0.3260
1970-80	0.0062	0.0057	-	-	0.0008	0.0481	0.0614	-	-	0.0339	0.1379	-	-	-	-	0.1815	0.3167
1980-90	0.0206	-0.0079	-	-	0.0135	0.0477	0.0632	-	-	0.0654	0.0575	-	-	-	-	3.2590	0.3021
1990-00	0.0096	0.0114	-	-	0.0055	0.0368	0.0525	-	-	0.0545	0.1907	-	-	-	-	1.7350	0.3148
2000-10	0.0076	0.0022	-	-	0.0055	0.0339	0.0505	-	-	-0.0164	0.1598	-	-	-	-	1.8820	0.3764
1970-75	0.0052	0.0017	-	-	0.0004	0.0541	0.0609	-	-	0.0268	0.0991	-	-	-	-	0.0602	0.3097
1975-80	0.0093	0.0127	-	-	0.0033	0.0422	0.0623	-	-	0.0286	0.1477	-	-	-	-	0.6678	0.3126
1980-85	0.0232	-0.0066	-	-	0.0149	0.0511	0.0607	-	-	0.0838	0.0294	-	-	-	-	2.4740	0.3452
1985-90	0.0186	-0.0081	-	-	0.0130	0.0418	0.0628	-	-	0.0188	0.0789	-	-	-	-	2.6380	0.2501
1990-95	0.0092	0.0014	-	-	0.0052	0.0363	0.0559	-	-	0.0779	0.2624	-	-	-	-	3.1280	0.2831
1995-00	0.0129	0.0002	-	-	0.0086	0.0372	0.0477	-	-	0.0690	0.1012	-	-	-	-	1.9880	0.3512
2000-05	0.0098	0.0015	-	-	0.0075	0.0357	0.0504	-	-	-0.1222	-0.0684	-	-	-	-	2.3310	0.2588
2005-10	0.0044	0.0037	-	-	0.0024	0.0294	0.0562	-	-	0.1450	0.3337	-	-	-	-	1.7970	0.3327
1935-2010	0.0100	0.0024	-	-	0.0069	0.0450	0.0563	-	-	0.0303	0.0978	-	-	-	-	4.6400	0.3168
<b>Panel B:</b>																	
1935-6/68	0.0035	0.0185	-0.0067	-	0.0022	0.0740	0.1511	0.0650	-	0.0019	0.0902	0.0003	-	-	-	0.9582	2.4470
1935-45	0.0039	0.0226	-0.0059	-	0.0022	0.0388	0.0887	0.0740	0.0720	0.0033	0.1702	0.0007	-	-	-	0.5065	1.5010
1946-55	0.0032	0.0148	-0.0053	-	0.0022	0.0564	0.1280	0.0531	0.0727	0.0425	0.1632	0.0003	-	-	-	0.6164	1.2710
1956-6/68	0.0035	0.0178	-0.0086	-	0.0009	0.0135	0.0656	0.0656	0.0727	0.0135	0.0567	0.0002	-	-	-	0.5888	1.4570
1935-40	0.0041	0.0135	-0.0035	-	0.0040	0.1102	0.2006	0.0774	0.1200	0.0197	0.2201	0.0009	-	-	-	0.3139	0.5656
1941-45	0.0037	0.0333	-0.0088	-	0.0035	0.0542	0.1314	0.0703	0.1012	0.0357	0.1314	0.0006	-	-	-	0.5307	1.9640
1946-50	0.0009	0.0119	-0.0035	-	0.0002	0.1059	0.1206	0.0470	0.1095	0.0164	0.1628	0.0004	-	-	-	0.1375	0.1763
1951-55	0.0055	0.0178	-0.0072	-	0.0043	0.0621	0.1359	0.0590	0.1534	0.0153	0.1568	0.0003	-	-	-	0.6841	1.0160
1956-60	0.0017	0.0251	-0.0156	-	-0.0004	0.0466	0.1072	0.0467	0.1720	-0.2012	-0.3644	-0.0005	-	-	-	0.2818	1.8100
1961-6/68	0.0047	0.0130	-0.0039	-	0.0018	0.0860	0.1725	0.0755	0.1725	0.0512	0.2020	0.0000	-	-	-	0.5176	1.6210
7/1968-2010	0.0049	0.0136	-0.0066	-	0.0003	0.0798	0.1913	0.0929	0.0726	0.0726	0.0897	0.0003	-	-	-	1.3790	1.6010
1970-80	-0.0057	0.0318	-0.0125	-	-0.0111	0.1012	0.2201	0.1012	0.1898	0.1633	0.0116	0.0016	-	-	-	-0.6423	1.6610
1980-85	0.0095	0.0233	-0.0146	-	0.0012	0.0999	0.1345	0.1001	0.1245	0.1095	0.1268	0.0004	-	-	-	-0.1339	1.1140
1985-90	0.0133	0.0105	-0.0151	-	0.0076	0.0563	0.1573	0.0855	0.1573	0.0533	0.1266	-0.0003	-	-	-	1.1240	0.3455
1990-00	0.0076	0.0091	-0.0053	-	0.0035	0.0384	0.1168	0.0499	0.1168	0.0333	0.0112	-0.0003	-	-	-	1.5530	0.6674
2000-10	0.0084	-0.0007	0.0017	-	0.0063	0.0172	0.1004	0.1004	0.1004	0.1875	0.1753	0.0013	-	-	-	2.5120	-0.0689
1970-75	0.0033	0.0054	-0.0014	-	-0.0015	0.1058	0.2091	0.1057	0.1057	0.0726	0.0816	0.0008	-	-	-	0.2614	0.0477
1975-80	0.0049	0.0035	-0.0092	-	-0.0152	0.1010	0.2318	0.1012	0.1012	0.0651	0.0532	0.0002	-	-	-	1.3790	0.1933
1980-85	0.0095	0.0233	-0.0146	-	0.0012	0.0999	0.1345	0.1003	0.1257	0.1257	0.1268	0.0002	-	-	-	0.8060	0.0992
1985-90	0.0133	0.0105	-0.0122	-	0.0076	0.0635	0.1828	0.1028	0.1028	0.0886	0.0005	-0.0004	-	-	-	0.7489	0.1451
1990-95	0.0056	0.0140	-0.0081	-	0.0088	0.0467	0.1200	0.0621	0.0621	0.1885	0.0626	0.0001	-	-	-	1.6100	0.1451
1995-00	0.0131	0.0013	-0.0012	-	0.0088	0.0467	0.1200	0.0621	0.0621	0.1885	0.0626	0.0001	-	-	-	2.3820	0.1451
2000-05	0.0088	0.0039	-0.0010	-	0.0066	0.0353	0.0901	0.0487	0.0487	0.1522	-0.0006	-	-	-	2.1250	0.1757	
2005-10	0.0064	-0.0030	0.0004	-	0.0045	0.0400	0.1325	0.0478	0.0478	0.0358	0.0479	0.0000	-	-	-	1.3670	0.1754
1935-2010	0.0043	-0.0066	-	-	0.0012	0.0733	0.1746	0.0818	0.0818	0.0624	0.0895	0.0003	-	-	-	1.6750	0.1070

TABLE 3b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	Statistics										
	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\hat{\gamma}}_2$	$\hat{\gamma}_3$	$\bar{\hat{\gamma}}_0 - \bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_0)$	$\rho_0(\hat{\gamma}_1)$
<i>Panel C:</i>											
1935-6/68	0.0107	-	-0.0553	0.0094	0.0560	0.0689	-	0.9425	0.0091	0.0795	-
1935-45	0.0080	0.0115	-0.0179	0.0079	0.0763	0.0890	-	0.8588	0.0082	0.0645	-0.0586
1946-55	0.0117	0.0093	-0.1244	0.0108	0.0420	0.0620	-	0.9021	0.0456	0.0638	-0.0172
1956-6/68	0.0122	0.0013	-0.0326	0.0096	0.0437	0.0520	-	1.0420	0.0893	0.1202	-0.0309
1935-40	0.0032	0.0223	-0.0544	0.0031	0.0900	0.1042	-	0.6782	-0.0728	0.1678	-0.0733
1941-45	0.0138	-0.0224	-0.1035	0.0135	0.0563	0.0659	-	1.0320	0.0153	0.2986	-0.2988
1946-50	0.0097	0.0123	-0.1674	0.0090	0.0471	0.0656	-	0.8237	0.1974	-0.0182	0.1890
1951-55	0.0138	-0.0062	-0.0814	0.0125	0.0365	0.0587	-	0.7974	-0.2135	0.1575	-0.0505
1956-60	0.0119	-0.0112	-0.1215	0.0098	0.0351	0.0405	-	1.0900	0.0794	0.0134	-0.0749
1961-6/68	0.0123	0.0095	-0.0825	0.0078	0.0509	0.0842	-	1.0920	0.0932	0.1027	-0.0753
7/1968-2010	0.0124	0.0050	-0.0531	0.0020	0.0589	0.0805	-	1.1370	0.0821	-0.0292	0.0355
1970-80	0.0074	0.0073	-0.2064	0.0194	0.0514	0.1010	-	1.2500	-0.0170	-0.0970	-0.1325
1980-90	0.0265	0.0033	-0.1007	0.0007	0.0263	0.0443	-	1.1800	0.1568	-0.0531	-0.1226
1990-00	0.0080	0.0023	-0.0106	0.0063	0.0474	0.0836	-	0.9101	0.0872	0.0317	-0.0167
2000-10	0.0083	0.0023	-0.2137	0.0044	0.0650	0.0901	-	1.1560	0.0396	0.1210	-0.1420
1970-75	0.0094	0.0129	-0.0107	0.0014	0.0523	0.0702	-	1.3780	-0.0173	-0.1844	-0.1957
1975-80	0.0074	0.0047	-0.0546	0.0175	0.0514	0.0949	-	1.0290	-0.0335	-0.0689	-0.0973
1980-85	0.0258	-0.0044	-0.2471	0.0061	0.0492	0.1051	-	1.0110	0.1265	0.0249	-0.0521
1985-90	0.0127	0.0085	-0.1104	0.0072	0.0437	0.0672	-	1.3290	0.1764	-0.1146	-0.1512
1990-95	0.0112	-0.0067	-0.1521	0.0044	0.0547	0.0691	-	0.8653	0.1590	0.0324	-0.0074
1995-00	0.0087	0.0076	-0.1397	0.0121	0.0504	0.0831	-	1.0210	0.0502	0.1505	-0.0416
2000-05	0.0144	0.0055	-0.0337	0.0173	0.0393	0.0794	-	1.0330	0.0718	0.0431	-0.0374
2005-10	0.0016	0.0059	-0.0705	0.0085	0.0532	0.0778	-	1.0560	0.0431	0.0088	-0.0198
1935-2010	0.0116	-	-	-	-	-	-	-	-	-	-2.0160
<i>Panel D:</i>											
1935-6/68	0.0053	-0.0053	-0.0197	0.0040	0.0923	0.1556	0.0720	1.0110	0.0037	0.0593	-0.0001
1935-45	0.0032	0.0206	-0.0063	0.0129	0.0031	0.1169	0.1878	0.9925	0.0902	0.0957	-0.0767
1946-55	0.0098	0.0115	-0.0013	-0.1051	0.0088	0.0599	0.1232	0.0492	0.0559	0.0180	-0.0221
1956-6/68	0.0038	0.0156	-0.0076	0.0200	0.0009	0.0898	0.1487	0.6697	1.1350	-0.0458	-0.0526
1956-67	0.0035	0.0150	-0.0098	0.1031	-0.0036	0.1447	0.2268	0.1047	0.9544	-0.0524	-0.1037
1955-40	0.0111	0.0272	-0.0022	-0.0937	0.0109	0.0718	0.1047	0.6159	1.0340	-0.0162	-0.0203
1941-45	0.0111	0.0272	-0.0022	-0.0937	0.0109	0.0718	0.1045	0.6499	1.0360	-0.0167	-0.0197
1946-50	0.0088	0.0110	-0.0004	-0.1403	0.0081	0.0602	0.1175	0.4744	0.7444	-0.0996	-0.0283
1951-55	0.0108	0.0160	-0.0029	-0.0700	0.0095	0.0601	0.1295	0.526	0.9597	0.0586	-0.1325
1956-60	0.0035	0.0188	-0.0056	0.01876	0.00598	0.0513	0.1077	0.5000	1.1580	-0.2407	-0.4247
1961-6/68	0.0082	0.0134	-0.0023	-0.0917	0.0053	0.1052	0.1712	0.8080	1.1120	-0.0074	-0.0002
7/1968-2010	0.0090	0.0141	-0.0042	-0.0998	0.0045	0.0912	0.1951	0.6963	1.1620	0.0300	0.0722
1970-80	-0.0002	0.0265	-0.0056	-0.0802	0.01174	0.1045	0.3060	0.6055	1.0415	0.0459	-0.0228
1980-90	0.0141	0.0278	-0.0147	-0.1565	0.0012	0.1107	0.1166	0.1107	1.1980	-0.0619	-0.0011
1990-95	0.0089	0.0011	-0.0005	0.0129	0.0049	0.0660	0.1628	0.0904	0.9514	0.0742	-0.0242
2000-10	0.0118	-0.0004	0.0032	-0.0723	0.0097	0.0511	0.1311	0.0511	1.1680	-0.0921	-0.0064
1970-75	0.0125	0.0057	0.0041	-0.2225	0.0077	0.1274	0.2120	0.1064	1.4640	0.0276	-0.0297
1975-80	-0.0083	0.0438	-0.0176	0.0892	-0.0143	0.1078	0.2285	0.1053	1.0400	0.0339	0.0549
1980-85	0.0095	0.0283	-0.0170	-0.0249	0.0012	0.1107	0.2308	0.1166	1.0710	-0.0737	-0.0005
1985-90	0.0174	0.0157	-0.1174	0.0117	0.1132	0.2708	0.1441	1.3320	-0.0918	-0.0444	-0.0242
1990-95	0.0116	0.0084	-0.0104	-0.1045	0.0076	0.0764	0.1825	0.1086	0.9688	0.0632	-0.0434
2000-10	0.0118	0.0067	0.0012	0.0225	0.0041	0.1274	0.2120	0.1064	1.4640	0.0276	-0.0297
1995-00	0.0110	-0.0073	0.0012	-0.1529	0.0027	0.0516	0.1170	0.0507	1.2400	0.0698	-0.0206
2000-05	0.0161	0.0035	0.0024	0.0221	0.00471	0.0471	0.1368	0.0481	1.0220	-0.3087	-0.0125
2005-10	0.0044	-0.0031	0.0024	-0.0645	0.0149	0.0917	0.1787	0.0864	1.0980	-0.0005	0.0674
1935-2010	0.0074	-	-	-	-	-	-	-	-	-	-2.0160

TABLE 3c: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION

Period	$R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_i) + \hat{\eta}_p$										Statistics							
	$\bar{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\gamma}_2$	$\bar{\gamma}_3$	$\bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$t(\bar{\gamma}_0)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_2)$	$t(\bar{\gamma}_3)$	$t(\bar{R}_f)$	$\bar{r}^2$	$s(r^2)$
<b>Panel A:</b>																		
1935-6/68	0.0077	0.0053	-	-	0.0064	0.0394	0.0519	-	-	0.0061	-0.0114	-	-	-	3.2510	0.3051	0.3016	
1935-45	0.0083	0.0084	-	-	0.0082	0.0545	0.0686	-	-	0.0082	-0.1117	-	-	-	1.7200	0.2945	0.2914	
1946-55	0.0078	0.0029	-	-	0.0069	0.0259	0.0373	-	-	0.1394	0.0682	-	-	-	2.9200	0.3284	0.3196	
1956-6/68	0.0071	0.0044	-	-	0.0045	0.0324	0.0446	-	-	0.1452	0.2607	-	-	-	1.6840	0.2958	0.2965	
1935-40	0.0082	0.0038	-	-	0.0081	0.0683	0.0819	-	-	0.0997	-0.1948	-	-	-	1.0050	0.2371	0.2895	
1941-45	0.0085	0.0139	-	-	0.0082	0.0317	0.0484	-	-	0.1363	0.1414	-	-	-	2.0100	0.3624	0.2811	
1946-50	0.0044	0.0028	-	-	0.0038	0.0312	0.0423	-	-	0.2255	0.0334	-	-	-	0.9342	0.4101	0.3265	
1951-55	0.0113	0.0031	-	-	0.0100	0.0188	0.0319	-	-	0.0553	0.0701	-	-	-	4.1280	0.2466	0.2930	
1956-60	0.0154	-0.0068	-	-	0.0133	0.0208	0.0406	-	-	0.1759	0.1503	-	-	-	4.9340	0.2210	0.3130	
1961-6/68	0.0015	0.0118	-	-	-0.0014	0.0372	0.0458	-	-	0.2184	0.0865	-	-	-	0.3456	0.2756	0.3458	
7/1968-2010	0.0082	0.0029	-	-	0.0037	0.0385	0.0575	-	-	0.1320	0.1811	-	-	-	2.1630	0.3260	0.2861	
1970-80	0.0014	0.0092	-	-	-0.0040	0.0423	0.0633	-	-	0.2181	0.1851	-	-	-	-1.0980	0.3167	0.2829	
1980-90	0.0184	-0.0050	-	-	0.0113	0.0424	0.0619	-	-	0.0569	0.2157	-	-	-	3.0840	0.3021	0.2873	
1990-00	0.0082	0.0031	-	-	0.0042	0.0392	0.0579	-	-	0.1096	0.1778	-	-	-	1.2270	0.3148	0.2767	
2000-10	0.0088	0.0008	-	-	0.0067	0.0308	0.0518	-	-	0.0267	0.1156	-	-	-	2.5170	0.3764	0.3019	
1970-75	0.0045	0.0009	-	-	-0.0003	0.0418	0.0587	-	-	0.1852	0.1544	-	-	-	-0.0576	0.3097	0.2774	
1975-80	-0.0065	0.0209	-	-	0.0436	0.0680	-	-	-	0.2443	0.0274	-	-	-	-1.2820	0.3126	0.2900	
1980-85	0.0193	-0.0018	-	-	0.0110	0.0427	0.0578	-	-	0.0936	0.1761	-	-	-	3.8410	0.2602	0.2898	
1985-90	0.0192	-0.0080	-	-	0.0135	0.0406	0.0631	-	-	0.0335	0.2430	-	-	-	2.8430	0.2501	0.2768	
1990-95	0.0080	0.0030	-	-	0.0041	0.0394	0.0562	-	-	0.1931	0.2868	-	-	-	0.8818	0.2682	0.2821	
1995-00	0.0110	0.0026	-	-	0.0067	0.0382	0.0575	-	-	0.0474	0.0713	-	-	-	1.4900	0.3512	0.2821	
2000-05	0.0113	-0.0001	-	-	0.0091	0.0308	0.0527	-	-	-0.0866	-0.0400	-	-	-	3.1210	-0.0104	0.3018	
2005-10	0.0059	0.0017	-	-	0.0039	0.0294	0.0473	-	-	0.1521	0.2953	-	-	-	1.1390	0.4088	0.3008	
1935-2010	0.0080	0.0039	-	-	0.0049	0.0389	-	-	-	0.1417	0.1083	-	-	-	6.2010	2.1570	-0.2930	
<b>Panel B:</b>																		
1935-6/68	0.0029	0.0154	-	-	0.0016	0.0584	0.1102	0.0441	-	0.0012	0.0632	0.0002	-	-	1.0000	2.8040	-2.1260	-
1935-45	0.0097	0.0061	-	-	0.0095	0.0653	0.1093	0.0386	-	0.0095	-0.1623	-0.0001	-	-	1.6990	0.6402	0.2552	-
1946-55	-0.0013	0.0191	-	-	-0.0063	0.0401	0.0840	0.0289	-	0.0684	0.0004	0.0000	-	-	-0.3533	2.4930	-2.3830	-
1956-6/68	0.0004	0.0206	-	-	-0.0022	0.0682	0.1282	0.0567	-	0.3073	0.2250	0.0007	-	-	1.6750	0.1750	-1.7750	-
1935-40	0.0086	0.0032	-	-	0.0085	0.0717	0.1299	0.0378	-	0.0481	-0.1902	-0.0003	-	-	1.0110	0.2077	0.0651	-
1941-45	0.0110	0.0096	-	-	0.0108	0.0573	0.0792	0.0397	-	0.0832	0.0830	0.0001	-	-	1.4830	0.9345	0.2987	-
1946-50	-0.0043	0.0171	-	-	-0.0051	0.0456	0.0891	0.0250	-	0.1131	0.0714	0.0001	-	-	-0.7291	0.4167	0.3256	-
1951-55	0.0017	0.0212	-	-	-0.0076	0.0337	0.0792	0.0325	-	-0.0184	-0.0156	0.0000	-	-	0.3925	0.2077	0.1296	-
1956-60	0.0067	0.0153	-	-	0.0046	0.0312	0.0780	0.0398	-	0.2253	0.0774	0.0005	-	-	1.5210	-2.2200	1.1290	0.2579
1961-6/68	-0.0038	-0.0241	-	-	-0.0061	0.0786	0.1531	0.0657	-	0.3058	0.2487	0.0008	-	-	-0.8792	-0.4619	-0.8168	0.2617
7/1968-2010	0.0058	0.0092	-	-	-0.0031	0.01050	0.0671	0.0434	-	0.0481	-0.1902	-0.0001	-	-	1.4470	-1.1450	0.4037	0.3335
1970-80	0.0067	-0.0003	-	-	0.0012	0.1024	0.1829	0.0747	-	0.0131	-0.0621	-0.0003	-	-	0.7511	-0.1612	0.5965	0.1386
1980-90	0.0066	0.0239	-	-	-0.0004	0.0826	0.1655	0.0614	-	0.0533	0.0631	0.0000	-	-	0.9230	-2.7320	0.3453	0.3015
1990-00	0.0092	-0.0002	-	-	0.0051	0.0575	0.1386	0.0714	-	0.1622	0.0939	0.0002	-	-	1.8430	0.0207	0.3700	0.2784
2000-10	0.0071	0.0056	-	-	0.0006	0.0533	0.0935	0.0450	-	0.1136	-0.0074	-0.0003	-	-	1.5210	-2.2200	1.1290	0.2579
1970-75	-0.0003	0.0108	-	-	-0.0045	0.01050	0.0872	0.0812	-	-0.1241	-0.0339	-0.0007	-	-	-0.8792	-0.4619	-0.4663	-
1975-80	0.0148	-0.0070	-	-	0.0113	0.0888	0.1883	0.0769	-	0.0387	-0.0270	-0.0002	-	-	1.8360	0.1447	0.7092	0.3639
1980-85	0.0142	0.0096	-	-	-0.0059	0.0873	0.1574	0.0553	-	0.1045	0.1200	0.0001	-	-	1.3810	0.5182	0.5756	0.2928
1985-90	0.0007	0.0380	-	-	-0.0049	0.0744	0.1670	0.0637	-	-0.0460	-0.0186	-0.0001	-	-	0.9228	0.3005	-3.1550	-
1990-95	0.0078	0.0035	-	-	0.0001	0.0575	0.1415	0.0758	-	0.2046	0.1084	0.0006	-	-	1.0550	0.2088	0.0113	0.2628
1995-00	0.0106	0.0022	-	-	0.0063	0.0504	0.1309	0.0630	-	0.0712	0.0733	-0.0001	-	-	1.7810	0.1438	0.1435	0.2694
2000-05	0.0099	0.0044	-	-	0.0077	0.0339	0.0935	0.0568	-	0.0997	-0.0939	-0.0006	-	-	0.4021	-0.3686	1.9260	0.3231
2005-10	0.0035	-0.0025	-	-	0.0016	0.0359	0.0877	0.0235	-	0.1275	0.0922	0.0000	-	-	0.8340	-0.9089	0.3497	0.3180
1935-2010	0.0045	0.0120	-	-	-0.0038	0.01301	0.0661	0.0549	-	0.0896	0.0261	0.0000	-	-	2.0740	2.7730	0.3221	0.2906

TABLE 3c: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	Statistics									
	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\bar{\gamma}_0 - \bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$
$R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_i) + \hat{\eta}_p$										
Panel C:										
1935-6/68	0.0093	0.0082	-	-0.0729	0.0080	0.0499	0.0518	-	0.7504	0.0077
1935-45	0.0082	0.0077	-	0.0088	0.0080	0.0709	0.0621	-	0.7051	0.0082
1946-55	0.0095	-0.0122	0.0085	-0.0149	0.0076	0.0306	0.0440	-0.0139	0.0612	0.0642
1956-6/68	0.0102	0.0083	-0.0149	-0.0521	0.0097	0.0861	0.0740	-0.0438	0.0834	0.1732
1935-40	0.0098	0.0064	-	0.0208	0.0061	0.0477	0.0445	-	0.8254	0.0857
1941-45	0.0063	0.0057	-	0.0093	0.0050	0.1252	0.0346	-	0.5616	0.1704
1946-50	0.0057	0.0093	-	-0.1819	0.0120	0.0257	0.0391	-	0.6431	0.0929
1951-55	0.0133	0.0078	-	-0.0189	0.0010	0.0196	0.0110	-	0.9049	0.2621
1956-60	0.0196	-	0.0133	-0.0085	0.0039	0.0432	0.0517	-	0.8692	0.0806
1961-6/68	0.0133	0.0079	0.0003	-0.0376	0.0033	0.0460	0.0713	-	0.8925	0.0840
7/1968-2010	-0.0011	-0.0020	-0.1857	-0.0065	0.0497	0.0731	-	1.0340	0.1503	-
1970-80	-0.0198	-0.0115	-0.0647	-0.0128	0.0128	0.0467	0.0852	-	0.7812	0.0234
1980-90	0.0162	-0.0009	-	0.0708	0.0021	0.0434	0.0606	-	0.6678	0.0822
1990-00	0.0078	-0.0004	-	0.0503	0.0057	0.0447	0.0762	-	0.9884	0.0409
2000-10	0.016	-0.0016	-0.0032	0.0516	0.0640	-0.0032	0.0531	-	1.1350	0.0873
1970-75	-0.0032	-0.0036	0.2652	-0.0092	0.0468	0.0826	-	1.0050	0.2568	-0.0104
1975-80	-0.0190	-0.0080	-0.0338	-0.0107	0.0471	0.0830	-	0.8482	0.0404	-0.0523
1980-85	0.0222	-0.0047	-	-0.2031	0.0166	0.0442	0.0851	-	0.6847	0.0761
1985-90	0.0076	0.0001	-0.0151	0.0036	0.0140	0.0537	-	0.5840	0.1750	-
1990-95	0.0076	-0.0018	-0.0872	0.0033	0.0445	0.0646	-	0.7058	0.0219	-0.0192
1995-00	0.0098	-0.0028	-0.0339	0.0075	0.0377	0.0735	-	0.8449	-0.1748	-0.0263
2000-05	0.0050	-0.0050	-0.0179	0.0031	0.0486	0.0741	-	1.0730	0.1728	0.2041
2005-10	0.0038	-	-0.0111	0.0054	0.0478	0.0636	-	0.8343	0.0651	0.0059
1935-2010	0.0085	-	-	-	-	-	-	-	-	-
Panel D:										
1935-6/68	0.0050	0.0147	-0.0037	-0.0383	0.0037	0.0764	0.1110	0.0455	0.7757	0.0032
1935-45	0.0075	0.0073	-0.0004	0.0552	0.0073	0.0979	0.1127	0.0412	0.7479	0.0077
1946-55	0.0040	0.0163	-0.0036	-0.0909	0.0050	0.0745	0.0819	0.0293	0.6156	0.0351
1956-6/68	0.0038	0.0198	-0.0067	-0.0603	0.0011	0.0728	0.1288	0.0581	0.9040	0.2008
1935-40	0.0135	0.0099	-0.0018	0.0134	0.0134	0.1101	0.1383	0.0433	0.6429	0.0255
1941-45	0.0003	0.0149	-0.1288	0.0001	0.0816	0.0721	0.0387	0.0815	0.0859	-0.1083
1946-50	0.0023	0.0141	-0.0021	-0.1086	0.0016	0.0575	0.0905	0.0273	0.5920	0.1327
1951-55	0.0057	0.0186	-0.0051	-0.0732	0.0045	0.0353	0.0730	0.0313	0.6428	-0.1151
1956-60	0.0107	0.0150	-0.0094	-0.0918	0.0085	0.0443	0.0817	0.0406	0.9351	-0.1569
1961-6/68	0.0020	0.0023	-0.0009	-0.0038	0.0087	0.0152	0.0674	0.0674	0.8874	0.2417
7/1968-2010	-0.0013	0.0142	-0.0082	0.1044	-0.0058	0.0892	0.1520	0.0698	0.9407	0.1055
1970-75	-0.0146	0.0160	-0.0096	0.2805	-0.0201	0.1302	0.1923	0.0865	1.1690	0.1672
1975-80	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0947	0.1759	0.0778	0.0757	0.1994
1980-85	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1980-90	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
1990-95	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
2000-10	0.0055	0.0050	-0.0029	-0.0029	0.0023	0.1336	0.1926	0.0880	1.1810	0.1943
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
1975-80	-0.0014	0.0029	-0.0009	0.2605	-0.0074	0.1303	0.1979	0.0906	1.1770	0.1023
1980-85	0.0063	0.0078	-0.0097	0.1904	-0.0021	0.0889	0.1583	0.0554	0.7527	0.1994
1980-90	0.0037	0.0227	-0.0164	0.0778	-0.0034	0.0947	0.1759	0.0761	0.7946	0.0549
1990-95	0.0019	0.0057	-0.0007	-0.0051	0.0016	0.0713	0.1488	0.0806	0.7340	0.0881
2000-10	0.0049	0.0068	-0.0036	-0.0094	0.0009	0.0385	0.1038	0.0448	0.9713	0.0816
1970-75	0.0230	0.0297	-0.0165	0.2600	-0.0278	0.1326	0.1926	0.0906	1.1770	0.1023
197										

TABLE 3d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION

Period	$R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_i) + \hat{\eta}_p$										Statistics									
	$\bar{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\gamma}_2$	$\bar{\gamma}_3$	$\bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$p_0(\hat{\gamma}_0 - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$t(\bar{\gamma}_0)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_2)$	$t(\bar{\gamma}_3)$	$t(\hat{\gamma}_0 - R_f)$	$\bar{r}^2$	$s(r^2)$	
<b>Panel A:</b>																				
1935-6/68	0.0096	0.0226	-	-	0.0083	0.0528	0.0472	-	-	0.0080	0.0339	-	-	3.6250	1.1050	-	-	3.1330	0.3051	
1935-12/68	0.0061	0.0088	0.0060	0.0730	0.0586	-	-	0.0050	-0.0244	0.0563	1.1710	-	-	0.9339	0.2945	0.2914	-	0.3284	0.3196	
1946-5	0.0082	0.0031	-	-	0.0072	0.0376	0.0396	-	-	0.0480	0.0870	-	-	2.3780	0.8448	-	-	2.1030	0.2965	
1946-6/68	0.0137	-0.0031	0.0111	0.0410	0.0410	-	-	0.0410	-0.0572	0.0204	-	0.4900	-	-	3.3090	0.2958	0.2965	-	0.2958	0.3196
1955-40	0.0057	0.0049	-	-	0.0056	0.0900	0.0676	-	-	0.0153	-0.0680	-	-	0.5243	0.2371	-	-	0.6171	0.2895	
1941-45	0.0066	0.0133	-	-	0.0064	0.0461	0.0458	-	-	-0.0088	0.0616	-	-	1.1070	2.2520	-	-	1.0710	0.3624	
1946-50	0.0028	0.0048	0.0022	0.0446	0.0446	-	-	0.0446	-	0.1849	0.0751	-	-	0.4909	0.8178	-	-	0.3751	0.4101	
1951-55	0.0135	0.0013	0.0123	0.0284	0.0331	-	-	0.0331	-	-0.2899	0.0947	-	-	3.6850	0.3079	-	-	3.3470	0.2466	
1956-60	0.0148	-0.0071	-	-	0.0127	0.0262	0.0322	-	-	0.2778	0.0337	-	-	4.3790	-1.6940	-	-	3.7420	0.2210	
1961-6/68	0.0130	-0.0005	-	-	0.0100	0.0486	0.0459	-	-	0.1801	0.0581	-	-	2.5220	0.2756	-	-	1.9590	0.3456	
7/1968-2010	0.0110	0.0000	-	-	0.0064	0.0451	0.0544	-	-	0.0764	0.1031	-	-	5.4830	-0.0062	-	-	3.2250	0.2861	
1970-80	0.0071	0.0043	-	-	0.0016	0.0531	0.0552	-	-	0.1025	0.0262	-	-	1.5290	0.0800	-	-	2.3200	0.2829	
1980-90	0.0193	-0.0061	-	-	0.0123	0.0481	0.0640	-	-	0.0116	0.0786	-	-	4.6110	-1.1010	-	-	2.9350	0.3021	
1990-0	0.0096	0.0016	-	-	0.0055	0.0377	0.0526	-	-	0.0824	0.0614	-	-	2.9220	0.3148	-	-	1.6870	0.2767	
2000-10	0.0111	-0.0023	-	-	0.0090	0.0355	0.0488	-	-	0.0163	0.0983	-	-	3.5730	-0.5224	-	-	2.9080	0.3764	
1970-75	0.0085	-0.0014	-	-	0.0038	0.0622	0.0520	-	-	0.1359	0.2678	-	-	1.1650	0.2267	-	-	0.5120	0.3097	
1975-80	0.0074	0.0125	-	-	0.0014	0.0482	0.0569	-	-	0.0137	0.1922	-	-	1.2970	0.2860	-	-	2.4228	0.2774	
1980-85	0.0216	-0.0048	-	-	0.0133	0.0486	0.0591	-	-	0.0223	0.0895	-	-	3.7750	-0.6846	-	-	2.3200	0.2898	
1985-90	0.0204	-0.0090	-	-	0.0147	0.0456	0.0649	-	-	0.0302	0.0694	-	-	3.7920	-1.1730	-	-	2.7540	0.2501	
1990-95	0.0116	-0.0008	-	-	0.0076	0.0349	0.0492	-	-	0.0417	0.0415	-	-	2.8270	-0.1317	-	-	1.8740	0.2682	
1995-0	0.0113	0.0019	-	-	0.0070	0.0411	0.0547	-	-	0.1258	0.0971	-	-	2.3220	0.3004	-	-	1.4450	0.3512	
2000-05	0.0162	-0.0049	-	-	0.0139	0.0323	0.0457	-	-	-0.0997	0.0645	-	-	4.2510	-0.9047	-	-	3.6550	0.3327	
2005-10	0.0058	0.0002	-	-	0.0038	0.0362	0.0489	-	-	0.0795	0.0220	-	-	1.3580	0.0431	-	-	0.9031	0.3008	
1935-2010	0.0103	0.0011	-	-	0.0072	0.0486	0.0514	-	-	0.0679	0.0787	-	-	6.4180	0.6693	-	-	4.4960	0.3168	
<b>Panel B:</b>																				
1935-6/68	0.0055	0.0111	-	-	0.0039	-	0.0042	0.0807	0.1557	0.0661	-	0.0041	-0.0683	-0.0004	-	1.3760	1.4250	-	1.0530	0.0844
1935-40	0.0042	0.0115	-	-	0.0040	0.0940	0.1546	0.0515	-	0.0040	-0.0584	-0.0001	-	0.5088	0.8497	-	-	0.4914	0.0852	
1946-5	0.0051	0.0090	-	-	0.0025	-	0.0041	0.0648	0.1247	0.0496	-	-0.1506	-0.1314	-0.0006	-	0.7925	-0.5567	-	0.1790	0.2132
1946-6/68	0.0071	0.0124	-	-	0.0078	0.0802	0.1672	0.0861	-	0.0462	-0.0532	-0.0005	-	1.0880	0.8495	-	-	0.6892	0.1164	
1955-40	0.0049	0.0064	-	-	0.0049	0.1109	0.1771	0.0557	-	0.0138	-0.0797	-0.0004	-	0.3759	0.3037	-	-	0.7000	0.2755	
1941-45	0.0033	0.0175	-	-	0.0030	0.0697	0.1240	0.0465	-	0.1222	-0.0212	0.0001	-	0.3629	0.1090	-	-	0.3385	0.1003	
1946-50	0.0020	0.0055	-	-	0.0001	0.0114	0.0611	0.1019	-	0.1620	-0.0264	0.0000	-	0.2573	0.0423	-	-	0.6718	0.1494	
1951-56	0.0081	0.0125	-	-	0.0069	0.0686	0.1447	0.0613	-	0.1313	-0.1936	-0.0012	-	0.9710	0.6695	-	-	0.7788	0.0834	
1956-60	0.0017	0.0287	-	-	-0.0004	0.0574	0.1461	0.0721	-	-0.1101	-0.2449	-0.0006	-	0.2319	1.5240	-	-	0.1205	0.0526	
1961-6/68	0.0107	0.0015	0.0002	-	0.0078	0.0924	0.1968	0.0938	-	0.0732	-0.0019	0.0000	-	1.1000	0.0699	0.0153	-	0.7983	0.0856	
1975-80	0.0078	0.0084	-	-	0.0045	0.0960	0.1920	0.0869	-	0.1216	0.0940	0.0003	-	1.8270	0.9822	0.0942	-	0.7603	0.0942	
1975-85	0.0015	0.0148	-	-	-0.0039	0.1504	0.2683	0.1061	-	0.1876	0.1559	0.0018	-	0.1167	0.6551	-0.4813	-	0.7082	0.1787	
1980-90	0.0124	0.0119	-	-	0.0053	0.0912	0.1970	0.0896	-	0.0196	-0.0867	0.0003	-	1.5580	0.6948	-0.1248	-	0.6718	0.1788	
1985-90	0.0118	-0.0002	-	-	0.0078	0.0578	0.1585	0.0920	-	0.0041	-0.0639	-0.0008	-	0.9700	0.6282	-0.0945	-	0.7788	0.0834	
1990-0	0.0057	0.0164	-	-	0.0036	0.0411	0.1036	0.0516	-	0.0218	0.0669	0.0001	-	0.2319	1.5240	-	-	1.0700	0.1176	
1970-75	0.0106	-0.0047	0.0012	-	0.0058	0.1668	0.2886	0.1187	-	0.2909	0.2477	0.0034	-	0.5380	0.1384	-	-	0.2939	0.0786	
1975-80	0.0003	0.0263	-	-	-0.0063	0.1354	0.2480	0.0945	-	-0.0399	-0.0251	-0.0005	-	0.0158	0.8887	-0.4933	-	0.3923	0.0808	
1980-85	0.0152	0.0092	-	-	0.0069	0.1017	0.2046	0.0875	-	-0.0918	0.0092	-0.0003	-	1.2670	0.3820	-0.6337	-	0.5752	0.1087	
1985-90	0.0103	0.0179	-	-	0.0046	0.0803	0.1942	0.0936	-	0.1986	0.1565	0.0008	-	1.0870	0.7804	-1.3320	-	0.4914	0.0802	
1990-95	0.0015	0.0287	-	-	0.0066	0.0625	0.1624	0.0943	-	-0.1379	-0.2017	-0.0008	-	1.4300	0.1406	-0.1881	-	0.8907	0.0733	
1995-0	0.0164	-0.0119	0.0074	-	0.0121	0.0525	0.1500	0.0849	-	0.1888	0.0579	0.0000	-	2.6450	-0.6728	0.7360	-	1.9530	0.0895	
2000-05	0.0043	0.0342	-	-	0.0020	0.0398	0.1025	0.0617	-	0.0617	0.0331	0.0003	-	0.9113	0.2114	-0.4289	-	0.4289	0.0908	
2005-10	0.0063	-0.0007	0.0003	-	0.0044	0.0411	0.0961	0.0299	-	0.0343	-0.0370	0.0001	-	1.2670	0.3820	-0.6337	-	0.5752	0.1087	
1935-2010	0.0068	-0.00042	-	-	0.00895	0.0784	0.1769	0.0898	-	0.0898	0.0389	0.0000	-	2.2890	1.6300	-1.6300	-	1.2390	0.0899	

TABLE 3d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	Statistics										
	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\bar{\gamma}_0 - \bar{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_0 - \hat{R}_f)$	$\rho_M(\hat{\gamma}_1)$
<i>Panel C:</i>											
1935-6/68	0.0114	0.0062	-0.0814	0.0101	0.0586	0.0548	-	0.8072	0.0099	0.0182	-0.0999
1935-45	0.0075	0.0107	-0.0307	0.0074	0.0781	0.0626	-	0.4746	0.0075	-0.0129	-0.0153
1946-55	0.0091	0.0072	-0.0961	0.0082	0.0395	0.0515	-	0.8120	0.0276	-0.0052	-0.1033
1956-6/68	0.0165	0.0014	-0.1138	0.0139	0.0510	0.0498	-	1.0110	0.0351	-0.0062	-0.1727
1935-40	0.0077	0.0062	-0.0155	0.0077	0.0529	0.0515	-	0.4469	-0.0597	-0.0008	-0.0095
1941-45	0.0073	0.0160	-0.0487	0.0071	0.0518	0.0543	-	0.5087	-0.0796	0.0614	-0.0227
1946-50	0.0026	0.0073	-0.0487	0.0020	0.0437	0.0568	-	0.7199	0.2025	0.0494	-0.0449
1951-55	0.0156	0.0072	-0.1436	0.0144	0.0339	0.0462	-	0.8983	-0.2571	0.1264	-0.1711
1956-60	0.0187	-0.0012	-0.1468	0.0166	0.0334	0.0514	-	1.2910	-0.1416	-0.0445	-0.2568
1961-6/68	0.0150	0.0031	-0.0918	0.0211	0.0602	0.0490	-	0.7780	0.0624	0.0164	-0.1356
7/1968-2010	0.0103	-0.0020	-0.0378	0.0058	0.0536	0.0637	-	0.8938	0.0721	0.0143	-0.0382
1970-80	0.0040	-0.0040	-0.1644	-0.0015	0.0638	0.0685	-	1.1850	0.1083	0.0348	-0.0072
1980-90	0.0189	-0.0067	-0.0131	0.0119	0.0513	0.0756	-	0.7363	0.0154	-0.0209	-0.1181
1990-00	0.0097	0.0026	-0.0169	0.0056	0.0481	0.0553	-	0.6540	0.0057	-0.0132	-0.0173
2000-10	0.0115	-0.0032	-0.0012	0.0012	0.0095	0.0456	-	0.7781	0.0437	0.0320	-0.0546
1970-75	0.0054	-0.0066	-0.0382	0.0019	0.0624	0.0742	-	1.3880	0.0913	0.0851	-0.0326
1975-80	0.0079	0.0088	0.0363	0.0019	0.0624	0.0691	-	1.1510	0.1048	-0.0549	-0.1754
1980-85	0.0217	-0.0071	-0.0284	0.0134	0.0495	0.0805	-	0.8095	0.0271	-0.0593	-0.1485
1985-90	0.0196	-0.0076	-0.0048	0.0139	0.0502	0.0672	-	0.6511	0.0119	0.0284	-0.0931
1990-95	0.0123	0.0018	-0.0402	0.0083	0.0402	0.0478	-	0.5349	-0.0085	-0.0055	-0.0047
1995-00	0.0105	0.0013	-0.0135	0.0062	0.0549	0.0605	-	0.7295	0.0287	0.0011	-0.0395
2000-05	0.0124	-0.0101	0.0106	0.0101	0.0371	0.0519	-	0.6943	0.0139	-0.2977	-0.0443
2005-10	0.0100	0.0035	-0.0868	0.0081	0.0510	0.0549	-	0.8017	0.0680	0.2887	-0.0535
1935-2010	0.0108	0.0016	-0.0146	0.0077	0.0558	0.0600	-	0.8583	0.0298	0.0188	-0.0676
<i>Panel D:</i>											
1935-6/68	0.0101	0.0090	-0.0016	-0.0736	0.0088	0.0958	0.0690	0.8374	0.0087	-0.0523	-0.0002
1935-45	0.0113	0.0057	0.0023	-0.0426	0.0111	0.1173	0.1658	0.0589	0.0110	-0.0605	-0.0002
1946-55	0.0079	0.0088	-0.0004	-0.0954	0.0070	0.0692	0.1218	0.0490	0.0117	-0.0958	-0.0002
1956-6/68	0.0107	0.0120	-0.0509	-0.0833	0.0081	0.0937	0.1834	0.0884	0.1018	0.0586	-0.0335
1955-40	0.0109	0.0038	-0.0247	0.0108	0.1405	0.1950	0.0657	0.6137	0.0195	-0.0741	-0.0003
1941-45	0.0117	0.0080	-0.0832	0.0116	0.0536	0.0638	0.0151	0.0832	0.0124	0.0554	-0.0888
1946-50	0.0008	0.0089	-0.0005	-0.0836	0.0036	0.0672	0.0992	0.0355	0.0760	-0.0056	-0.0001
1951-55	0.0150	0.0088	-0.0004	-0.1521	0.0138	0.0711	0.1417	0.0599	0.0291	-0.1536	-0.0005
1956-60	0.0064	0.0304	-0.0177	-0.1280	0.0043	0.0609	0.1450	0.0699	0.1280	-0.2243	-0.1621
1955-40	0.0107	0.0120	-0.0002	-0.0535	0.0107	0.1106	0.2049	0.0984	0.0831	0.1019	-0.0079
7/1968-2010	0.0067	0.0056	-0.0042	0.0089	0.0022	0.1061	0.1940	0.0917	0.0209	0.1287	0.0139
1970-80	-0.0009	0.0064	-0.0040	0.1455	-0.0063	0.1637	0.2623	0.1101	0.2040	0.1895	0.1765
1980-85	0.0093	0.0121	-0.0112	0.1035	0.0010	0.1104	0.2048	0.0929	0.0707	-0.0179	0.0445
1980-90	0.0107	0.0066	-0.0084	0.0998	0.0037	0.0998	0.2058	0.1006	0.7939	0.0738	-0.0454
1990-95	0.0151	-0.0100	0.0074	-0.0329	0.0110	0.0719	0.1687	0.1001	0.6770	-0.0010	-0.0008
2000-10	0.0049	0.0176	-0.0122	0.0099	0.0028	0.0498	0.1127	0.0522	0.8228	0.0198	-0.0002
1970-75	0.0097	-0.0102	0.0019	-0.0535	0.0019	0.1204	0.2893	0.1230	1.3540	0.2473	0.2526
1975-80	-0.0025	0.0254	-0.0073	0.0618	-0.0085	0.1456	0.2348	0.0968	1.1580	0.0335	-0.0077
1980-85	0.0093	0.0121	-0.0112	0.1035	0.0010	0.1104	0.2048	0.0929	0.8707	-0.0179	0.0445
1980-90	0.0133	0.0049	-0.0245	0.0075	0.0927	0.0910	0.2087	0.1090	0.7100	0.1696	-0.0538
1990-95	0.0166	-0.0083	0.0065	-0.0598	0.0127	0.0791	0.1091	0.5989	-0.1246	-0.1652	-0.0014
1995-00	0.0161	-0.0120	0.0074	0.0008	0.0118	0.0652	0.1521	0.0848	0.7209	0.1601	0.0369
2000-05	0.0014	-0.0297	0.0022	0.0813	-0.0009	0.0244	0.0838	0.0049	0.7358	-0.0116	0.0277
2005-10	0.0080	0.0066	-0.0016	0.0726	0.0061	0.0536	0.1083	0.0318	0.8559	0.0368	0.0277
1935-2010	0.0082	0.0071	-0.0031	-0.0050	0.0107	0.1801	0.0825	0.0825	0.8867	0.0493	0.0002

TABLE 3f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\hat{\gamma}}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - \hat{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{\hat{\gamma}}_2)$	$t(\hat{\gamma}_0 - \hat{R}_f)$	$\bar{r}^2$	$s(r^2)$
Panel A:																				
1935-6/68	0.0096	0.0043	-	-	0.0083	0.0451	0.0545	-	-	0.0080	0.0187	-	-	4.2460	1.5860	-	-	3.6620	0.2589	0.2666
1935-45	0.0103	0.0088	-	-	0.0101	0.0610	0.0737	-	-	0.0103	-0.0448	-	-	1.9250	1.3600	-	-	1.8990	0.2677	0.2522
1946-55	0.0093	0.0024	-	-	0.0083	0.0344	0.0432	-	-	-0.0050	0.0653	-	-	2.9550	0.6019	-	-	2.6530	0.2654	0.2938
1956-6/68	0.0092	0.0020	-	-	0.0066	0.0356	0.0416	-	-	0.0206	0.1328	-	-	3.1590	0.5888	-	-	2.2520	0.2461	0.2572
1955-40	0.0098	0.0031	-	-	0.0097	0.0751	0.0877	-	-	-0.0570	-0.1066	-	-	1.0940	0.2986	-	-	1.0850	0.2276	0.2504
1941-45	0.0109	0.0154	-	-	0.0107	0.0389	0.0524	-	-	0.1401	0.1098	-	-	2.1680	2.2810	-	-	2.1260	0.3152	0.2480
1946-50	0.0059	0.0024	-	-	0.0052	0.0389	0.0475	-	-	0.0563	0.0703	-	-	1.1660	0.3969	-	-	1.0330	0.3477	0.3030
1951-55	0.0127	0.0023	-	-	0.0115	0.0291	0.0387	-	-	-0.2018	0.0543	-	-	3.3760	0.4617	-	-	3.0460	0.1831	0.2616
1956-60	0.0158	-0.0075	-	-	0.0137	0.0283	0.0316	-	-	0.0481	0.0255	-	-	4.3280	-1.8320	-	-	3.7380	0.1831	0.2646
1961-6/68	0.0048	0.0083	-	-	0.0018	0.0393	0.0461	-	-	0.2178	0.1292	-	-	1.1500	1.7110	-	-	0.4394	0.2881	0.2447
7/1968-2010	0.0982	0.0022	-	-	0.0047	0.0378	0.0544	-	-	0.0465	0.1277	-	-	5.5070	0.9199	-	-	2.8060	0.2830	0.2581
1970-80	0.0659	0.0052	-	-	0.0014	0.0451	0.0648	-	-	0.0218	0.1182	-	-	0.9262	0.3553	-	-	2.4250	0.2972	0.2660
1980-90	0.0155	-0.0025	-	-	0.0085	0.0401	0.0563	-	-	0.0264	0.0502	-	-	4.4530	-0.5050	-	-	2.4340	0.2616	0.2593
1990-00	0.0096	-0.0017	-	-	0.0055	0.0346	0.0469	-	-	0.0348	0.2096	-	-	3.1920	0.4184	-	-	1.8460	0.2515	0.2374
2000-10	0.0067	0.0034	-	-	0.0046	0.0310	0.0509	-	-	0.0659	0.1848	-	-	2.4690	0.7671	-	-	1.7090	0.3021	0.2628
1970-75	0.0066	0.0002	-	-	0.0018	0.0518	0.0654	-	-	0.0510	0.0562	-	-	1.0990	0.0239	-	-	0.3004	0.3149	0.2661
1975-80	0.0086	0.0140	-	-	0.0026	0.0394	0.0684	-	-	-0.0918	0.1436	-	-	1.8570	1.7360	-	-	0.5690	0.2734	0.2636
1980-85	0.0190	-0.0024	-	-	0.0107	0.0398	0.0526	-	-	0.0772	0.0138	-	-	4.0550	-0.3824	-	-	2.2700	0.3060	0.2561
1985-90	0.0135	-0.0023	-	-	0.0079	0.0575	0.0853	-	-	-0.0432	0.2612	-	-	2.9610	0.3381	-	-	1.7290	0.2238	0.2602
1990-95	0.0096	-0.0017	-	-	0.0056	0.0319	0.0468	-	-	0.0258	0.2612	-	-	2.5510	0.3107	-	-	1.5200	0.2366	0.2303
1995-00	0.0120	0.0013	-	-	0.0077	0.0368	0.0461	-	-	0.0707	0.1688	-	-	2.7660	0.2483	-	-	1.7860	0.2730	0.2561
2000-05	0.0089	0.0033	-	-	0.0066	0.0327	0.0446	-	-	0.0156	0.0282	-	-	2.3010	0.6270	-	-	1.7200	0.2645	0.2517
2005-10	0.0038	0.0039	-	-	0.0019	0.0272	0.0543	-	-	0.1308	0.2791	-	-	1.1990	0.6140	-	-	0.5936	0.3307	0.2694
1935-2010	0.0094	0.0031	-	-	0.0063	0.0411	0.0544	-	-	0.0392	0.0815	-	-	6.8720	1.7420	-	-	4.5890	0.2724	0.2620
Panel B:																				
1935-6/68	-0.0019	0.0301	-0.0121	-	-0.0032	0.0671	0.1584	0.0700	-	-0.0034	-0.0338	-0.0002	-	-0.5532	3.8040	-3.4750	-	-0.9417	0.0930	0.1658
1935-45	-0.0011	0.0359	-0.0130	-	-0.0012	0.0267	0.0685	0.0831	-	-0.0015	-0.0001	-0.0002	-	-0.1845	2.2290	-1.7850	-	-0.2086	0.0719	0.1509
1946-55	-0.0020	0.0220	-0.0112	-	-0.0029	0.0122	0.0681	0.1502	-	-0.1064	-0.0864	-0.0005	-	-0.3169	1.9450	-1.8330	-	-0.4691	0.1353	0.1974
1956-6/68	-0.0024	0.0278	-0.0122	-	-0.0050	0.0143	0.0604	0.1403	-	-0.0656	-0.1384	-0.0001	-	-0.4513	2.4250	-2.4680	-	-0.9358	0.0778	0.1442
1955-40	-0.0033	0.0474	-0.0219	-	-0.0084	0.0751	0.2151	0.0956	-	-0.1757	-0.0558	-0.0006	-	-0.9317	1.8580	-1.9260	-	-0.9406	0.0751	0.1401
1941-45	0.0074	0.0222	-0.0024	-	-0.0072	0.0592	0.1395	0.0644	-	-0.0478	0.1358	0.0003	-	-0.9696	1.2310	-0.2920	-	-0.9411	0.0917	0.1616
1946-50	-0.0004	0.0162	-0.0016	-	-0.0015	0.0519	0.1171	0.0460	-	-0.0609	0.1826	0.0003	-	-0.0603	1.0700	-1.0500	-	-0.1595	0.1866	0.2029
1951-55	-0.0035	0.0372	-0.0163	-	-0.0043	0.0815	0.1777	0.0812	-	-0.1779	-0.2086	-0.0014	-	-0.3359	1.6210	-1.5840	-	-0.4526	0.0839	0.1790
1956-60	0.0025	0.0246	-0.0157	-	-0.0004	0.0465	0.1095	0.0526	-	-0.1640	-0.4391	-0.0006	-	-0.4103	1.7390	-2.3070	-	-0.0586	0.0648	0.1448
1961-6/68	-0.0057	0.0299	-0.0098	-	-0.0086	0.0758	0.1581	0.0653	-	-0.2105	0.0907	0.0003	-	-0.7096	1.7940	-1.4300	-	-1.0760	0.0864	0.1439
7/1968-2010	0.0052	0.0125	-0.0024	-	-0.0007	0.0714	0.1753	0.0836	-	-0.0533	0.0772	0.0002	-	-1.6560	1.6040	-1.2208	-	-0.1208	0.1661	0.1661
1970-80	-0.0023	0.0249	-0.0093	-	-0.0077	0.1000	0.2267	0.1050	-	-0.0001	-0.0048	-0.0005	-	-0.2584	1.2630	-1.0220	-	-0.8872	0.1166	0.1684
1980-90	0.0120	0.0074	-0.0059	-	-0.0050	0.0842	0.2016	0.1000	-	-0.0109	0.0888	0.0004	-	-1.6380	0.4220	-0.6760	-	-0.6763	0.1061	0.1651
1990-00	0.0074	0.0094	-0.0052	-	-0.0033	0.0523	0.1502	0.1203	-	-0.1457	0.0009	-	-	-0.7337	1.6310	-0.7225	-	-0.7337	0.0879	0.1532
2000-10	0.0049	0.0083	-0.0025	-	-0.0029	0.0359	0.1264	0.0553	-	-0.0295	0.0160	-	-	-1.5790	0.7587	-0.5123	-	-0.9189	0.1228	0.1753
1970-75	0.0021	0.0097	-0.0043	-	-0.0027	0.0904	0.1921	0.0939	-	-0.0053	-0.0672	-0.0011	-	-0.1972	0.4271	-0.3906	-	-0.2525	0.1105	0.1712
1975-80	-0.0019	0.0363	-0.0105	-	-0.0079	0.1181	0.2661	0.1263	-	-0.0524	0.0302	-0.0001	-	-0.1387	1.1580	-0.7039	-	-0.5721	0.1122	0.1679
1980-85	0.0128	0.0102	-0.0057	-	-0.0045	0.0870	0.1980	0.0944	-	-0.1451	-0.0246	-0.0005	-	-1.2480	0.4366	-0.5082	-	-0.4369	0.1102	0.1525
1985-90	0.0124	0.0053	-0.0061	-	-0.0067	0.0795	0.1987	0.1014	-	-0.1534	0.1644	0.0011	-	-1.3190	0.2249	-0.5119	-	-0.7173	0.1067	0.1794
1990-95	0.0038	0.0203	-0.0115	-	-0.0002	0.0585	0.1739	0.0939	-	-0.2618	0.1881	0.0019	-	-0.5451	0.9911	-1.0420	-	-0.0320	0.0629	0.1377
1995-00	0.0146	-0.0054	-0.0046	-	-0.0103	0.0429	0.1107	0.0589	-	-0.0907	-0.0106	-0.0002	-	-2.8900	0.4585	-0.4585	-	-2.0510	0.1161	0.1663
2000-05	0.0055	0.0127	-0.0046	-	-0.0004	0.0345	0.1320	0.0488	-	-0.0175	0.0165	-0.0001	-	-0.9478	0.2701	-0.0724	-	-0.7718	0.1054	0.1651
2005-10	0.0039	0.0042	-0.0004	-	-0.0010	0.0696	0.1682	0.0779	-	-0.0648	0.0365	0.0000	-	-0.9171	0.36270	-3.2760	-	-0.4346	0.1020	0.1661

TABLE 3f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\hat{\gamma}}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - \hat{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{\hat{\gamma}}_2)$	$t(\hat{\gamma}_0 - \hat{R}_f)$	$\bar{r}^2$	$s(r^2)$	
Panel C: SUMMARY RESULTS FOR THE REGRESSION (cont.)																					
1935-6/68	0.0089	0.0046	-	0.0105	0.0076	0.0472	0.0647	-	0.6843	0.0074	0.0363	-	-0.0187	3.7690	1.4090	-	0.3058	3.2110	0.1036	0.1715	
1935-45	0.0088	0.0087	-	0.0223	0.0086	0.0625	0.0834	-	0.5319	0.0087	-0.0056	-	-0.0360	1.6110	1.1880	-	0.4795	1.5860	0.0865	0.1567	
1946-55	0.0108	0.0058	-	0.0739	0.0099	0.0380	0.0558	-	0.6840	-0.1647	0.0610	-	-0.0570	3.1230	1.1300	-	-1.1840	2.8490	0.1360	0.2024	
1956-6/68	0.0074	0.0000	-	0.0676	0.0048	0.0376	0.0514	-	0.7920	0.1632	0.0846	-	-0.0280	2.4100	0.0002	-	1.0460	1.5540	0.0926	0.1535	
1935-40	0.0080	0.0050	-	0.0132	0.0079	0.0760	0.0954	-	0.5202	0.0658	0.0048	-	-0.0244	0.8877	0.4431	-	0.2443	0.8792	0.0749	0.1497	
1941-45	0.0097	0.0130	-	0.0330	0.0095	0.0416	0.0671	-	0.5496	-0.0317	-0.0490	-	-0.0497	1.8080	1.4980	-	0.4651	1.7690	0.1003	0.1647	
1946-50	0.0068	0.0045	-	0.0421	0.0062	0.0404	0.0631	-	0.6603	-0.0201	0.0924	-	-0.0269	1.3120	0.5566	-	-0.4943	1.1840	0.1848	0.2027	
1951-55	0.0148	0.0070	-	0.0107	0.0136	0.0353	0.0480	-	0.7111	-0.3334	-0.0008	-	-0.0844	3.2520	1.1280	-	-1.1520	2.9770	0.0873	0.1916	
1956-60	0.0125	-0.0107	-	0.1178	0.0104	0.0333	0.0386	-	0.7273	0.0989	0.1083	-	-0.0397	2.9030	2.1440	-	1.2520	2.4110	0.0880	0.1417	
1961-6/68	0.0040	0.0071	-	0.0341	0.0011	0.0400	0.0576	-	0.8346	0.1934	0.0361	-	-0.0109	0.9502	1.1730	-	0.3881	0.2521	0.1089	0.1595	
7/1968-2010	0.0093	0.0024	-	0.0075	0.0048	0.0447	0.0671	-	0.8881	-0.0266	0.0219	-	-0.0179	4.7110	0.8086	-	-0.1588	4.3220	0.1128	0.1661	
1970-80	0.0069	0.0050	-	0.0075	0.0014	0.0541	0.0687	-	0.7980	-0.0406	-0.0985	-	-0.0347	1.4640	0.8350	-	-0.0804	1.3046	0.1228	0.1675	
1980-90	0.0179	0.0025	-	0.0872	0.0108	0.0462	0.0801	-	0.9636	0.0626	-0.0250	-	-0.0592	4.4520	0.3584	-	-1.0400	2.7040	0.0937	0.1655	
1980-900	0.0090	0.0007	-	0.0171	0.0049	0.0416	0.0553	-	0.7208	0.0175	0.0675	-	-0.0036	2.4760	0.1521	-	0.2222	1.3560	0.1089	0.1538	
2000-10	0.0006	-0.0006	-	0.0724	0.0300	0.0398	0.0650	-	0.8666	0.0397	0.0971	-	-0.0246	1.4500	0.1023	-	0.8572	0.8601	0.1337	0.1769	
1970-75	0.0117	0.0126	-	-0.2189	0.0069	0.0612	0.0729	-	1.2070	-0.1322	-0.0384	-	-0.0374	1.6140	1.4630	-	-1.5400	0.9504	0.1202	0.1710	
1975-80	0.0043	0.0019	-	-0.1892	-0.0017	0.0495	0.0670	-	0.9062	0.0072	-0.0234	-	-0.0955	0.7451	0.2386	-	-0.2871	1.7720	0.1215	0.1584	
1980-85	0.0194	-0.0018	-	-0.0107	0.0111	0.0436	0.0698	-	0.7641	-0.1478	-0.0743	-	-0.0586	2.1540	-0.2154	-	-0.1183	2.1640	0.0968	0.1675	
1985-90	0.0176	-0.0062	-	-0.1512	0.0119	0.0664	0.0855	-	1.0870	-0.0040	0.0290	-	-0.0700	3.2130	0.6157	-	-1.1310	2.1880	0.0867	0.1693	
1990-95	0.0100	0.0016	-	-0.0075	0.0060	0.0380	0.0542	-	0.6810	-0.0637	0.1573	-	-0.0153	2.2250	0.2458	-	-0.0929	1.3500	0.0919	0.1469	
1995-00	0.0098	-0.0015	-	-0.0583	0.0056	0.0442	0.0540	-	0.7308	0.0992	-0.0263	-	-0.0220	1.8880	-0.2300	-	-0.6769	1.0710	0.1282	0.1614	
2000-05	0.0084	0.0016	-	-0.0277	0.0061	0.0419	0.0549	-	0.8496	0.0180	-0.0286	-	-0.0746	1.6960	0.2733	-	-0.2770	1.2420	0.1264	0.1770	
2005-10	0.0009	-0.0024	-	-0.1197	-0.0010	0.0355	0.0739	-	0.8561	0.0440	0.1279	-	-0.1264	0.2157	-0.2808	-	-1.1660	-0.2500	0.1406	0.1338	
1935-2010	0.0091	0.0033	-	0.0004	0.0060	0.0458	0.0660	-	0.8106	-0.0069	0.0280	-	-0.0194	6.0190	1.5310	-	-0.0148	3.9730	0.1088	0.1685	
Panel D:																					
1935-6/68	-0.0025	0.0273	-	-0.0120	0.0408	-0.0038	0.0745	0.1549	0.0738	0.7096	-0.0039	-0.0033	0.0000	-0.0075	-0.6664	3.5300	-3.2530	1.1530	-0.1060	0.1144	
1935-45	-0.0055	0.0375	-	-0.0164	0.0644	-0.0057	0.0650	0.1854	0.0966	0.6297	-0.0062	0.0319	0.0002	-0.0214	-0.7307	1.9390	-1.1700	-0.7499	0.0974	0.1849	
1946-55	0.0032	0.0210	-	-0.0076	0.0233	-0.0057	0.0707	0.1378	0.0601	0.6567	-0.1594	-0.0723	-0.0003	-0.0437	-0.5417	1.6600	-1.3250	-0.9291	0.3825	0.1693	
1956-6/68	-0.0044	0.0225	-	-0.0117	0.0975	-0.0075	0.0707	0.178	0.0804	0.1454	-0.0923	0.0000	0.0332	-0.7602	-0.2850	1.2150	-0.1575	-0.1575	0.1575	0.1678	
1935-40	-0.0125	0.0483	-	-0.0248	0.0599	-0.0126	0.0886	0.2130	0.1059	0.5775	0.1656	-0.0252	-0.0004	-0.0264	-1.1900	1.9100	-1.9730	0.8740	-0.0832	0.1617	
1941-45	0.0028	0.0248	-	-0.0064	0.0697	-0.0026	0.0836	0.1469	0.0842	0.6913	0.0251	-0.0251	0.0009	-0.2571	-0.5893	1.3050	-1.3050	0.1143	0.1143	0.1778	
1946-50	0.0042	0.017	-	-0.0036	0.0470	-0.0035	0.0516	0.1139	0.0442	0.6354	-0.0195	0.1369	0.0003	-0.0346	-0.6266	0.7985	-0.6350	-0.5725	0.5268	0.2176	
1951-55	0.0023	0.0302	-	-0.0115	0.0644	-0.0010	0.0765	0.1598	0.0720	0.6826	-0.2242	-0.1862	-0.0010	-0.0612	-0.2280	1.4660	-1.2410	-0.7312	0.1040	0.0975	
1956-60	-0.0003	0.0164	-	-0.0139	0.0558	-0.0024	0.0509	0.1039	0.0742	0.6464	-0.2644	-0.1480	-0.0008	-0.0142	-0.2220	-0.0980	1.7220	-0.3447	0.0799	0.1604	
1961-6/68	-0.0071	0.0282	-	-0.0102	0.0587	-0.0001	0.0819	0.1795	0.0885	0.9553	0.0793	0.0005	0.0006	-0.0393	-0.8283	1.4810	-1.1690	0.1047	0.1727	0.1844	
7/1968-2010	0.0045	0.0138	-	-0.0064	0.0030	-0.0001	0.0819	0.1122	0.2315	0.1110	1.1640	0.0618	-0.0284	-0.0003	-0.0810	-0.3804	1.2310	-1.7300	-0.6260	-0.0202	0.1834
1970-80	-0.0037	0.0283	-	-0.0110	-0.0069	-0.0007	0.0964	0.2006	0.0978	0.8104	-0.0607	-0.0070	-0.0003	-0.0652	-1.0840	0.5019	-0.1350	-0.0682	-0.9412	0.1833	
1980-85	0.0141	0.0071	-	-0.0047	-0.0541	-0.0007	0.1024	0.1092	0.2033	0.1164	1.2300	0.1507	-0.0176	-0.0020	-0.0493	1.3160	0.3022	-0.1390	0.1802	0.1721	
1985-90	0.0159	0.0057	-	-0.0016	0.0242	-0.00017	0.0630	0.1550	0.0833	0.7836	0.1987	0.1422	0.0012	0.0207	0.0749	0.8138	0.1366	-0.1206	0.1802	0.1906	
1990-95	0.0027	0.0064	-	-0.0035	0.0717	-0.0006	0.1360	0.0531	0.8316	0.0803	0.0467	-0.0002	-0.0055	0.7523	0.5397	-0.7557	0.9899	0.1550	0.1949	0.1949	
1995-00	0.0110	-0.0037	-	-0.0008	0.0594	-0.0067	0.1221	0.0821	0.2193	0.1050	1.3360	-0.0214	-0.0042	-0.0009	-0.0363	0.5520	0.8751	-1.3740	-0.1220	0.1844	
2000-05	0.0040	0.0135	-	-0.0060	0.0341	-0.0017	0.0420	0.1183	0.0541	0.8265	0.0922	-0.0477	-0.0003	-0.0853	0.8011	0.9653	-0.9466	0.3504	0.3470	0.1916	
2005-10	0.0011	-0.0006	-	-0.0006	0.1066	-0.0009	0.0380	0.1425	0.0487	0.8147	0.0396	-0.0554	-0.0002	-0.1039	0.2364	0.0802	-0.1972	0.1591	0.2022	0.1842	
1935-2010	0.0014	0.0197	-	-0.0008	0.0088	-0.0017	0.0824	0.0824	0.8557	0.0753	0.0197	-0.0001	-0.0003	0.0001	0.0393	0.5391	0.3519	-0.6538	0.1245	0.1245	

TABLE 3g: Value-Weighted NYSE Market Portfolio + 5x5 Double-sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION  
 $R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_t) + \hat{\eta}_p$

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - R_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{s})$	$t(\hat{R}_f)$	$\bar{r}^2$	$s(r^2)$	
Panel A:																					
1935-6/68	0.0053	0.0071	-	-	0.0040	0.0371	0.0545	-	-	0.0037	-0.0447	-	2.8610	2.6130	-	-	2.1530	0.2589	0.2666		
1935-45	0.0029	0.0123	-	-	0.0027	0.0482	0.0730	-	-	0.0027	0.0277	0.0767	0.6457	0.6457	-	-	0.6457	0.2677	0.2522		
1946-55	0.0080	0.0028	-	-	0.0070	0.0260	0.0368	-	-	0.0765	0.0277	0.1807	0.9749	0.9749	-	-	0.9680	0.2654	0.2938		
1956-6/68	0.0053	0.0060	-	-	0.0027	0.0344	0.0470	-	-	0.2914	0.1807	-0.1096	0.2456	0.2456	-	-	1.9360	1.5620	0.2572		
1955-40	0.0017	0.0085	-	-	0.0017	0.0571	0.0873	-	-	-0.0106	0.0106	0.2245	0.8214	0.8214	-	-	0.9199	0.5150	0.2504		
1941-45	0.0042	0.0168	-	-	0.0040	0.0353	0.0518	-	-	0.1891	0.1567	-0.1279	0.8721	0.8721	-	-	0.7477	0.3152	0.2480		
1946-50	0.0046	0.0027	-	-	0.0039	0.0312	0.0416	-	-	0.1523	0.0352	0.1400	0.4984	0.4984	-	-	0.9740	0.3477	0.3030		
1951-55	0.0114	0.0030	-	-	0.0101	0.0191	0.0316	-	-	-0.0655	0.0893	0.46160	0.7384	0.7384	-	-	4.1130	0.1831	0.2616		
1956-60	0.0146	-0.0061	-	-	0.0190	0.0372	-	-	-	0.0303	0.1473	-0.2630	5.9630	5.9630	-	-	5.0840	0.1831	0.2646		
1961-6/68	-0.0009	0.0140	-	-	-0.0039	0.0392	0.0511	-	-	0.2260	0.1437	-0.2290	2.6030	2.6030	-	-	-0.9383	0.2881	0.2447		
7/1968-2010	0.0077	0.0034	-	-	0.0031	0.0395	0.0591	-	-	0.1250	0.1968	-0.0049	4.3780	4.3780	-	-	1.7960	1.3050	0.2581		
1970-80	0.0005	0.0100	-	-	-0.0049	0.0472	0.0667	-	-	0.2074	0.2249	-0.1312	0.7260	0.7260	-	-	-1.2010	0.2972	0.2660		
1980-90	0.0183	-0.0048	-	-	0.0112	0.0434	0.0622	-	-	0.0711	0.2373	-0.0549	2.9850	2.9850	-	-	0.2616	0.2593	0.2593		
1990-00	0.0084	0.0030	-	-	0.0043	0.0386	0.0578	-	-	0.1047	0.1857	-0.0578	2.4910	2.4910	-	-	1.2830	0.2515	0.2374		
2000-10	0.0069	0.0027	-	-	0.0048	0.0299	0.0542	-	-	0.0607	0.1263	-0.2630	2.6400	2.6400	-	-	1.8540	0.3021	0.2628		
1970-75	0.0055	-0.0008	-	-	0.0017	0.0490	0.0633	-	-	0.1329	0.2010	-0.1130	1.3130	1.3130	-	-	0.3006	0.3149	0.2661		
1975-80	-0.0033	0.0234	-	-	-0.0093	0.0464	0.0691	-	-	0.2684	0.2614	-0.5987	2.8700	2.8700	-	-	-1.7140	0.2734	0.2636		
1980-85	0.0179	-0.0005	-	-	0.0096	0.0423	0.0580	-	-	0.1673	0.2079	-0.0727	3.5900	3.5900	-	-	1.9400	0.3060	0.2561		
1985-90	0.0202	-0.0089	-	-	0.0146	0.0434	0.0634	-	-	-0.0156	0.2491	-0.1950	3.9500	3.9500	-	-	2.8520	0.2238	0.2602		
1990-95	0.0084	0.0027	-	-	0.0044	0.0381	0.0551	-	-	0.1881	0.2861	-0.1950	1.8670	1.8670	-	-	0.9880	0.2366	0.2303		
1995-00	0.0108	0.0026	-	-	0.0065	0.0388	0.0585	-	-	0.0449	0.0906	-0.0727	2.3620	2.3620	-	-	1.4340	0.2730	0.2561		
2000-05	0.0094	0.0018	-	-	0.0071	0.0299	0.0544	-	-	-0.0772	-0.0084	-0.2794	2.6650	2.6650	-	-	2.0390	0.2645	0.2517		
2005-10	0.0036	0.0039	-	-	0.0116	0.0280	0.0507	-	-	0.2149	0.2612	-0.0880	0.6466	0.6466	-	-	0.4996	0.3307	0.2694		
1935-2010	0.0066	-	-	-	0.0035	0.0385	0.0572	-	-	0.1263	0.1364	-	5.1950	5.1950	-	-	2.7610	0.2724	0.2620		
Panel B:																					
1935-6/68	0.0060	0.0059	-	-	0.0047	0.0657	0.1213	0.0497	-	0.0043	-0.0096	0.0001	-	1.8410	0.9705	0.1207	-	1.4430	0.2777	0.2691	
1935-45	0.0111	-0.0022	0.0053	-	0.0109	0.0818	0.1391	0.0538	-	0.0111	-0.0104	-0.0001	-	1.5500	-0.1848	1.1270	-	1.5300	0.2675	0.2691	
1946-55	-0.0006	0.0177	-0.0057	-	-0.0015	0.0501	0.0371	-	-	0.0701	-0.0397	-0.0001	-	-0.1231	-0.16890	-	-	-0.3296	0.3199	0.2918	
1956-6/68	0.0069	0.0176	-	-	0.0043	0.0098	0.0606	0.1171	0.0545	0.1630	0.1162	0.0003	-	1.3980	0.18490	-0.1691	-	0.8708	0.2527	0.2472	
1955-40	0.0116	-0.0095	0.0067	-	0.0116	0.0990	0.1723	0.0635	-	0.0463	-0.0850	-0.0002	-	0.9901	-0.4436	0.8859	-	0.9835	0.2201	0.2480	
1941-45	0.0104	0.0063	0.0037	-	0.0102	0.0558	0.0853	0.0399	-	0.1600	-0.1940	0.0001	-	1.4460	0.5734	0.7132	-	1.4170	0.3237	0.2616	
1946-50	0.0001	-0.0024	0.0053	-	-0.0006	0.0474	0.1088	0.0929	-	0.2928	-0.0298	-0.0001	-	0.0158	-0.6256	-	-	-0.0812	0.4011	0.2972	
1951-55	-0.0012	0.0257	-0.0090	-	-0.0025	0.0470	0.1085	0.0931	-	-0.0549	-0.0940	-0.0001	-	-0.2016	1.8330	-1.6210	-	-0.4019	0.2387	0.2646	
1956-60	0.0111	0.0025	-	-	0.0089	0.0407	0.0987	0.0482	-	0.3218	0.2000	0.0006	-	2.0300	0.1936	-0.6761	-	1.6590	0.2051	0.2375	
1961-6/68	0.0042	0.0043	0.0041	-	0.0012	0.0709	0.1284	0.0583	-	0.1210	0.0842	0.0001	-	0.5163	0.6599	0.3165	-	0.1634	0.2845	0.2498	
7/1968-2010	0.0056	0.0027	0.0026	-	0.0011	0.0853	0.0853	0.0399	-	0.1600	-0.1940	0.0001	-	1.4460	0.5734	0.7132	-	1.4170	0.3237	0.2616	
1970-80	0.0022	0.0073	0.0011	-	-0.0006	0.0530	0.1008	0.0929	-	0.1098	-0.153	0.0001	-	0.7400	0.4327	0.1732	-	-0.3491	0.3377	0.2589	
1980-90	0.0084	0.0194	-0.0123	-	0.0014	0.0926	0.1792	0.0673	-	0.0926	0.0381	0.0127	-	1.0430	1.2410	-0.2080	-	0.1695	0.3150	0.2577	
1990-00	0.0071	0.0053	-0.0008	-	0.0031	0.0548	0.1478	0.0870	-	0.0870	0.0119	-0.0706	-	1.4990	1.4104	-0.1055	-	0.6425	0.2549	0.2219	
2000-10	0.0063	0.0045	-0.0009	-	0.0043	0.0362	0.1115	0.0613	-	0.1579	-0.0323	-0.0004	-	2.0120	0.4617	-0.1667	-	1.3560	0.3126	0.2652	
1970-75	-0.0015	0.0141	-0.0061	-	-0.0063	0.0979	0.1749	0.0716	-	0.0782	-0.0840	-0.0005	-	-0.1315	0.6829	-0.1719	-	-0.5467	0.3428	0.2549	
1975-80	0.0085	0.0082	-	-	0.0027	0.0120	0.2157	0.0817	-	0.0638	-0.0285	-0.0004	-	1.7430	1.3160	-0.8232	-	0.3244	0.3050	0.2536	
1980-85	0.0157	0.0042	-0.0020	-	0.0074	0.1056	0.1907	0.0689	-	0.0732	-0.0667	-0.0003	-	1.2620	0.1850	-0.2423	-	0.5979	0.3655	0.2525	
1985-90	0.0038	0.0319	-0.0211	-	-0.0018	0.0720	0.1556	0.0603	-	-0.0755	-0.1089	-0.0003	-	0.4522	1.7410	-2.9690	-	-0.2134	0.3150	0.2549	
1990-95	0.0082	0.0016	-0.0013	-	0.0042	0.0597	0.1573	0.0931	-	-0.0003	-0.1279	-0.0004	-	1.1690	0.0850	0.1159	-	0.6028	0.2164	0.1985	
1995-00	0.0072	0.0121	-0.0047	-	-0.0029	0.0468	0.1271	0.0735	-	0.0208	0.0163	0.0004	-	1.3010	0.8054	-0.5483	-	0.5269	0.2961	0.2313	
2000-05	0.0088	0.0038	-0.0011	-	0.0066	0.0377	0.1193	0.0774	-	0.1165	-0.1131	-0.0009	-	1.9910	0.2709	-0.1223	-	1.4900	0.2865	0.2467	
2005-10	0.0028	0.0062	-0.0010	-	0.0008	0.0332	0.0953	0.0313	-	0.1908	-0.0839	0.0001	-	0.7021	0.5557	-0.2755	-	0.2054	0.3264	0.2811	
1935-2010	0.0058	-	0.0075	-	0.0027	0.0696	0.1377	0.0608	-	-	0.0767	-0.0217	-0.0001	-	2.5130	-0.6590	-	-	1.1640	0.2530	0.2607

TABLE 3g: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 SUMMARY RESULTS FOR THE REGRESSION (cont.)

$$R_p = \hat{\gamma}_{0t} + \hat{\gamma}_{1t}\hat{\beta}_p + \hat{\gamma}_{2t}\hat{\beta}_p^2 + \hat{\gamma}_{3t}\bar{s}_p(\hat{e}_i) + \hat{\eta}_p$$

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\hat{\gamma}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - R_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{\gamma}_1)$	$t(\bar{\gamma}_2)$	$t(\bar{\gamma}_3)$	$s(r^2)$	
Statistics																					
Panel C: 1935-6/68	0.0047	0.0032	-	0.0574	0.0034	0.0386	0.0507	-	0.5088	0.0031	-0.0679	-	0.0357	2.4570	1.2440	-	2.2600	1.7780	0.3455	0.2734	
1935-45	0.0016	0.0026	-	0.1264	0.0015	0.0497	0.0656	-	0.4548	0.0014	-0.1743	-	0.0115	0.3704	0.4530	-	3.1800	0.3374	0.3396	0.2713	
1946-55	0.0085	0.0055	-	-0.0561	0.0075	0.0275	0.0417	-	0.3915	0.0631	-0.0197	-	-0.0138	3.3850	1.4340	-	-1.5650	0.3579	0.3579	0.2958	
1956-6/68	0.0045	0.0018	-	0.0880	0.0019	0.0349	0.0421	-	0.6137	0.2784	0.1228	-	0.0957	1.5660	0.5238	-	1.7660	0.6474	0.3407	0.2577	
1935-40	0.0005	0.0006	-	0.0858	0.0005	0.0587	0.0801	-	0.4831	0.0140	-0.1881	-	-0.0052	0.0764	1.4960	-	0.0653	0.3204	0.3204	0.2769	
1941-45	0.0029	0.0049	-	0.1744	0.0027	0.0369	0.0429	-	0.4177	0.1926	-0.1260	-	0.0334	0.06059	0.3894	-	3.2340	0.5598	0.3623	0.2651	
1946-50	0.0044	0.0037	-	-0.0150	0.0037	0.0305	0.0472	-	0.3236	0.1673	-0.0409	-	-0.0293	1.1110	0.5995	-	-0.3593	0.9412	0.4346	0.2956	
1951-55	0.0126	0.0073	-	-0.0971	0.0114	0.0237	0.0356	-	0.4483	0.0114	-0.0977	-	-0.0688	0.0052	4.1240	-	-1.6780	0.2812	0.2812	0.2777	
1956-60	0.0143	-0.0063	-	0.0099	0.0122	0.0240	0.0354	-	0.4679	0.1459	0.1398	-	0.0173	4.6220	-1.3810	-	0.1645	3.9390	0.2675	0.2572	
1961-6/68	-0.0021	0.0072	-	0.1400	-0.0050	0.0394	0.0453	-	0.6917	0.2408	0.0830	-	0.1492	-0.5081	1.5080	-	1.9200	-1.2130	0.3895	0.2476	
7/1968-2010	0.0076	0.0012	-	0.0261	0.0025	0.0425	0.0603	-	0.6659	0.0997	0.0108	-	0.0165	0.4309	0.4309	-	0.8851	1.6350	0.3497	0.2582	
1970-80	0.0020	0.0016	-	0.0849	-0.0034	0.0481	0.0686	-	0.8647	0.1637	-0.0848	-	0.0600	0.4809	0.2735	-	1.1280	0.8252	0.3550	0.2672	
1980-90	0.0190	-0.0021	-	-0.0445	0.0119	0.0452	0.0686	-	0.6283	0.0395	0.0196	-	-0.0564	4.8250	-0.3545	-	-0.8160	3.0470	0.3218	0.2548	
1980-900	0.0089	0.0020	-	0.0068	0.0048	0.0445	0.0553	-	0.6216	0.1241	-0.0149	-	0.0280	2.2930	0.4192	-	1.2440	0.3437	0.2517	0.2517	
2000-10	-0.0016	0.0045	-	0.0828	0.0024	0.0363	0.0568	-	0.5668	0.0281	-0.0650	-	0.0105	1.4130	-0.3170	-	1.6780	0.7627	0.3701	0.2517	
1970-75	0.0071	0.0048	-	-0.0971	0.0023	0.0460	0.0741	-	0.9935	0.1247	-0.1244	-	0.0570	1.1880	0.6012	-	-0.8294	0.3881	0.3714	0.2664	
1975-80	-0.0011	0.0031	-	0.2411	-0.0071	0.0460	0.0741	-	0.7035	0.1998	-0.0607	-	0.0641	-0.2102	0.3523	-	2.9080	-1.3330	0.3382	0.2685	
1980-85	0.0183	-0.0018	-	0.0132	0.0100	0.0426	0.0657	-	0.6204	0.1451	0.0065	-	-0.0444	3.6440	-0.2387	-	0.1808	2.0030	0.3647	0.2592	
1985-90	0.0211	-0.0026	-	-0.0941	0.0155	0.0464	0.0689	-	0.6016	0.0315	0.0147	-	-0.0633	3.8580	-0.3337	-	-1.3270	2.8400	0.2809	0.2392	
1990-95	0.0076	-0.0017	-	0.0659	0.0036	0.0427	0.0494	-	0.6218	0.1909	-0.0062	-	0.0281	1.5040	-0.3001	-	0.8998	0.7172	0.2847	0.2392	
1995-00	0.0127	0.0060	-	-0.0643	0.0084	0.0454	0.0582	-	0.5778	0.0903	-0.0282	-	0.0284	2.3740	-0.8802	-	-0.9337	1.5810	0.4071	0.2516	
2000-05	0.0056	0.0022	-	0.1278	0.0033	0.0387	0.0526	-	0.5929	0.0911	-0.0334	-	0.0130	1.2240	-0.7869	-	1.8280	0.7338	0.3657	0.2461	
2005-10	0.0022	0.0011	-	0.0553	0.0003	0.0313	0.0570	-	0.5315	0.2000	0.0207	-	0.0104	0.6050	0.1678	-	0.8824	0.7096	0.3708	0.2595	
1935-2010	0.0064	0.0020	-	0.0399	0.0032	0.0409	0.0563	-	0.6017	0.1096	-0.0156	-	0.0248	4.6970	1.0900	-	2.0010	2.4070	0.3479	0.2649	
Panel D:																					
1935-6/68	-0.0022	0.0145	-0.0049	0.0777	-0.0035	0.0644	0.1110	0.0419	0.5296	-0.0039	0.0838	0.0002	0.0544	-0.6797	2.6110	-2.3550	2.9390	-1.0850	0.3592	0.2743	
1935-45	-0.0080	0.0174	-0.0060	0.0355	-0.0397	0.0140	0.0734	0.0409	0.4712	-0.0078	-0.0236	0.0001	0.0246	-1.2430	1.6800	-3.7070	-1.2650	0.3506	0.2728	0.2902	
1946-55	0.029	0.0140	-0.0035	0.0351	-0.0162	-0.0051	0.0691	0.1181	0.0304	0.3765	0.1471	0.1096	0.0000	-0.0105	0.6999	1.6590	-1.2670	-1.1540	0.4700	0.3778	0.2937
1956-6/68	-0.0012	0.0123	-0.0051	0.0100	-0.0038	0.0033	0.0692	0.0922	0.0304	0.6552	0.2760	0.1789	0.0004	0.1321	-0.2110	1.2730	-1.2550	-0.6722	0.3517	0.2635	
1935-40	-0.0053	0.0100	-0.0038	0.1007	-0.0053	0.0882	0.1469	0.0471	0.5251	0.1681	0.0189	0.0001	0.0071	-0.5031	0.5715	-0.5715	0.5715	-0.5105	0.3217	0.2830	
1941-45	-0.0112	0.0263	-0.0085	0.2140	-0.0114	0.0511	0.0728	0.0273	0.5129	0.1296	-0.2508	0.0000	0.0466	-1.6930	2.7920	-2.0490	-1.7280	0.3847	0.2584	0.2761	
1946-50	-0.0002	0.0103	-0.0027	0.0009	-0.0009	0.0512	0.0929	0.0273	0.3416	0.1986	0.2164	0.0001	0.0274	0.8553	-0.7667	0.0201	-0.1337	0.4620	0.2937	0.2814	
1951-55	0.0060	0.0177	-0.0043	0.0802	-0.0048	0.0382	0.0923	0.0234	0.4073	-0.0574	-0.0574	0.0001	0.0084	1.2140	-1.4850	-1.0040	-1.5250	0.9657	0.2937	0.2814	
1956-60	0.0107	0.0011	-0.0039	0.0243	-0.0086	0.0397	0.0947	0.0417	0.4570	-0.0390	0.0773	0.0001	0.0013	0.0909	-0.7322	0.4119	0.1676	0.2277	0.2603	0.2563	
1961-6/68	-0.0091	0.0197	-0.0059	0.1609	-0.0018	0.0865	0.1542	0.0682	0.7143	0.1781	0.0702	0.0003	0.0499	0.7080	1.0490	1.2420	1.0370	0.4090	0.2552	0.2552	
7/1968-2010	0.0027	0.0118	-0.0041	0.0113	-0.0104	0.0164	0.0273	0.0130	0.1296	0.2063	0.0853	0.9497	0.0227	0.0876	0.1749	0.7517	0.9113	-0.9626	0.3387	0.2712	
1970-80	-0.0059	0.0149	-0.0047	0.0173	-0.0124	0.0214	0.0203	0.0167	0.1167	0.2031	0.0883	0.7453	0.1013	0.0009	0.0079	1.2100	-0.7517	1.2100	-0.0005	0.3696	0.2643
1980-90	0.0076	0.0076	-0.0006	0.0000	-0.0134	0.0116	0.0668	0.1332	0.0697	0.6597	0.1889	0.0949	0.0005	0.0384	0.7694	1.0290	-0.9636	0.4757	0.3557	0.2589	
1990-00	0.0045	0.0045	-0.0058	0.0019	-0.0116	0.0106	0.0243	0.0187	0.0510	0.5342	0.1305	-0.0268	0.0004	0.0028	0.9355	0.3279	-0.5738	1.8860	0.2491	0.2566	
2000-10	0.0028	0.0031	-0.0025	0.0877	-0.0007	0.0346	0.0346	0.0121	0.0824	0.1314	0.0551	0.7567	0.2073	0.0207	0.0207	1.0420	1.0190	2.0710	-0.1103	0.3668	0.2665
1970-75	0.0033	0.0114	-0.0035	0.0431	-0.0018	0.0242	-0.0089	0.0215	0.1477	0.2373	0.1030	0.2276	0.1124	0.0014	0.0153	0.5499	-0.4417	0.5681	0.2483	0.2553	
1975-80	-0.0096	0.0212	-0.0047	0.0173	-0.0113	0.0164	-0.0027	0.0173	0.0065	0.1233	0.2066	0.0846	0.2440	0.1507	0.0013	0.0398	1.0220	0.9113	-0.5204	0.3965	0.2759
1980-85	0.0149	0.0047	-0.0025	0.0173	-0.0134	0.0214	-0.0062	0.0127	0.0107	0.1027	0.1862	0.0853	0.7453	0.1013	0.0009	0.0478	1.2100	0.9113	-0.2695	0.4526	0.2630
1985-90	0.0031	0.0351	-0.0225	0.0117	-0.0134	0.0214	-0.0062	0.0131	0.0207	0.0792	0.1405	0.0768	0.1869	0.1030	0.0007	0.0478	1.2100	0.9113	-0.1437	0.3696	0.2643
1990-95	-0.0022	0.0207	-0.0131	0.0106	-0.0134	0.0140	-0.0062	0.0091	0.0484	0.1184	0.0566	0.5591	0.1390	0.0503	0.0001	0.0212	1.2480	-0.2402	1.2480	-0.6666	0.2924
1995-00	0.0134	0.0037	0.0016	-0.0629	0.0091</td																

TABLE 3h: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\hat{\gamma}}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - \hat{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{\hat{\gamma}}_2)$	$t(\hat{\gamma}_0 - \hat{R}_f)$	$\bar{r}^2$	$r^2$	
Panel A:																					
1935-6/68	0.0080	0.0044	-	-	0.0067	0.0489	0.0467	-	-	0.0065	0.0368	-	-	3.2830	1.8990	-	-	2.7460	0.2589	0.2666	
1935-45	0.0080	0.0024	-	-	0.0078	0.0667	0.0570	-	-	0.0080	0.0433	0.0621	-	1.3430	0.2677	-	-	1.4690	0.2654	0.2522	
1946-55	0.0091	0.0024	-	-	0.0082	0.0370	0.0395	-	-	0.0433	0.0241	0.0754	-	2.3130	0.9322	-	-	2.4200	0.2554	0.2938	
1956-6/68	0.0072	0.0032	-	-	0.0046	0.0380	0.0420	-	-	0.0420	0.0730	0.0950	-	0.7304	0.5080	-	-	1.4690	0.2461	0.2572	
1955-40	0.0071	0.0039	-	-	0.0070	0.0820	0.0654	-	-	0.1014	0.0327	0.1966	-	0.7226	0.1530	-	-	0.7304	0.2276	0.2504	
1941-45	0.0090	0.0121	-	-	0.0088	0.0427	0.0451	-	-	0.0427	0.0592	0.0532	-	0.8716	0.2085	-	-	0.7104	0.3152	0.2480	
1946-50	0.0028	0.0048	-	-	0.0021	0.0420	0.0429	-	-	0.0420	0.0592	0.0532	-	0.3845	0.2085	-	-	0.7104	0.3477	0.3030	
1951-55	0.0155	0.0000	-	-	0.0143	0.0303	0.0360	-	-	0.2729	0.0579	0.9550	-	3.6380	0.1831	-	-	3.6380	0.2616	0.2616	
1956-60	0.0107	-0.0024	-	-	0.0086	0.0268	0.0309	-	-	0.0467	0.0264	0.1467	-	3.0950	-0.5981	-	-	2.4810	0.1831	0.2646	
1961-6/68	0.0048	0.0069	-	-	0.0019	0.0439	0.0478	-	-	0.2477	0.0761	0.1089	-	1.0420	1.3720	-	-	0.4066	0.2881	0.2447	
7/1968-2010	0.0933	0.0019	-	-	0.0047	0.0412	0.0530	-	-	0.1453	0.0601	0.1061	-	5.0760	0.7919	-	-	2.6050	0.2830	0.2581	
1970-80	0.0086	0.0030	-	-	0.0031	0.0509	0.0601	-	-	0.0427	0.0592	0.0532	-	0.7304	0.2085	-	-	0.7104	0.2972	0.2660	
1980-90	0.0172	-0.0037	-	-	0.0101	0.0447	0.0564	-	-	0.0500	0.0989	0.1107	-	2.6160	0.2593	-	-	2.4380	0.3060	0.2561	
1990-00	0.0056	-	-	-	0.0015	0.0366	0.0506	-	-	0.1647	0.0579	0.2729	-	1.7470	1.2700	-	-	1.9500	0.2238	0.2374	
2000-10	0.0073	0.0019	-	-	0.0052	0.0294	0.0463	-	-	0.0914	0.1688	0.1369	-	2.8380	0.4685	-	-	2.0390	0.3021	0.2628	
1970-75	0.0001	0.0025	-	-	0.0025	0.0569	0.0628	-	-	0.1635	0.0221	0.1481	-	1.0800	0.0134	-	-	1.3430	0.3565	0.2661	
1975-80	0.0124	0.0079	-	-	0.0064	0.0445	0.0580	-	-	0.0221	0.0399	0.0737	-	2.3670	1.1510	-	-	1.2300	0.2734	0.2636	
1980-85	0.0212	-0.0041	-	-	0.0128	0.0448	0.0543	-	-	0.0452	0.1160	0.1426	-	0.6459	0.2602	-	-	1.9500	0.2238	0.2602	
1985-90	0.0155	-0.0038	-	-	0.0099	0.0557	0.0577	-	-	0.1036	0.1429	0.1804	-	2.4080	0.4309	-	-	1.4400	0.2730	0.2561	
1990-95	0.0337	0.0072	-	-	0.0003	0.0357	0.0429	-	-	0.1218	0.0518	0.1559	-	3.2440	0.2232	-	-	2.5450	0.2645	0.2517	
1995-00	0.0106	0.0026	-	-	0.0063	0.0373	0.0422	-	-	0.0311	0.0561	0.0525	-	1.0940	0.4910	-	-	1.9740	0.3307	0.2694	
2000-05	0.0103	0.0011	-	-	0.0080	0.0270	0.0422	-	-	0.0476	0.0503	0.0503	-	5.8790	-	-	-	3.7860	0.2724	0.2620	
2005-10	0.0039	0.0028	-	-	0.0016	0.0447	0.0503	-	-	0.0503	0.0525	0.1051	-	-	-	-	-	-	-		
1935-2010	0.0087	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Panel B:																				-	-
1935-6/68	0.0016	0.0160	-0.0046	-	0.0003	0.0784	0.1498	0.0613	-	-0.0002	-0.1234	-0.0006	-	0.4172	2.1350	-1.5110	-	0.0840	0.0835	0.1559	
1935-45	-0.0020	0.0226	-0.0047	-	-0.0021	0.0885	0.1492	0.0498	-	-0.0023	-0.2068	-0.0005	-	-	-0.2534	1.7360	-1.0820	-	-0.2720	0.0718	0.1542
1946-55	0.0052	0.0094	-0.0027	-	-0.0022	0.0642	0.0678	0.0505	-	-0.0021	-0.1635	-0.0002	-	-	-0.8334	0.7926	-0.5805	-	-0.6811	0.1156	0.1751
1956-6/68	0.0020	0.0154	-0.0061	-	-0.0007	0.0774	0.1648	0.0767	-	-0.0053	-0.1400	-0.0011	-	-	-1.1440	1.0769	-0.9769	-	-0.1032	0.0680	0.1373
1955-40	-0.0024	0.0175	-0.0041	-	-0.0025	0.1055	0.1765	0.0550	-	-0.0509	-0.2175	-0.0007	-	-	-0.1932	0.8358	-0.6324	-	-0.1994	0.0854	0.1357
1941-45	-0.0014	0.0287	-0.0054	-	-0.0016	0.0636	0.1096	0.0434	-	-0.0148	-0.1811	-0.0002	-	-	-0.1722	2.0270	-0.9641	-	-0.1993	0.0976	0.1711
1946-50	0.0025	0.0052	-0.0001	-	-0.0018	0.0663	0.0952	0.0505	-	-0.0105	-0.0765	-0.0000	-	-	-0.2903	0.3568	-0.0123	-	-0.2124	0.1544	0.1831
1951-55	0.0078	0.0137	-0.0053	-	-0.0066	0.0696	0.1463	0.0624	-	-0.0060	-0.0255	-0.0003	-	-	-0.8704	0.7229	-0.6577	-	-0.7352	0.0768	0.1590
1956-60	0.0048	0.0136	-0.0087	-	-0.0027	0.0547	0.1536	0.0800	-	-0.2849	-0.4018	-0.0019	-	-	-0.6802	0.6856	-0.8429	-	-0.3805	0.0419	0.0936
1961-6/68	0.0001	0.0166	-0.0044	-	-0.0029	0.0896	0.1727	0.0749	-	-0.0639	-0.0113	-0.0005	-	-	-0.5070	0.9117	-0.0557	-	-0.3053	0.0854	0.1581
7/1968-2010	0.0061	0.0373	-0.0021	-	-0.0016	0.0810	0.1732	0.0826	-	-0.0418	-0.0481	-0.0004	-	-	-1.7100	0.9562	-0.5800	-	-0.4486	0.0880	0.1576
1970-80	-0.0037	0.0262	-0.0097	-	-0.0092	0.1120	0.2073	0.0829	-	-0.0249	-0.0254	-0.0003	-	-	-0.3845	1.4500	-1.3450	-	-0.9446	0.0915	0.1625
1980-90	0.0040	0.0260	-0.0148	-	-0.0031	0.0912	0.1958	0.0898	-	-0.0308	-0.0605	-0.0004	-	-	-0.5007	1.5260	-1.8910	-	-0.3880	0.0835	0.1435
1990-00	0.0143	0.0134	-0.0186	-	-0.0103	0.0650	0.1377	0.0979	-	-0.1349	-0.0589	-0.0017	-	-	-2.5370	1.5710	-1.0520	-	-1.8130	0.0701	0.1493
2000-10	0.0066	0.0029	-0.0045	-	-0.0045	0.0343	0.1063	0.0551	-	-0.0947	-0.0202	-0.0001	-	-	-2.0210	0.3147	0.0393	-	-1.5150	0.0952	0.1649
1970-75	0.0016	0.0107	-0.0044	-	-0.0032	0.1102	0.1918	0.0768	-	-0.0778	-0.0498	-0.0005	-	-	-0.1248	0.4727	-0.4905	-	-0.2440	0.0975	0.1797
1975-80	-0.0032	0.0376	-0.0127	-	-0.0092	0.1234	0.2310	0.0956	-	-0.0587	-0.0413	-0.0006	-	-	-0.2214	1.3810	-0.1120	-	-0.6346	0.0806	0.1388
1980-85	0.0024	0.0340	-0.0174	-	-0.0059	0.0991	0.2058	0.0920	-	-0.0450	-0.0450	-0.0013	-	-	-0.2055	1.4020	-1.6010	-	-0.5083	0.0974	0.1515
1985-90	0.0049	0.0128	-0.0098	-	-0.0043	0.0803	0.1770	0.0834	-	-0.0233	-0.0554	-0.0004	-	-	-1.0520	0.6118	-0.9996	-	-0.4554	0.0701	0.1356
1990-95	0.0212	-0.0391	0.0250	-	-0.0172	0.0721	0.1870	0.1042	-	-0.1550	-0.0819	-0.0017	-	-	-2.4980	1.5710	-2.0380	-	-0.2026	0.0616	0.1327
1995-00	0.0050	-0.0008	0.0061	-	-0.0016	0.0351	0.1158	0.0684	-	-0.0636	-0.0272	-0.0007	-	-	-0.7763	0.1592	-0.0567	-	-0.0647	0.0763	0.1592
2000-05	0.0083	0.0048	-0.0006	-	-0.0001	0.0318	0.0889	0.0310	-	-0.1188	-0.0881	-0.0000	-	-	-0.2018	0.3524	-0.0692	-	-1.4950	0.0760	0.1482
2005-10	0.0037	0.0032	-0.0001	-	-0.0010	0.0799	0.1633	0.0727	-	-0.0148	-0.0148	-0.0000	-	-	-0.1326	0.2580	-0.0580	-	-0.3924	0.0860	0.1568

TABLE 3h: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
SUMMARY RESULTS FOR THE REGRESSION (cont.)

Period	$\hat{\gamma}_0$	$\hat{\gamma}_1$	$\bar{\hat{\gamma}}_2$	$\hat{\gamma}_3$	$\hat{\gamma}_0 - \hat{R}_f$	$s(\hat{\gamma}_0)$	$s(\hat{\gamma}_1)$	$s(\hat{\gamma}_2)$	$s(\hat{\gamma}_3)$	$\rho_0(\hat{\gamma}_1)$	$\rho_0(\hat{\gamma}_2)$	$\rho_0(\hat{\gamma}_3)$	$t(\hat{\gamma}_0)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_2)$	$t(\hat{\gamma}_3)$	$t(\bar{\hat{\gamma}}_2)$	$t(\hat{\gamma}_0 - \hat{R}_f)$	$\bar{r}^2$	$s(r^2)$	
Panel C: 1935-6/68																					
1935-45	0.0080	0.0035	-	0.0195	0.0067	0.0499	0.0522	-	0.5454	0.0065	-0.0273	-	-0.0016	3.2130	1.3280	-	0.7161	2.6870	0.1051	0.1668	
1935-45	0.0075	0.0071	-	0.0223	0.0073	0.0673	0.0667	-	0.4140	0.0075	-0.0206	-0.0182	1.2720	1.2100	-	0.6162	1.2470	0.0932	0.1605		
1946-55	0.0035	-0.0344	0.0092	0.0386	0.0451	-	0.5357	-0.0954	-0.0233	-	-0.0575	2.8710	0.8426	-	-0.7028	2.6030	0.1369	0.1961			
1956-6/68	0.0068	0.0003	-	0.0602	0.0042	0.0391	0.0423	-	0.6050	0.2403	-	0.0574	2.1200	0.0927	-	1.1430	1.2990	0.1144	0.1427		
1935-40	0.0071	-0.0263	0.0071	0.0829	0.0815	-	0.4156	-0.0790	-0.0284	-	-0.0123	0.7250	0.7233	-	-0.5336	0.7172	0.0784	0.1486			
1941-45	0.0079	0.0071	-	0.0798	0.0077	0.0428	0.0437	-	0.4080	0.0472	0.0079	-	-0.0255	1.4270	1.2620	-	1.5510	1.3880	0.1108	0.1732	
1946-50	0.0043	0.0026	-	0.0202	0.0036	0.0410	0.0509	-	0.5145	0.0447	-0.0199	-0.0587	0.8042	0.3995	-	0.3041	0.6781	0.1893	0.2055		
1951-55	0.0160	0.0043	-	-0.0889	0.0148	0.0355	0.0355	-	0.5549	-0.0307	-0.0407	-	-0.0565	3.4930	0.8590	-	-1.2410	3.2210	0.0845	0.1724	
1956-60	0.0106	-0.0021	0.0018	0.0085	0.0295	0.0352	0.0592	0.1759	0.0193	-	0.0236	2.7800	-0.4572	-	0.0235	2.2270	0.0595	0.1113			
1961-6/68	0.0042	0.0019	-	0.0991	0.0013	0.0443	0.0466	-	0.6754	0.2387	-0.1018	-0.0843	0.9017	0.3906	-	1.3620	0.2715	0.1106	0.1575		
7/1968-2010	0.0088	-	0.0002	-	0.0252	0.0042	0.0556	-	0.7536	0.1159	0.0642	-	0.0552	4.3940	0.6908	-	0.7537	2.1320	0.1182	0.1738	
1970-80	0.0082	-0.0041	0.0885	0.0028	0.0543	0.0611	0.1040	0.1243	0.0560	-	0.1317	1.7390	-0.7762	-	0.5849	0.1343	0.1935	0.1935			
1980-90	0.0180	-0.0023	-	-0.0282	0.0110	0.0466	0.0640	-	0.7171	0.0457	0.1134	-	0.0315	4.4460	-0.4108	-	-0.4525	2.7200	0.0947	0.1568	
1980-90	0.0054	0.0060	-	-0.0029	0.0013	0.0427	0.0501	-	0.5821	0.1626	-0.0245	-	0.0427	1.4480	1.3700	-	-0.0578	0.3503	0.1081	0.1589	
1980-90	0.0054	-0.0012	0.0714	0.0334	0.0360	0.0493	0.0648	-	0.6482	-0.1033	-0.0201	-	-0.0233	1.7300	-0.2723	-	1.2650	1.0760	0.1338	0.1785	
1970-75	0.0096	0.0088	-	-0.1623	0.0048	0.0603	0.0643	-	1.0060	0.1212	0.0211	-	-0.0143	1.3500	1.1570	-	-1.3900	0.6745	0.1392	0.2076	
1975-80	0.0098	-0.0131	-	0.3125	0.0038	0.0489	0.0549	-	1.0290	0.0783	-0.0194	-	0.3051	1.6990	-0.2020	-	2.5760	0.6604	0.1240	0.1795	
1980-85	0.0198	-0.0085	-	-0.0749	0.0114	0.0463	0.0659	-	0.7240	0.1387	-0.0950	-	0.0818	3.6170	-0.1050	-	0.8781	2.1040	0.1061	0.1585	
1985-90	0.0176	-0.0088	-	-0.0857	0.0120	0.0449	0.0605	-	0.6944	0.0932	0.0907	-	-0.0005	3.3300	0.1176	-	-1.0510	2.2710	0.0784	0.1539	
1990-95	0.0033	0.0071	-	-0.0034	0.0395	0.0466	0.0544	-	0.5454	0.0875	-0.0007	-	0.0181	0.7038	1.2960	-	-0.1527	0.0522	0.0932	0.1388	
1995-00	0.0104	0.0040	-	-0.0134	0.0061	0.0454	0.0506	-	0.5864	0.1235	-0.0442	-	0.0684	0.9460	0.6656	-	-0.1899	1.1500	0.1240	0.1766	
2000-05	0.0093	-0.0002	-	-0.0425	0.0070	0.0355	0.0428	-	0.6850	0.0907	-0.0448	-	0.0354	2.2230	-0.0376	-	0.5654	1.6880	0.1222	0.1666	
2005-10	0.0005	-0.0034	-	-0.1269	0.0015	0.0339	0.0536	-	0.5823	0.0814	0.0112	-	0.0200	0.1205	-0.5347	-	1.8940	-0.3670	0.1443	0.1890	
1935-2010	0.0084	0.0016	-	-0.0227	0.0053	0.0472	0.0541	-	0.6697	0.0630	0.0271	-	0.0307	5.3890	0.9199	-	1.0220	3.4060	0.1124	0.1708	
Panel D: 1935-6/68																					
1935-45	0.0010	0.0155	-	-0.0047	0.0207	-0.0003	0.0805	0.1478	0.0627	0.5708	-0.0009	-0.0864	-0.0004	0.0189	0.2507	2.0980	-0.14870	0.7244	-0.0741	0.1118	
1946-55	-0.0045	0.0246	-	0.0063	0.0402	0.0013	0.0853	0.1463	0.0528	0.4519	-0.0051	-0.2178	-0.0006	-0.0177	-0.6103	1.9240	-0.1350	1.0180	-0.6296	0.1733	
1946-55	0.0075	0.0078	-	-0.0060	0.0514	-0.0022	0.0798	0.1334	0.0538	0.5677	0.1088	-0.1121	-0.0248	-0.0009	-0.0177	1.1230	0.6149	-0.2397	-0.7551	0.1498	
1956-6/68	0.0004	0.0139	-	-0.0060	0.0514	-0.0022	0.0762	0.1602	0.0762	0.6595	0.1027	-0.1211	-0.1211	-0.0006	0.0934	0.0665	0.1050	-0.9457	0.0945	0.1575	
1956-6/68	0.0022	0.0199	-	-0.0045	0.0155	-0.0022	0.0976	0.1711	0.0583	0.4584	-0.1211	-0.2248	-0.0009	-0.0113	-0.1871	0.9809	-0.1867	0.2853	-0.1937	0.1645	
1935-40	-0.0022	0.0199	-	-0.0083	0.0301	-0.0076	0.0687	0.1162	0.0459	0.4387	-0.0805	-0.2058	-0.0003	-0.0177	-0.8307	0.9980	-1.4070	0.8751	-0.2957	0.1836	
1941-45	-0.0074	0.0130	-	-0.0041	0.0347	-0.0032	0.0712	0.1164	0.0549	0.4120	-0.1577	0.0001	-0.0548	-0.2792	0.8645	-0.8057	0.4894	-0.3513	0.2041	0.2189	
1946-50	-0.0026	0.0130	-	-0.0020	0.0155	-0.01130	0.0165	0.1493	0.0797	0.1493	0.0656	0.5802	0.1486	0.0799	0.0001	-0.0197	1.7640	0.1028	-0.1785	0.1509	0.1660
1951-55	0.0181	0.0020	-	-0.0062	0.0036	-0.0041	0.0542	0.1483	0.0770	0.5815	-0.2773	-0.3653	-0.0016	0.0314	0.5150	-0.6242	-0.0476	0.5807	0.0956	0.1137	
1956-60	0.0062	0.0034	-	-0.0058	0.0167	0.0063	0.0981	0.1884	0.0761	0.7076	0.1834	0.0211	0.0000	0.1386	0.3463	0.9381	-0.7261	1.1810	-0.6457	0.1137	
1961-6/68	0.0167	0.0057	-	-0.0047	0.0143	-0.0019	0.0883	0.1757	0.0836	0.7800	0.0761	0.0235	0.0004	0.0691	1.3660	-0.6492	-0.2853	0.1881	0.1271	0.1788	
7/1968-2010	0.0026	0.0106	-	-0.0047	0.0143	-0.0144	0.1260	0.2067	0.0896	0.7809	0.1144	0.0374	-0.0066	0.1583	-1.1320	1.8100	-2.0830	1.1970	-1.6290	0.1412	
1970-80	-0.0124	0.0326	-	-0.0163	0.0143	-0.0144	0.1070	0.2033	0.0929	0.7809	0.1144	0.0374	-0.0066	0.1583	-1.1320	1.8100	-2.0830	1.1970	-1.6290	0.1412	
1980-85	-0.0052	0.0154	-	-0.0262	0.0148	-0.0044	0.0702	0.0977	0.0842	0.1809	0.0885	0.7256	-0.1062	-0.0004	0.1586	-0.3759	1.5240	-0.1830	0.1589	-0.4570	0.1053
1985-90	0.0154	0.0067	-	-0.0304	0.0142	-0.0130	0.0016	0.0066	0.0707	0.1797	0.0978	0.6078	0.1330	0.0908	0.0015	0.0493	1.7440	-0.6111	0.1320	0.0306	0.1180
1990-95	0.0182	-0.0130	-	-0.0010	0.0801	0.0017	0.0347	0.1183	0.0582	0.6299	0.0888	-0.0075	-0.0001	0.0233	1.2360	0.1761	-0.1931	0.1419	0.1930	0.1930	
1995-00	0.0052	0.0130	-	-0.0046	0.0120	0.0010	0.0655	0.1594	0.0851	0.6438	0.1179	0.0140	0.0040	0.0467	0.4163	-0.3400	-0.1470	0.0658	0.2085	0.2085	
2000-05	0.0062	0.0049	-	-0.0016	0.0597	0.0039	0.0355	0.1338	0.0739	0.6998	0.0771	-0.0225	-0.0002	0.0421	1.4820	0.3118	-0.1884	0.7234	0.9518	0.1745	
2005-10	-0.0009	0.0000	-	-0.0016	0.0597	0.0039	0.0355	0.1338	0.0739	0.6998	0.0771	0.0292	0.0000	0.0008	-0.2250	2.0820	-0.4703	0.1481	0.2119	0.1837	
1935-2010	0.0119	0.0128	-	-0.0047	0.0322	-0.0012	0.0849	0.0915	0.0323	0.0929	0.0721	0.0751	0.0580	0.0751	-0.0167	0.0001	0.0478	0.6784	1.3880	-0.4287	0.1203



TABLE 4b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$\bar{R}_f$	$\frac{\bar{R}_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0145	0.0132	0.0043	0.0097	0.0013	0.2154	0.0701	0.0612	0.0613		
1935-45	0.0201	0.0200	0.0114	0.0079	0.0001	0.2246	0.1285	0.0890	0.0890		
1946-55	0.0112	0.0103	0.0028	0.0089	0.0009	0.2370	0.0635	0.0434	0.0434		
1956-6/68	0.0122	0.0095	-0.0007	0.0120	0.0026	0.2392	-0.0180	0.0399	0.0400		
1935-40	0.0141	0.0141	0.0084	0.0052	0.0001	0.1292	0.0776	0.1087	0.1087		
1941-45	0.0273	0.0270	0.0150	0.0111	0.0002	0.4669	0.2589	0.0579	0.0578		
1946-50	0.0077	0.0070	0.0034	0.0052	0.0007	0.1355	0.0645	0.0520	0.0520		
1951-55	0.0147	0.0135	0.0022	0.0126	0.0012	0.4144	0.0660	0.0326	0.0328		
1956-60	0.0091	0.0070	-0.0077	0.0158	0.0021	0.2069	-0.2268	0.0340	0.0342		
1961-6/68	0.0142	0.0112	0.0039	0.0094	0.0029	0.2581	0.0906	0.0435	0.0435		
7/1968-2010	0.0110	0.0065	0.0009	0.0103	0.0045	0.1193	0.0170	0.0541	0.0543		
1970-80	0.0116	0.0061	0.0057	0.0062	0.0055	0.0947	0.0884	0.0646	0.0647		
1980-90	0.0122	0.0052	-0.0079	0.0206	0.0071	0.098	-0.1503	0.0525	0.0528		
1990-00	0.0100	0.0060	0.0014	0.0096	0.0041	0.1486	0.0343	0.0401	0.0402		
2000-10	0.0110	0.0089	0.0022	0.0076	0.0021	0.1560	0.0393	0.0570	0.0571		
1970-75	0.0036	-0.0012	0.0017	0.0052	0.0048	-0.0172	0.0241	0.0702	0.0704		
1975-80	0.0250	0.0190	0.0127	0.0093	0.0060	0.3040	0.2025	0.0625	0.0628		
1980-85	0.0173	0.0089	-0.0066	0.0232	0.0083	0.185	-0.1368	0.0483	0.0490		
1985-90	0.0090	0.0034	-0.0081	0.0186	0.0056	0.061	-0.1474	0.0548	0.0549		
1990-95	0.0103	0.0063	0.0014	0.0092	0.0040	0.1616	0.0359	0.0390	0.0392		
1995-00	0.0113	0.0070	0.0002	0.0129	0.0043	0.181	0.0064	0.0388	0.0388		
2000-05	0.0127	0.0104	0.0015	0.0098	0.0023	0.2474	0.0365	0.0421	0.0422		
2005-10	0.0087	0.0067	0.0037	0.0044	0.0019	0.1017	0.0564	0.0661	0.0662		
1935-2010	0.0125	0.0094	0.0024	0.0100	0.0031	0.1642	0.0419	0.0573	0.0575		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(R_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0486	0.0012	4.7400	4.309	1.5630	4.0070	-0.0063	-0.0040	0.0727	-0.0002	0.9661
1935-45	0.0687	0.0002	2.5890	2.5710	1.7300	1.3130	-0.0664	-0.0663	0.0795	-0.0535	0.6372
1946-55	0.0333	0.0004	2.8350	2.597	0.7215	2.9270	0.0875	0.0864	0.0611	0.0441	0.8923
1956-6/68	0.0363	0.0009	3.7290	2.926	-0.2160	4.0390	0.1357	0.1380	0.0139	0.1317	0.8512
1935-40	0.0864	0.0002	1.0950	1.0890	0.8146	0.5032	-0.1260	-0.1255	0.0615	-0.0812	0.4361
1941-45	0.0388	0.0001	3.6460	3.6200	1.9440	2.2130	0.1493	0.1485	0.1096	0.0961	0.7233
1946-50	0.0377	0.0003	1.1480	1.0510	0.5686	1.0660	0.0922	0.0898	0.0692	0.1594	0.9102
1951-55	0.0281	0.0004	3.5000	3.196	0.4400	3.4790	-0.0244	-0.0172	0.0462	-0.1733	0.7556
1956-60	0.0277	0.0007	2.0840	1.592	-2.0970	4.4140	0.1145	0.1309	0.0746	0.0870	0.6599
1961-6/68	0.0410	0.0008	3.0890	2.449	0.8012	2.1800	0.1318	0.1294	-0.0197	0.1249	0.8900
7/1968-2010	0.0421	0.0025	4.5880	2.685	0.3614	5.5030	0.1864	0.1905	0.1131	0.0711	0.9605
1970-80	0.0481	0.0020	2.0600	1.086	1.0690	1.4840	0.1129	0.1148	0.1379	0.0407	0.8931
1980-90	0.0477	0.0023	2.6750	1.124	-1.4340	4.9580	0.1826	0.1887	0.0575	0.0629	0.8903
1990-00	0.0368	0.0011	2.8790	1.702	0.3010	3.0000	0.2137	0.2177	0.1907	0.0645	0.9055
2000-10	0.0339	0.0016	2.2100	1.788	0.4678	2.5780	0.2689	0.2726	0.1598	-0.0085	0.9778
1970-75	0.0541	0.0013	0.4335	-0.146	0.2361	0.8114	0.1535	0.1577	0.0991	0.0262	0.8295
1975-80	0.0422	0.0023	3.3950	2.570	1.7250	1.8690	0.0478	0.0543	0.1477	0.0445	0.8964
1980-85	0.0511	0.0022	3.0340	1.548	-0.9233	3.8460	0.1518	0.1729	0.0294	0.0713	0.8306
1985-90	0.0418	0.0010	1.3930	0.518	-1.0900	3.7750	0.1979	0.1980	0.0789	0.0248	0.7727
1990-95	0.0363	0.0014	2.2370	1.364	0.2123	2.1570	0.2632	0.2685	0.2624	0.0933	0.9459
1995-00	0.0372	0.0005	2.4730	1.540	0.0444	2.9480	0.1544	0.1551	0.1012	0.0719	0.4797
2000-05	0.0357	0.0015	2.5550	2.094	0.2588	2.3310	0.1855	0.1898	-0.0684	-0.1138	0.9728
2005-10	0.0294	0.0016	1.1120	0.8607	0.5633	1.2600	0.2890	0.2927	0.3337	0.1482	0.9795
1935-2010	0.0450	0.0026	6.5970	4.941	1.2880	6.7170	0.0905	0.0962	0.0978	0.0342	0.9763

TABLE 4c: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$R_f$	$\frac{R_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0109	0.0096	0.0053	0.0077	0.0013	0.2138	0.1171	0.0449	0.0450		
1935-45	0.0115	0.0114	0.0084	0.0083	0.0001	0.1899	0.1405	0.0600	0.0600		
1946-55	0.0123	0.0114	0.0029	0.0078	0.0009	0.3078	0.0791	0.0370	0.0370		
1956-6/68	0.0092	0.0066	0.0044	0.0071	0.0026	0.1925	0.1271	0.0344	0.0345		
1935-40	0.0092	0.0092	0.0038	0.0082	0.0001	0.1238	0.0521	0.0739	0.0739		
1941-45	0.0143	0.0141	0.0139	0.0085	0.0002	0.3709	0.3656	0.0379	0.0378		
1946-50	0.0082	0.0075	0.0028	0.0044	0.0007	0.1819	0.0673	0.0414	0.0413		
1951-55	0.0165	0.0152	0.0031	0.0113	0.0012	0.4794	0.0964	0.0318	0.0319		
1956-60	0.0085	0.0064	-0.0068	0.0154	0.0021	0.1905	-0.2022	0.0337	0.0339		
1961-6/68	0.0097	0.0068	0.0118	0.0015	0.0029	0.1928	0.3376	0.0350	0.0351		
7/1968-2010	0.0088	0.0043	0.0029	0.0082	0.0045	0.0959	0.0651	0.0444	0.0444		
1970-80	0.0078	0.0023	0.0092	0.0014	0.0055	0.0478	0.1886	0.0488	0.0490		
1980-90	0.0130	0.0060	-0.0050	0.0184	0.0071	0.126	-0.1039	0.0476	0.0480		
1990-00	0.0123	0.0082	0.0031	0.0082	0.0041	0.2167	0.0824	0.0379	0.0379		
2000-10	0.0034	0.0014	0.0008	0.0088	0.0021	0.0308	0.0184	0.0443	0.0444		
1970-75	0.0034	-0.0014	0.0009	0.0045	0.0048	-0.0271	0.0176	0.0524	0.0528		
1975-80	0.0157	0.0097	0.0209	-0.0005	0.0060	0.2122	0.4569	0.0457	0.0458		
1980-85	0.0147	0.0064	-0.0018	0.0193	0.0083	0.149	-0.0412	0.0430	0.0437		
1985-90	0.0132	0.0076	-0.0080	0.0192	0.0056	0.150	-0.1585	0.0505	0.0506		
1990-95	0.0106	0.0067	0.0030	0.0080	0.0040	0.1986	0.0892	0.0336	0.0336		
1995-00	0.0163	0.0120	0.0026	0.0110	0.0043	0.302	0.0647	0.0397	0.0397		
2000-05	0.0032	0.0010	-0.0001	0.0113	0.0023	0.0254	-0.0017	0.0384	0.0385		
2005-10	0.0041	0.0021	0.0017	0.0059	0.0019	0.0451	0.0358	0.0471	0.0471		
1935-2010	0.0097	0.0066	0.0039	0.0080	0.0031	0.1482	0.0882	0.0446	0.0447		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(R_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0394	0.0012	4.8620	4.276	2.0330	3.9190	-0.0194	-0.0164	-0.0114	0.1460	0.9661
1935-45	0.0545	0.0002	2.2010	2.1750	1.4060	1.7500	-0.0815	-0.0814	-0.1117	0.1049	0.6372
1946-55	0.0259	0.0004	3.6520	3.374	0.8582	3.3180	0.0116	0.0101	0.0682	0.1404	0.8923
1956-6/68	0.0324	0.0009	3.2860	2.351	1.2010	2.6770	0.1149	0.1207	0.1452	0.2549	0.8512
1935-40	0.0683	0.0002	1.0520	1.0440	0.3957	1.0150	-0.1453	-0.1445	-0.1948	0.0991	0.4361
1941-45	0.0317	0.0001	2.9180	2.8770	2.2150	2.0620	0.1957	0.1941	0.1414	0.1371	0.7233
1946-50	0.0312	0.0003	1.5340	1.4120	0.5097	1.1000	0.0581	0.0551	0.0334	0.2247	0.9102
1951-55	0.0188	0.0004	4.0120	3.699	0.7435	4.6360	-0.1387	-0.1314	0.0701	-0.0566	0.7556
1956-60	0.0208	0.0007	1.9610	1.467	-1.2990	5.7230	0.1006	0.1152	0.1503	0.1832	0.6599
1961-6/68	0.0372	0.0008	2.6250	1.827	2.4530	0.3885	0.1061	0.1064	0.0865	0.2150	0.8900
7/1968-2010	0.0385	0.0025	4.4750	2.160	1.1350	4.8140	0.0676	0.0695	0.1811	0.1388	0.9605
1970-80	0.0423	0.0020	1.8350	0.547	1.6700	0.3892	0.0239	0.0253	0.1851	0.2184	0.8931
1980-90	0.0424	0.0023	3.1430	1.431	-0.9197	4.9720	0.0647	0.0750	0.2157	0.0645	0.8903
1990-00	0.0392	0.0011	3.7280	2.488	0.6192	2.4180	-0.0867	-0.0849	0.1778	0.1185	0.9055
2000-10	0.0308	0.0016	0.8911	0.354	0.1806	3.2810	0.1825	0.1854	0.1156	0.0324	0.9778
1970-75	0.0418	0.0013	0.5462	-0.228	0.1332	0.9150	0.0966	0.1058	0.1544	0.1808	0.8295
1975-80	0.0436	0.0023	2.9150	1.797	2.6040	-0.0968	-0.0320	-0.0340	0.2274	0.2510	0.8964
1980-85	0.0427	0.0022	2.9040	1.240	-0.2602	3.8410	0.0511	0.0778	0.1761	0.0973	0.8306
1985-90	0.0406	0.0010	2.2190	1.270	-1.0760	4.0030	0.0862	0.0844	0.2430	0.0455	0.7727
1990-95	0.0394	0.0014	2.6910	1.684	0.4523	1.7320	-0.1039	-0.1042	0.2868	0.2031	0.9459
1995-00	0.0382	0.0005	3.4740	2.560	0.3790	2.4320	-0.0801	-0.0776	0.0713	0.0530	0.4797
2000-05	0.0308	0.0015	0.7153	0.215	-0.0104	3.1210	0.0366	0.0436	-0.0400	-0.0763	0.9728
2005-10	0.0294	0.0016	0.7322	0.3824	0.3031	1.6990	0.2615	0.2618	0.2953	0.1505	0.9795
1935-2010	0.0389	0.0026	6.5800	4.458	2.1570	6.2010	0.0292	0.0346	0.1083	0.1433	0.9763

TABLE 4d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$\bar{R}_f$	$\frac{\bar{R}_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0109	0.0096	0.0026	0.0096	0.0013	0.2138	0.0580	0.0449	0.0450		
1935-45	0.0115	0.0114	0.0088	0.0061	0.0001	0.1899	0.1464	0.0600	0.0600		
1946-55	0.0123	0.0114	0.0031	0.0082	0.0009	0.3078	0.0826	0.0370	0.0370		
1956-6/68	0.0092	0.0066	-0.0031	0.0137	0.0026	0.1925	-0.0915	0.0344	0.0345		
1935-40	0.0092	0.0092	0.0049	0.0057	0.0001	0.1238	0.0669	0.0739	0.0739		
1941-45	0.0143	0.0141	0.0133	0.0066	0.0002	0.3709	0.3519	0.0379	0.0378		
1946-50	0.0082	0.0075	0.0048	0.0028	0.0007	0.1819	0.1157	0.0414	0.0413		
1951-55	0.0165	0.0152	0.0013	0.0135	0.0012	0.4794	0.0414	0.0318	0.0319		
1956-60	0.0085	0.0064	-0.0071	0.0148	0.0021	0.1905	-0.2094	0.0337	0.0339		
1961-6/68	0.0097	0.0068	-0.0005	0.0130	0.0029	0.1928	-0.0156	0.0350	0.0351		
7/1968-2010	0.0088	0.0043	0.0000	0.0110	0.0045	0.0959	-0.0003	0.0444	0.0444		
1970-80	0.0078	0.0023	0.0043	0.0071	0.0055	0.0478	0.0876	0.0488	0.0490		
1980-90	0.0130	0.0060	-0.0061	0.0193	0.0071	0.126	-0.1286	0.0476	0.0480		
1990-00	0.0123	0.0082	0.0016	0.0096	0.0041	0.2167	0.0412	0.0379	0.0379		
2000-10	0.0034	0.0014	-0.0023	0.0111	0.0021	0.0308	-0.0530	0.0443	0.0444		
1970-75	0.0034	-0.0014	-0.0014	0.0085	0.0048	-0.0271	-0.0265	0.0524	0.0528		
1975-80	0.0157	0.0097	0.0125	0.0074	0.0060	0.2122	0.2741	0.0457	0.0458		
1980-85	0.0147	0.0064	-0.0048	0.0216	0.0083	0.149	-0.1109	0.0430	0.0437		
1985-90	0.0132	0.0076	-0.0090	0.0204	0.0056	0.150	-0.1776	0.0505	0.0506		
1990-95	0.0106	0.0067	-0.0008	0.0116	0.0040	0.1986	-0.0228	0.0336	0.0336		
1995-00	0.0163	0.0120	0.0019	0.0113	0.0043	0.302	0.0488	0.0397	0.0397		
2000-05	0.0032	0.0010	-0.0049	0.0162	0.0023	0.0254	-0.1268	0.0384	0.0385		
2005-10	0.0041	0.0021	0.0002	0.0058	0.0019	0.0451	0.0053	0.0471	0.0471		
1935-2010	0.0097	0.0066	0.0011	0.0103	0.0031	0.1482	0.0255	0.0446	0.0447		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(R_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0528	0.0012	4.8620	4.276	1.1050	3.6250	-0.0194	-0.0164	0.0339	0.0620	0.9661
1935-45	0.0730	0.0002	2.2010	2.1750	1.7170	0.9563	-0.0815	-0.0814	-0.0244	0.0108	0.6372
1946-55	0.0376	0.0004	3.6520	3.374	0.8448	2.3780	0.0116	0.0101	0.0870	0.0476	0.8923
1956-6/68	0.0410	0.0009	3.2860	2.351	-0.9410	4.0900	0.1149	0.1207	0.0572	0.1985	0.8512
1935-40	0.0900	0.0002	1.0520	1.0440	0.6171	0.5316	-0.1453	-0.1445	-0.0680	0.0149	0.4361
1941-45	0.0461	0.0001	2.9180	2.8770	2.2520	1.1070	0.1957	0.1941	0.0616	-0.0083	0.7233
1946-50	0.0446	0.0003	1.5340	1.4120	0.8178	0.4909	0.0581	0.0551	0.0751	0.1831	0.9102
1951-55	0.0284	0.0004	4.0120	3.699	0.3079	3.6850	-0.1387	-0.1314	0.0947	-0.2932	0.7556
1956-60	0.0262	0.0007	1.9610	1.467	-1.6940	4.3790	0.1006	0.1152	0.0337	0.2703	0.6599
1961-6/68	0.0486	0.0008	2.6250	1.827	-0.1127	2.5320	0.1061	0.1064	0.0581	0.1803	0.8900
7/1968-2010	0.0451	0.0025	4.4750	2.160	-0.0062	5.4830	0.0676	0.0695	0.1031	0.0826	0.9605
1970-80	0.0531	0.0020	1.8350	0.547	0.8900	1.5290	0.0239	0.0253	0.2262	0.1086	0.8931
1980-90	0.0481	0.0023	3.1430	1.431	-1.1010	4.6110	0.0647	0.0750	0.0786	0.0124	0.8903
1990-00	0.0377	0.0011	3.7280	2.488	0.3412	2.9220	-0.0867	-0.0849	0.0614	0.0904	0.9055
2000-10	0.0355	0.0016	0.8911	0.354	-0.5524	3.5730	0.1825	0.1854	0.0983	0.0200	0.9778
1970-75	0.0622	0.0013	0.5462	-0.228	-0.2267	1.1650	0.0966	0.1058	0.2678	0.1395	0.8295
1975-80	0.0482	0.0023	2.9150	1.797	1.8680	1.2970	-0.0320	-0.0340	0.1922	0.0255	0.8964
1980-85	0.0486	0.0022	2.9040	1.240	-0.6846	3.7750	0.0511	0.0778	0.0895	-0.0047	0.8306
1985-90	0.0456	0.0010	2.2190	1.270	-1.1730	3.7920	0.0862	0.0844	0.0694	0.0377	0.7727
1990-95	0.0349	0.0014	2.6910	1.684	-0.1317	2.8270	-0.1039	-0.1042	0.0415	0.0948	0.9459
1995-00	0.0411	0.0005	3.4740	2.560	0.3004	2.3220	-0.0801	-0.0776	0.0971	0.1295	0.4797
2000-05	0.0323	0.0015	0.7153	0.215	-0.9047	4.2510	0.0366	0.0436	-0.0645	-0.0948	0.9728
2005-10	0.0362	0.0016	0.7322	0.3824	0.0431	1.3580	0.2615	0.2618	0.2202	0.0796	0.9795
1935-2010	0.0486	0.0026	6.5800	4.458	0.6693	6.4180	0.0292	0.0346	0.0787	0.0716	0.9763

TABLE 4e: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$\bar{R}_f$	$\frac{\bar{R}_m - \bar{R}_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0145	0.0132	0.0086	0.0060	0.0013	0.2154	0.1408	0.0612	0.0613		
1935-45	0.0201	0.0200	0.0165	0.0040	0.0001	0.2246	0.1854	0.0890	0.0890		
1946-55	0.0112	0.0103	0.0022	0.0090	0.0009	0.2370	0.0513	0.0434	0.0434		
1956-6/68	0.0122	0.0095	0.0068	0.0054	0.0026	0.2392	0.1713	0.0399	0.0400		
1935-40	0.0141	0.0141	0.0119	0.0020	0.0001	0.1292	0.1097	0.1087	0.1087		
1941-45	0.0273	0.0270	0.0219	0.0062	0.0002	0.4669	0.3788	0.0579	0.0578		
1946-50	0.0077	0.0070	0.0021	0.0058	0.0007	0.1355	0.0399	0.0520	0.0520		
1951-55	0.0147	0.0135	0.0024	0.0123	0.0012	0.4144	0.0729	0.0326	0.0328		
1956-60	0.0091	0.0070	-0.0047	0.0137	0.0021	0.2069	-0.1389	0.0340	0.0342		
1961-6/68	0.0142	0.0112	0.0145	-0.0001	0.0029	0.2581	0.3343	0.0435	0.0435		
7/1968-2010	0.0110	0.0065	0.0036	0.0081	0.0045	0.1193	0.0667	0.0541	0.0543		
1970-80	0.0116	0.0061	0.0093	0.0031	0.0055	0.0947	0.1445	0.0646	0.0647		
1980-90	0.0122	0.0052	-0.0041	0.0172	0.0071	0.098	-0.0778	0.0525	0.0528		
1990-00	0.0100	0.0060	0.0017	0.0098	0.0041	0.1486	0.0423	0.0401	0.0402		
2000-10	0.0110	0.0089	0.0049	0.0058	0.0021	0.1560	0.0866	0.0570	0.0571		
1970-75	0.0036	-0.0012	-0.0008	0.0062	0.0048	-0.0172	-0.0114	0.0702	0.0704		
1975-80	0.0250	0.0190	0.0224	0.0023	0.0060	0.3040	0.3577	0.0625	0.0628		
1980-85	0.0173	0.0089	-0.0004	0.0179	0.0083	0.185	-0.0085	0.0483	0.0490		
1985-90	0.0090	0.0034	-0.0076	0.0183	0.0056	0.061	-0.1395	0.0548	0.0549		
1990-95	0.0103	0.0063	0.0028	0.0084	0.0040	0.1616	0.0718	0.0390	0.0392		
1995-00	0.0113	0.0070	0.0000	0.0136	0.0043	0.181	-0.0011	0.0388	0.0388		
2000-05	0.0127	0.0104	0.0040	0.0079	0.0023	0.2474	0.0950	0.0421	0.0422		
2005-10	0.0087	0.0067	0.0060	0.0031	0.0019	0.1017	0.0913	0.0661	0.0662		
1935-2010	0.0125	0.0094	0.0058	0.0072	0.0031	0.1642	0.1014	0.0573	0.0575		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(\bar{R}_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\hat{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0356	0.0012	4.7400	4.309	2.6110	3.3930	-0.0063	-0.0040	0.0378	0.1256	0.9661
1935-45	0.0466	0.0002	2.5890	2.5710	1.9310	0.9717	-0.0664	-0.0663	-0.0132	0.0826	0.6372
1946-55	0.0258	0.0004	2.8350	2.597	0.6220	3.8340	0.0875	0.0864	0.0758	0.0359	0.8923
1956-6/68	0.0310	0.0009	3.7290	2.926	1.8510	2.1460	0.1357	0.1380	0.1762	0.2518	0.8512
1935-40	0.0566	0.0002	1.0950	1.0890	0.8452	0.3024	-0.1260	-0.1255	-0.0563	0.0528	0.4361
1941-45	0.0311	0.0001	3.6460	3.6200	2.5960	1.5510	0.1493	0.1485	0.1390	0.1884	0.7233
1946-50	0.0303	0.0003	1.1480	1.0510	0.3642	1.4830	0.0922	0.0898	0.0334	0.1115	0.9102
1951-55	0.0201	0.0004	3.5000	3.196	0.5425	4.7290	-0.0244	-0.0172	0.1101	-0.1058	0.7556
1956-60	0.0217	0.0007	2.0840	1.592	-1.0610	4.8830	0.1145	0.1309	0.1421	0.1404	0.6599
1961-6/68	0.0349	0.0008	3.0890	2.449	2.7640	-0.0250	0.1318	0.1294	0.1426	0.2193	0.8900
7/1968-2010	0.0358	0.0025	4.5880	2.685	1.3980	5.1250	0.1864	0.1905	0.2038	0.0909	0.9605
1970-80	0.0395	0.0020	2.0600	1.086	1.6180	0.9007	0.1129	0.1148	0.2102	0.1365	0.8931
1980-90	0.0385	0.0023	2.6750	1.124	-0.7994	5.1380	0.1826	0.1887	0.2295	0.0189	0.8903
1990-00	0.0372	0.0011	2.8790	1.702	0.3619	3.0170	0.2137	0.2177	0.2472	0.1243	0.9055
2000-10	0.0308	0.0016	2.2100	1.788	0.9819	2.1630	0.2689	0.2726	0.1592	0.0580	0.9778
1970-75	0.0443	0.0013	0.4335	-0.146	-0.1031	1.1970	0.1535	0.1577	0.1788	0.1045	0.8295
1975-80	0.0366	0.0023	3.3950	2.570	2.8630	0.5427	0.0478	0.0543	0.2594	0.1625	0.8964
1980-85	0.0350	0.0022	3.0340	1.548	-0.0628	4.3340	0.1518	0.1729	0.1835	0.1268	0.8306
1985-90	0.0409	0.0010	1.3930	0.518	-1.0840	3.7960	0.1979	0.1980	0.2593	-0.0404	0.7727
1990-95	0.0377	0.0014	2.2370	1.364	0.4344	1.8860	0.2632	0.2685	0.3471	0.1780	0.9459
1995-00	0.0355	0.0005	2.4730	1.540	-0.0069	3.2430	0.1544	0.1551	0.1332	0.0924	0.4797
2000-05	0.0323	0.0015	2.5550	2.094	0.6612	2.0640	0.1855	0.1898	0.0337	-0.0384	0.9728
2005-10	0.0270	0.0016	1.1120	0.8607	0.8427	0.9688	0.2890	0.2927	0.2286	0.1837	0.9795
1935-2010	0.0357	0.0026	6.5970	4.941	2.8360	6.0890	0.0905	0.0962	0.1238	0.1088	0.9763

TABLE 4f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$\bar{R}_f$	$\frac{\bar{R}_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0145	0.0132	0.0043	0.0096	0.0013	0.2154	0.0706	0.0612	0.0613		
1935-45	0.0201	0.0200	0.0088	0.0103	0.0001	0.2246	0.0984	0.0890	0.0890		
1946-55	0.0112	0.0103	0.0024	0.0093	0.0009	0.2370	0.0547	0.0434	0.0434		
1956-6/68	0.0122	0.0095	0.0020	0.0092	0.0026	0.2392	0.0501	0.0399	0.0400		
1935-40	0.0141	0.0141	0.0031	0.0098	0.0001	0.1292	0.0286	0.1087	0.1087		
1941-45	0.0273	0.0270	0.0154	0.0109	0.0002	0.4669	0.2667	0.0579	0.0578		
1946-50	0.0077	0.0070	0.0024	0.0059	0.0007	0.1355	0.0468	0.0520	0.0520		
1951-55	0.0147	0.0135	0.0023	0.0127	0.0012	0.4144	0.0708	0.0326	0.0328		
1956-60	0.0091	0.0070	-0.0075	0.0158	0.0021	0.2069	-0.2202	0.0340	0.0342		
1961-6/68	0.0142	0.0112	0.0083	0.0048	0.0029	0.2581	0.1912	0.0435	0.0435		
7/1968-2010	0.0110	0.0065	0.0022	0.0092	0.0045	0.1193	0.0410	0.0541	0.0543		
1970-80	0.0116	0.0061	0.0052	0.0069	0.0055	0.0947	0.0809	0.0646	0.0647		
1980-90	0.0122	0.0052	-0.0025	0.0155	0.0071	0.098	-0.0472	0.0525	0.0528		
1990-00	0.0100	0.0060	0.0017	0.0096	0.0041	0.1486	0.0427	0.0401	0.0402		
2000-10	0.0110	0.0089	0.0034	0.0067	0.0021	0.1560	0.0597	0.0570	0.0571		
1970-75	0.0036	-0.0012	0.0002	0.0066	0.0048	-0.0172	0.0026	0.0702	0.0704		
1975-80	0.0250	0.0190	0.0140	0.0086	0.0060	0.3040	0.2238	0.0625	0.0628		
1980-85	0.0173	0.0089	-0.0024	0.0190	0.0083	0.185	-0.0491	0.0483	0.0490		
1985-90	0.0090	0.0034	-0.0023	0.0135	0.0056	0.061	-0.0419	0.0548	0.0549		
1990-95	0.0103	0.0063	0.0017	0.0096	0.0040	0.1616	0.0439	0.0390	0.0392		
1995-00	0.0113	0.0070	0.0013	0.0120	0.0043	0.181	0.0348	0.0388	0.0388		
2000-05	0.0127	0.0104	0.0033	0.0089	0.0023	0.2474	0.0783	0.0421	0.0422		
2005-10	0.0087	0.0067	0.0039	0.0038	0.0019	0.1017	0.0595	0.0661	0.0662		
1935-2010	0.0125	0.0094	0.0031	0.0094	0.0031	0.1642	0.0548	0.0573	0.0575		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(\bar{R}_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\bar{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0451	0.0012	4.7400	4.309	1.5860	4.2460	-0.0063	-0.0040	0.0187	0.0245	0.9661
1935-45	0.0610	0.0002	2.5890	2.5710	1.3600	1.9250	-0.0664	-0.0663	-0.0448	-0.0206	0.6372
1946-55	0.0344	0.0004	2.8350	2.597	0.6019	2.9550	0.0875	0.0864	0.0653	-0.0507	0.8923
1956-6/68	0.0356	0.0009	3.7290	2.926	0.5888	3.1590	0.1357	0.1380	0.1328	0.1961	0.8512
1935-40	0.0751	0.0002	1.0950	1.0890	0.2986	1.0940	-0.1260	-0.1255	-0.1066	-0.0574	0.4361
1941-45	0.0389	0.0001	3.6460	3.6200	2.2810	2.1680	0.1493	0.1485	0.1098	0.1410	0.7233
1946-50	0.0389	0.0003	1.1480	1.0510	0.3969	1.1660	0.0922	0.0898	0.0703	0.0556	0.9102
1951-55	0.0291	0.0004	3.5000	3.196	0.4617	3.3760	-0.0244	-0.0172	0.0543	-0.2054	0.7556
1956-60	0.0283	0.0007	2.0840	1.592	-1.8320	4.3280	0.1145	0.1309	0.0255	0.0416	0.6599
1961-6/68	0.0393	0.0008	3.0890	2.449	1.7110	1.1500	0.1318	0.1294	0.1292	0.2139	0.8900
7/1968-2010	0.0378	0.0025	4.5880	2.685	0.9199	5.5070	0.1864	0.1905	0.1277	0.0542	0.9605
1970-80	0.0451	0.0020	2.0600	1.086	0.9262	1.7450	0.1129	0.1148	0.1182	0.0264	0.8931
1980-90	0.0401	0.0023	2.6750	1.124	-0.5050	4.4530	0.1826	0.1887	0.0502	0.0291	0.8903
1990-00	0.0346	0.0011	2.8790	1.702	0.4184	3.1920	0.2137	0.2177	0.2096	0.0428	0.9055
2000-10	0.0310	0.0016	2.2100	1.788	0.7671	2.4690	0.2689	0.2726	0.1848	0.0715	0.9778
1970-75	0.0510	0.0013	0.4335	-0.146	0.0239	1.0990	0.1535	0.1577	0.0970	0.0545	0.8295
1975-80	0.0394	0.0023	3.3950	2.570	1.7360	1.8570	0.0478	0.0543	0.1436	-0.0767	0.8964
1980-85	0.0398	0.0022	3.0340	1.548	-0.3824	4.0550	0.1518	0.1729	0.0138	0.0661	0.8306
1985-90	0.0387	0.0010	1.3930	0.518	-0.3381	2.9610	0.1979	0.1980	0.0853	-0.0330	0.7727
1990-95	0.0319	0.0014	2.2370	1.364	0.3107	2.5510	0.2632	0.2685	0.2612	0.0390	0.9459
1995-00	0.0368	0.0005	2.4730	1.540	0.2483	2.7660	0.1544	0.1551	0.1688	0.0738	0.4797
2000-05	0.0327	0.0015	2.5550	2.094	0.6270	2.3010	0.1855	0.1898	0.0282	0.0229	0.9728
2005-10	0.0272	0.0016	1.1120	0.8607	0.6140	1.1990	0.2890	0.2927	0.2791	0.1310	0.9795
1935-2010	0.0411	0.0026	6.5970	4.941	1.7420	6.8720	0.0905	0.0962	0.0815	0.0395	0.9763

TABLE 4g: Value-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
THE BEHAVIOR OF THE MARKET

Period	Statistics										
	$\bar{R}_m$	$R_m - R_f$	$\hat{\gamma}_1$	$\hat{\gamma}_0$	$R_f$	$\frac{\bar{R}_m - R_f}{s(R_m)}$	$\frac{\hat{\gamma}_1}{s(R_m)}$	$s(R_m)$	$s(R_m - R_f)$		
1935-6/68	0.0109	0.0096	0.0071	0.0053	0.0013	0.2138	0.1583	0.0449	0.0450		
1935-45	0.0115	0.0114	0.0123	0.0029	0.0001	0.1899	0.2052	0.0600	0.0600		
1946-55	0.0123	0.0114	0.0028	0.0080	0.0009	0.3078	0.0770	0.0370	0.0370		
1956-6/68	0.0092	0.0066	0.0060	0.0053	0.0026	0.1925	0.1742	0.0344	0.0345		
1935-40	0.0092	0.0092	0.0085	0.0017	0.0001	0.1238	0.1150	0.0739	0.0739		
1941-45	0.0143	0.0141	0.0168	0.0042	0.0002	0.3709	0.4442	0.0379	0.0378		
1946-50	0.0082	0.0075	0.0027	0.0046	0.0007	0.1819	0.0646	0.0414	0.0413		
1951-55	0.0165	0.0152	0.0030	0.0114	0.0012	0.4794	0.0949	0.0318	0.0319		
1956-60	0.0085	0.0064	-0.0061	0.0146	0.0021	0.1905	-0.1800	0.0337	0.0339		
1961-6/68	0.0097	0.0068	0.0140	-0.0009	0.0029	0.1928	0.4003	0.0350	0.0351		
7/1968-2010	0.0088	0.0043	0.0034	0.0077	0.0045	0.0959	0.0771	0.0444	0.0444		
1970-80	0.0078	0.0023	0.0100	0.0005	0.0055	0.0478	0.2055	0.0488	0.0490		
1980-90	0.0130	0.0060	-0.0048	0.0183	0.0071	0.126	-0.1016	0.0476	0.0480		
1990-00	0.0123	0.0082	0.0030	0.0084	0.0041	0.2167	0.0780	0.0379	0.0379		
2000-10	0.0034	0.0014	0.0027	0.0069	0.0021	0.0308	0.0606	0.0443	0.0444		
1970-75	0.0034	-0.0014	-0.0008	0.0065	0.0048	-0.0271	-0.0161	0.0524	0.0528		
1975-80	0.0157	0.0097	0.0234	-0.0033	0.0060	0.2122	0.5114	0.0457	0.0458		
1980-85	0.0147	0.0064	-0.0005	0.0179	0.0083	0.149	-0.0116	0.0430	0.0437		
1985-90	0.0132	0.0076	-0.0089	0.0202	0.0056	0.150	-0.1767	0.0505	0.0506		
1990-95	0.0106	0.0067	0.0027	0.0084	0.0040	0.1986	0.0801	0.0336	0.0336		
1995-00	0.0163	0.0120	0.0026	0.0108	0.0043	0.302	0.0656	0.0397	0.0397		
2000-05	0.0032	0.0010	0.0018	0.0094	0.0023	0.0254	0.0467	0.0384	0.0385		
2005-10	0.0041	0.0021	0.0039	0.0036	0.0019	0.0451	0.0820	0.0471	0.0471		
1935-2010	0.0097	0.0066	0.0050	0.0066	0.0031	0.1482	0.1131	0.0446	0.0447		
Period	Statistics										
	$s(\hat{\gamma}_0)$	$s(R_f)$	$t(\bar{R}_m)$	$t(\bar{R}_m - R_f)$	$t(\hat{\gamma}_1)$	$t(\bar{\gamma}_0)$	$\rho_M(R_m)$	$\rho(R_m - R_f)$	$\rho_M(\hat{\gamma}_1)$	$\rho_M(\hat{\gamma}_0)$	$\rho_M(R_f)$
1935-6/68	0.0371	0.0012	4.8620	4.276	2.6130	2.8610	-0.0194	-0.0164	0.0385	0.1187	0.9661
1935-45	0.0482	0.0002	2.2010	2.1750	1.9300	0.6796	-0.0815	-0.0814	-0.0447	0.0382	0.6372
1946-55	0.0260	0.0004	3.6520	3.374	0.8473	3.3650	0.0116	0.0101	0.0727	0.0774	0.8923
1956-6/68	0.0334	0.0009	3.2860	2.351	1.5620	1.9360	0.1149	0.1207	0.1807	0.2817	0.8512
1935-40	0.0571	0.0002	1.0520	1.0440	0.8214	0.2566	-0.1453	-0.1445	-0.1096	-0.0111	0.4361
1941-45	0.0353	0.0001	2.9180	2.8770	2.5150	0.9199	0.1957	0.1941	0.1567	0.1897	0.7233
1946-50	0.0312	0.0003	1.5340	1.4120	0.4984	1.1400	0.0581	0.0551	0.0352	0.1512	0.9102
1951-55	0.0191	0.0004	4.0120	3.699	0.7384	4.6160	-0.1387	-0.1314	0.0893	-0.0670	0.7556
1956-60	0.0190	0.0007	1.9610	1.467	-1.2630	5.9630	0.1006	0.1152	0.1473	0.3042	0.6599
1961-6/68	0.0392	0.0008	2.6250	1.827	2.6030	-0.2290	0.1061	0.1064	0.1437	0.2186	0.8900
7/1968-2010	0.0395	0.0025	4.4750	2.160	1.3050	4.3780	0.0676	0.0695	0.1968	0.1329	0.9605
1970-80	0.0472	0.0020	1.8350	0.547	1.7260	0.1312	0.0239	0.0253	0.2249	0.2053	0.8931
1980-90	0.0434	0.0023	3.1430	1.431	-0.8950	4.8320	0.0647	0.0750	0.2373	0.0780	0.8903
1990-00	0.0386	0.0011	3.7280	2.488	0.5882	2.4910	-0.0867	-0.0849	0.1857	0.1143	0.9055
2000-10	0.0299	0.0016	0.8911	0.354	0.5685	2.6400	0.1825	0.1854	0.1263	0.0712	0.9778
1970-75	0.0490	0.0013	0.5462	-0.228	-0.1130	1.1310	0.0966	0.1058	0.2010	0.1290	0.8295
1975-80	0.0464	0.0023	2.9150	1.797	2.8700	-0.5987	-0.0320	-0.0340	0.2614	0.2718	0.8964
1980-85	0.0423	0.0022	2.9040	1.240	-0.0727	3.5900	0.0511	0.0778	0.2079	0.1734	0.8306
1985-90	0.0434	0.0010	2.2190	1.270	-1.1950	3.9500	0.0862	0.0844	0.2491	-0.0047	0.7727
1990-95	0.0381	0.0014	2.6910	1.684	0.4138	1.8670	-0.1039	-0.1042	0.2861	0.1994	0.9459
1995-00	0.0388	0.0005	3.4740	2.560	0.3781	2.3620	-0.0801	-0.0776	0.0906	0.0507	0.4797
2000-05	0.0299	0.0015	0.7153	0.215	0.2794	2.6650	0.0366	0.0436	-0.0084	-0.0592	0.9728
2005-10	0.0280	0.0016	0.7322	0.3824	0.6466	1.0880	0.2615	0.2618	0.2612	0.2149	0.9795
1935-2010	0.0385	0.0026	6.5800	4.458	2.6640	5.1950	0.0292	0.0346	0.1364	0.1306	0.9763

TABLE 5b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
 COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$ 

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0013	0.0024	2.1600	0.0020	0.0010	0.0030	3.0010	0.0014	1935-6/68	0.0031	1.8390	0.0015	0.0032	0.0048	1.4640		
1935-45	0.0026	0.0021	0.0047	2.2150	0.0038	0.0019	0.0057	2.9390	1935-45	0.0028	0.0058	2.0750	0.0021	0.0059	0.0079	1.3510	
1946-55	0.0006	0.0005	2.2090	0.0013	0.0010	0.0004	2.9120	1946-55	0.0010	1946-55	0.0018	2.2930	0.0021	0.0018	0.0038	2.1950	
1956-6/68	0.0007	0.0007	0.0013	2.0110	0.0010	0.0006	0.0017	2.6040	1956-6/68	0.0004	0.0015	1.2840	0.0006	0.0021	0.0027	1.2600	
1935-40	0.0045	0.0030	0.0075	2.5300	0.0049	0.0027	0.0076	2.7700	1935-40	0.0046	0.0035	0.0081	2.3340	0.0030	0.0079	0.0109	1.3830
1941-45	0.0004	0.0012	0.0015	1.3070	0.0026	0.0010	0.0036	3.5550	1941-45	0.0011	0.0020	0.0032	1.5630	0.0008	0.0035	0.0043	1.2380
1946-50	0.0010	0.0004	0.0014	3.1630	0.0017	0.0004	0.0021	5.2430	1946-50	0.0015	0.0007	0.0022	3.1410	0.0022	0.0021	0.0043	2.0610
1951-55	0.0002	0.0006	0.0008	1.4210	0.0009	0.0005	0.0014	2.9010	1951-55	0.0005	0.0008	0.0013	1.6000	0.0020	0.0014	0.0034	2.4240
1956-60	0.0003	0.0005	0.0008	1.5090	0.0004	0.0008	1.8180	1956-60	0.0002	0.0014	0.0012	0.8514	0.0000	0.0016	0.0016	1.0170	
1961-6/68	0.0008	0.0009	0.0017	2.2330	0.0014	0.0008	0.0022	2.8590	1961-6/68	0.0009	0.0015	0.0024	1.5730	0.0008	0.0025	0.0033	1.3060
7/1968-2010	0.0009	0.0009	0.0018	1.9740	0.0023	0.0009	0.0033	3.5070	7/1968-2010	0.0009	0.0017	0.0026	1.5160	0.0031	0.0040	0.0071	1.7690
1970-80	0.0013	0.0010	0.0023	2.3560	0.0027	0.0010	0.0038	3.5930	1970-80	0.0014	0.0020	0.0035	1.7090	0.0009	0.0065	0.0065	1.1640
1980-90	0.0011	0.0012	0.0023	1.9120	0.0027	0.0013	0.0040	3.1600	1980-90	0.0007	0.0019	0.0026	1.3840	0.0061	0.0041	0.0102	2.4690
1990-00	0.0004	0.0010	0.0014	2.3980	0.0017	0.0010	0.0028	2.7230	1990-00	0.0005	0.0015	0.0020	1.3090	0.0023	0.0050	0.0050	1.8330
2000-10	0.0006	0.0005	0.0011	2.0970	0.0025	0.0005	0.0030	5.6550	2000-10	0.0007	0.0015	0.0022	1.4890	0.0033	0.0037	0.0070	1.8940
1970-75	0.0018	0.0012	0.0029	2.5430	0.0025	0.0012	0.0037	3.1090	1970-75	0.0020	0.0022	0.0042	1.9010	0.0019	0.0063	0.0081	1.2950
1975-80	0.0009	0.0009	0.0018	1.9780	0.0029	0.0010	0.0039	3.9670	1975-80	0.0007	0.0021	0.0027	1.3300	0.0002	0.0051	0.0049	0.9657
1980-85	0.0017	0.0009	0.0026	2.8820	0.0027	0.0010	0.0037	3.8110	1980-85	0.0010	0.0016	0.0026	1.6140	0.0055	0.0035	0.0090	2.5680
1985-90	0.0004	0.0014	0.0018	1.2890	0.0025	0.0014	0.0039	2.7440	1985-90	0.0004	0.0020	0.0024	1.2030	0.0065	0.0045	0.0110	2.4510
1990-95	0.0001	0.0012	0.0013	1.0920	0.0013	0.0013	0.0031	2.4560	1990-95	0.0003	0.0016	0.0019	1.1960	0.0017	0.0029	0.0045	1.5820
1995-00	0.0008	0.0006	0.0016	2.2380	0.0016	0.0006	0.0023	3.5780	1995-00	0.0007	0.0013	0.0021	1.5590	0.0024	0.0048	0.0048	1.9980
2000-05	0.0007	0.0006	0.0013	2.3110	0.0020	0.0006	0.0025	4.6180	2000-05	0.0010	0.0015	0.0025	1.6920	0.0040	0.0069	0.0069	2.4200
2005-10	0.0004	0.0005	0.0009	1.7900	0.0027	0.0005	0.0032	6.8350	2005-10	0.0002	0.0013	0.0015	1.1550	0.0021	0.0042	0.0063	1.5030
1935-2010	0.0010	0.0010	0.0020	2.0630	0.0022	0.0010	0.0032	3.2740	1935-2010	0.0011	0.0017	0.0028	1.6560	0.0024	0.0037	0.0061	1.6490
Panel B																	
1935-6/68	0.0009	0.0046	0.0055	1.1890	0.0023	0.0025	0.0228	1.1130	1935-6/68	0.0015	0.0071	0.0085	1.2080	0.0024	0.0242	0.1120	
1935-45	0.0017	0.0061	0.0079	1.2840	0.0000	0.0296	0.0296	1.0010	1935-45	0.0043	0.0094	0.0137	1.4560	0.0036	0.0317	0.0353	1.1140
1946-55	0.0003	0.0029	0.0032	1.0120	0.0051	0.0113	0.0164	1.4510	1946-55	-0.0007	0.0043	0.0036	0.8340	0.0037	0.0114	0.0152	1.3280
1956-6/68	0.0006	0.0046	0.0053	1.1380	0.0024	0.0200	0.0224	1.1200	1956-6/68	0.0008	0.0072	0.0081	1.1180	0.0007	0.0214	0.0221	1.0310
1935-40	0.0043	0.0078	0.0121	1.5520	0.0058	0.0344	0.0402	1.1700	1935-40	0.0097	0.0112	0.0269	1.8690	0.0143	0.0372	0.0515	1.3840
1941-45	-0.0012	0.0041	0.0029	0.7112	-0.0066	0.0239	0.0173	0.7231	1941-45	-0.0021	0.0072	0.0052	0.7131	-0.0086	0.0251	0.0165	0.6582
1946-50	0.0006	0.0019	0.0026	1.3190	0.0073	0.0073	0.0146	2.0010	1946-50	0.0000	0.0036	0.0036	0.9976	0.0064	0.0074	0.0138	1.8550
1951-55	0.0000	0.0038	0.0039	1.0040	0.0040	0.0032	0.0153	1.0153	1951-55	-0.0014	0.0050	0.0036	0.7264	0.0154	0.0154	0.0168	1.0900
1956-60	0.0000	0.0021	0.0022	1.0200	0.0026	0.0026	0.0089	0.0115	1956-60	0.0001	0.0035	0.0036	1.0290	0.0016	0.0100	0.0116	1.1620
1961-6/68	0.0011	0.0063	0.0074	1.1710	0.0024	0.0273	0.0297	1.0890	1961-6/68	0.0014	0.0097	0.0111	1.1410	0.0002	0.0293	0.0293	1.0080
7/1968-2010	0.0011	0.0053	0.0064	1.1980	0.0088	0.0278	0.0366	1.3180	7/1968-2010	0.0015	0.0069	0.0083	1.2140	0.0070	0.0311	0.0381	1.2250
1970-80	0.0012	0.0090	0.0103	1.1340	0.0051	0.0433	0.0485	1.1180	1970-80	0.0026	0.0112	0.0138	1.2360	-0.0022	0.0501	0.0478	0.9552
1980-90	0.0054	0.0067	0.0100	1.5040	0.0285	0.0319	0.0604	1.8940	1980-90	0.0040	0.0083	0.0124	1.4840	0.0298	0.0341	0.0639	1.8720
1990-00	-0.0009	0.0040	0.0032	0.7832	-0.0040	0.0288	0.0247	0.8940	1990-00	-0.0008	0.0051	0.0044	0.8513	-0.0042	0.0307	0.0265	0.8641
2000-10	0.0000	0.0014	0.0015	1.0200	0.0055	0.0082	0.0136	1.6710	2000-10	-0.0003	0.0030	0.0026	0.8837	0.0067	0.0105	0.0172	1.6430
1970-75	0.0014	0.0098	0.0112	1.1390	-0.0040	0.0478	0.0437	0.9154	1970-75	0.0032	0.0130	0.0162	1.2500	-0.0057	0.0507	0.0450	0.8868
1975-80	0.0019	0.0083	0.0102	1.2280	0.0144	0.0394	0.0537	1.3650	1975-80	0.0024	0.0093	0.0123	1.4330	0.0223	0.0310	0.0533	1.7190
1980-85	0.0031	0.0068	0.0100	1.4590	0.0232	0.0301	0.0533	1.7700	1980-85	0.0037	0.0086	0.0128	1.7100	0.0128	0.0343	0.0734	2.1560
1985-90	0.0041	0.0040	0.0101	1.6910	0.0355	0.0309	0.0664	2.1480	1985-90	0.0053	0.0075	0.0128	1.8158	-0.0058	0.0117	0.0451	0.7394
1990-95	-0.0020	0.0061	0.0040	0.6630	-0.0101	0.0435	0.0334	0.7687	1990-95	-0.0013	0.0072	0.0058	1.1400	0.0049	0.0126	0.0175	1.3900
1995-00	0.0007	0.0015	0.0022	1.4330	0.0037	0.0106	0.0144	1.3520	1995-00	0.0004	0.0026	0.0030	0.9119	0.0029	0.0108	0.0137	1.2660
2000-05	-0.0002	0.0015	0.0012	0.8499	-0.0011	0.0092	0.0081	0.8852	2000-05	-0.0003	0.0027	0.0022	0.8251	0.0097	0.0090	0.0187	2.0870
2005-10	0.0003	0.0013	0.0016	1.2470	0.0113	0.0063	0.0176	2.7900	2005-10	0.0015	0.0069	0.0084	1.2110	0.0050	0.0270	0.0319	1.1840

TABLE 5b: Equal-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
(cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$\mathcal{F}$	
Panel A															
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.1083	0.2801	0.8884
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	0.2241	0.5135	0.7376
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	0.2575	0.5563	1.4360
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.1060	1.920	0.9110
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	0.0546	0.4053	0.4599
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	0.0423	0.6415	1.1350
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	0.1558	0.5227	1.6610
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	0.3692	0.5900	1.2980
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	0.11627	1.2300	0.9592
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.1627	1.1660	1.6360
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	0.2134	1.0800	0.9657
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	0.0525	1.5110	1.1980
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	0.0479	0.9183	1.5170
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	0.2312	0.5972	1.3870
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	0.1349	1.2010	1.1120
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	0.0708	1.8280	0.0390
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	0.2183	1.2770	0.8291
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	0.2333	0.7890	1.0220
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	0.7624	1.0030	1.7600
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	0.2451	0.5037	1.4870
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	0.1108	0.7944	1.1620
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	0.5375	0.9037	1.4410
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	-0.3074	1.3750	1.0680
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	-0.1661	0.9481	0.7764
Panel B															
1935-6/68	-0.0005	0.0047	0.0042	0.8929	-	-	-	-	-	-	-	-	0.0052	0.8873	1.1750
1935-45	-0.0019	0.0074	0.0055	0.7425	-	-	-	-	-	-	-	-	-0.0007	0.0058	1.0880
1945-55	0.0006	0.0023	0.0028	1.2540	-	-	-	-	-	-	-	-	-0.0015	0.0096	0.8469
1955-6/68	-0.0001	0.0044	0.0043	0.9769	-	-	-	-	-	-	-	-	-0.0002	0.0026	1.4470
1935-40	-0.0023	0.0083	0.0060	0.7227	-	-	-	-	-	-	-	-	-0.0002	0.0112	0.9277
1941-45	-0.0014	0.0063	0.0049	0.7854	-	-	-	-	-	-	-	-	-0.0029	0.0078	0.6806
1946-50	0.0009	0.0013	0.0022	1.6580	-	-	-	-	-	-	-	-	0.0004	0.0117	1.0460
1951-55	0.0003	0.0032	0.0035	1.0970	-	-	-	-	-	-	-	-	0.0007	0.0035	0.9514
1956-60	0.0003	0.0019	0.0022	1.1510	-	-	-	-	-	-	-	-	0.0004	0.0021	1.2890
1961-6/68	-0.0004	0.0061	0.0057	0.9381	-	-	-	-	-	-	-	-	-0.0008	0.0072	0.8867
7/1968-2010	0.0013	0.0073	0.0086	1.1830	-	-	-	-	-	-	-	-	0.0014	0.0079	0.093
1970-80	-0.0001	0.0104	0.0103	0.9905	-	-	-	-	-	-	-	-	0.0003	0.0112	0.0109
1980-90	0.0076	0.0080	0.0156	1.9460	-	-	-	-	-	-	-	-	0.0089	0.0174	0.3850
1990-00	-0.0022	0.0095	0.0073	0.7666	0.0025	1.1940	-	-	-	-	-	-	0.0003	0.0103	0.5541
2000-10	0.0004	0.0021	0.0025	-	-	-	-	-	-	-	-	-	0.0003	0.0025	0.9210
1970-75	-0.0014	0.0115	0.0101	0.8809	-	-	-	-	-	-	-	-	-0.0013	0.0126	0.7451
1975-80	0.0018	0.0094	0.0112	1.1860	-	-	-	-	-	-	-	-	0.0111	0.1040	1.3620
1980-85	0.0058	0.0068	0.0126	1.8450	-	-	-	-	-	-	-	-	0.0073	0.0136	0.9052
1985-90	0.0097	0.0084	0.0126	2.1460	-	-	-	-	-	-	-	-	0.0112	0.0208	1.0350
1990-95	-0.0045	0.0146	0.0102	0.6952	-	-	-	-	-	-	-	-	0.0157	0.0118	1.3650
1995-00	0.0006	0.0032	0.0039	1.1900	-	-	-	-	-	-	-	-	0.0004	0.0035	1.0820
2000-05	-0.0002	0.0026	0.0024	0.9255	-	-	-	-	-	-	-	-	0.0001	0.0027	0.7983
2005-10	0.0009	0.0014	0.0023	1.6590	-	-	-	-	-	-	-	-	0.0016	0.0023	1.3910
1935-2010	0.0005	0.0062	0.0067	1.0840	-	-	-	-	-	-	-	-	0.0005	0.0075	1.1290

TABLE Sc: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities  
 COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$ 

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0012	0.0003	0.0016	4.6250	-	-	-	-	1935-6/68	0.0016	0.0009	0.0025	2.9090	0.0020	0.0007	0.0027	3.6870
1935-45	0.0022	0.0007	0.0030	4.0150	-	-	-	-	1935-45	0.0033	0.0017	0.0050	2.8770	0.0029	0.0010	0.0039	3.9210
1946-55	0.0006	0.0001	0.0007	6.4080	-	-	-	-	1946-55	0.0008	0.0001	0.0015	6.5630	0.0015	0.0004	0.0019	4.8850
1956-6/68	0.0009	0.0002	0.0010	6.1890	-	-	-	-	1956-6/68	0.0007	0.0016	0.0015	2.3900	0.0015	0.0008	0.0023	2.9820
1935-40	0.0036	0.0011	0.0047	4.2570	-	-	-	-	1935-40	0.0048	0.0027	0.0074	2.7870	0.0044	0.0011	0.0055	4.9550
1941-45	0.0007	0.0003	0.0010	3.1690	-	-	-	-	1941-45	0.0016	0.0007	0.0023	3.4080	0.0011	0.0008	0.0020	2.3700
1946-50	0.0009	0.0001	0.0010	8.6930	-	-	-	-	1946-50	0.0011	0.0001	0.0012	8.8920	0.0019	0.0005	0.0024	5.1940
1951-55	0.0003	0.0001	0.0004	3.6400	-	-	-	-	1951-55	0.0005	0.0002	0.0007	4.3910	0.0012	0.0003	0.0015	4.5610
1956-60	0.0003	0.0001	0.0004	3.6440	-	-	-	-	1956-60	0.0006	0.0004	0.0010	2.4940	0.0008	0.0009	0.0017	4.8870
1961-6/68	0.0012	0.0002	0.0014	6.8490	-	-	-	-	1961-6/68	0.0010	0.0008	0.0019	2.2550	0.0020	0.0007	0.0027	3.8870
7/1968-2010	0.0012	0.0002	0.0015	6.2740	-	-	-	-	7/1968-2010	0.0016	0.0006	0.0021	3.7690	0.0038	0.0013	0.0051	3.9110
1970-80	0.0015	0.0003	0.0018	5.5380	-	-	-	-	1970-80	0.0020	0.0005	0.0025	5.0050	0.0039	0.0014	0.0053	3.8160
1980-90	0.0015	0.0003	0.0018	6.5230	-	-	-	-	1980-90	0.0017	0.0005	0.0022	4.8200	0.0055	0.0017	0.0073	4.1870
1990-00	0.0013	0.0003	0.0015	5.5380	-	-	-	-	1990-00	0.0014	0.0005	0.0019	3.8290	0.0023	0.0014	0.0037	2.6900
2000-10	0.0008	0.0001	0.0010	6.3390	-	-	-	-	2000-10	0.0011	0.0009	0.0020	2.2300	0.0046	0.0012	0.0058	4.8680
1970-75	0.0014	0.0004	0.0017	4.8900	-	-	-	-	1970-75	0.0021	0.0007	0.0028	4.1670	0.0030	0.0011	0.0041	3.6640
1975-80	0.0016	0.0003	0.0019	5.9210	-	-	-	-	1975-80	0.0018	0.0003	0.0022	6.3850	0.0050	0.0018	0.0068	3.6930
1980-85	0.0016	0.0002	0.0018	8.0790	-	-	-	-	1980-85	0.0018	0.0005	0.0022	4.8700	0.0050	0.0019	0.0069	3.7110
1985-90	0.0013	0.0003	0.0017	5.4060	-	-	-	-	1985-90	0.0015	0.0005	0.0020	4.1780	0.0057	0.0016	0.0072	4.6310
1990-95	0.0012	0.0003	0.0016	4.6380	-	-	-	-	1990-95	0.0013	0.0004	0.0017	4.7410	0.0012	0.0012	0.0029	2.4460
1995-00	0.0013	0.0002	0.0015	7.9450	-	-	-	-	1995-00	0.0014	0.0006	0.0020	3.4410	0.0028	0.0014	0.0042	3.0200
2000-05	0.0008	0.0002	0.0009	6.2400	-	-	-	-	2000-05	0.0006	0.0009	0.0014	1.6660	0.0040	0.0014	0.0054	3.8750
2005-10	0.0007	0.0001	0.0009	7.5620	-	-	-	-	2005-10	0.0015	0.0009	0.0024	2.6880	0.0046	0.0009	0.0055	5.9920
1935-2010	0.0012	0.0003	0.0015	5.3970	-	-	-	-	1935-2010	0.0016	0.0007	0.0023	3.2970	0.0030	0.0010	0.0040	3.8530
Panel B																	
1935-6/68	0.0015	0.0019	0.0034	1.8190	0.0056	0.0066	0.0121	1.8500	1935-6/68	0.0018	0.0040	0.0058	1.4630	0.0055	0.0069	0.0123	1.7960
1935-45	0.0017	0.0025	0.0043	1.6740	0.0051	0.0069	0.0119	1.7400	1935-45	0.0025	0.0071	0.0096	1.3600	0.0051	0.0076	0.0127	1.6680
1946-55	0.0006	0.0010	0.0016	1.5740	0.0041	0.0029	0.0070	2.4290	1946-55	0.0005	0.0018	0.0023	1.2550	0.0037	0.0030	0.0067	2.2040
1956-6/68	0.0021	0.0020	0.0041	2.0760	0.0072	0.0092	0.0164	1.7800	1956-6/68	0.0024	0.0031	0.0055	1.7890	0.0073	0.0093	0.0166	1.7890
1935-40	0.0034	0.0016	0.0051	1.5180	0.0079	0.0090	0.0169	1.8700	1935-40	0.0019	0.0102	0.0121	1.1920	0.0086	0.0106	0.0191	1.8100
1941-45	0.0017	0.0016	0.0033	2.1210	0.0019	0.0044	0.0063	1.4410	1941-45	0.0033	0.0034	0.0067	1.9780	0.0011	0.0041	0.0052	1.2610
1946-50	0.0009	0.0012	0.0021	1.7090	0.0049	0.0030	0.0079	2.6090	1946-50	0.0012	0.0021	0.0033	1.5980	0.0050	0.0032	0.0082	2.5850
1951-55	0.0003	0.0008	0.0011	1.3860	0.0035	0.0028	0.0028	2.2700	1951-55	-0.0003	0.0112	0.0112	0.8133	0.024	0.0029	0.0053	1.8260
1956-60	0.0003	0.0007	0.0010	1.4560	0.0023	0.0038	0.0061	1.6050	1956-60	0.0000	0.0119	0.0020	1.0140	0.0024	0.0042	0.0067	1.5760
1961-6/68	0.0033	0.0028	0.0062	2.1690	0.0106	0.0129	0.0234	1.8240	1961-6/68	0.0040	0.0038	0.0079	2.0480	0.0107	0.0126	0.0233	1.8470
7/1968-2010	0.0035	0.0016	0.0051	3.2120	0.0137	0.0070	0.0207	2.9710	7/1968-2010	0.0048	0.0031	0.0080	2.5300	0.0153	0.0078	0.0231	2.9450
1970-80	0.0073	0.0031	0.0105	3.3360	0.0226	0.0109	0.0335	3.0720	1970-80	0.0107	0.0063	0.0170	2.7100	0.0250	0.0120	0.0370	3.0800
1980-90	0.0051	0.0017	0.0068	4.0490	0.0200	0.0074	0.0274	3.7270	1980-90	0.0058	0.0090	0.0222	2.7930	0.0285	0.0188	0.0310	3.5350
1990-00	0.0019	0.0014	0.0033	2.3770	0.0103	0.0089	0.0192	2.1630	1990-00	0.0025	0.0026	0.0051	1.9560	0.0118	0.0104	0.0221	2.4350
2000-10	0.0009	0.0003	0.0012	3.6320	0.0066	0.0022	0.0087	4.0140	2000-10	0.0011	0.0012	0.0023	1.9600	0.0081	0.0027	0.0108	4.0210
1970-75	0.0076	0.0035	0.0110	3.1740	0.0227	0.0123	0.0350	2.8440	1970-75	0.0104	0.0074	0.0179	2.3970	0.0230	0.0141	0.0371	2.6250
1975-80	0.0082	0.0029	0.0111	3.8740	0.0255	0.0099	0.0355	3.5730	1975-80	0.0115	0.0053	0.0079	3.0210	0.0285	0.0167	0.0392	3.6760
1980-85	0.0059	0.0017	0.0076	4.4210	0.0187	0.0061	0.0248	4.0520	1980-85	0.0053	0.0026	0.0075	2.6350	0.0189	0.0061	0.0251	4.0810
1985-90	0.0041	0.0015	0.0055	3.7670	0.0201	0.0078	0.0279	3.5710	1985-90	0.0058	0.0035	0.0093	2.0238	0.0104	0.0061	0.0342	3.2920
1990-95	0.0021	0.0019	0.0039	2.0990	0.0083	0.0118	0.0200	1.7030	1990-95	0.0031	0.0018	0.0066	1.8970	0.0109	0.0142	0.0251	1.7680
1995-00	0.0018	0.0007	0.0025	3.3900	0.0122	0.0049	0.0171	3.4910	1995-00	0.0018	0.0014	0.0032	2.3270	0.0123	0.0052	0.0176	3.3640
2000-05	0.0008	0.0004	0.0011	2.9260	0.0057	0.0030	0.0087	2.8800	2000-05	0.0012	0.0015	0.0034	1.3340	0.0068	0.0036	0.0105	2.8810
2005-10	0.0010	0.0003	0.0013	4.8240	0.0066	0.0011	0.0077	7.1170	2005-10	0.0018	0.0011	0.0029	2.6110	0.0083	0.0015	0.0098	6.7380
1935-2010	0.0026	0.0017	0.0044	2.5410	0.0101	0.0068	0.0169	2.4930	1935-2010	0.0035	0.0035	0.0070	1.9980	0.0109	0.0074	0.0184	2.4740

TABLE Sc: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Equal-Weighted Securities (cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$\mathcal{F}$	
Panel A															
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	0.2183	0.3448	0.5631	1.6330
1935-45	-	-	-	-	-	-	-	-	-	-	-	0.2104	0.2867	0.4972	1.7340
1945-55	-	-	-	-	-	-	-	-	-	-	-	0.1916	0.1699	0.3614	2.1280
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	0.2450	0.3354	0.7804	1.4580
1935-40	-	-	-	-	-	-	-	-	-	-	-	0.0533	0.2877	0.3409	1.1850
1941-45	-	-	-	-	-	-	-	-	-	-	-	0.3956	0.2856	0.6812	2.3850
1946-50	-	-	-	-	-	-	-	-	-	-	-	0.1598	0.1556	0.3154	2.0270
1951-55	-	-	-	-	-	-	-	-	-	-	-	0.2295	0.1841	0.4136	2.2460
1956-60	-	-	-	-	-	-	-	-	-	-	-	0.3437	0.4751	0.8188	1.7230
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	0.1800	0.3756	0.7556	1.3130
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	0.3908	0.4057	0.7965	1.9630
1970-80	-	-	-	-	-	-	-	-	-	-	-	0.6683	0.4016	1.0700	2.6640
1980-90	-	-	-	-	-	-	-	-	-	-	-	0.1888	0.4214	0.6102	1.4480
1990-00	-	-	-	-	-	-	-	-	-	-	-	0.1206	0.3253	0.4459	1.3710
2000-10	-	-	-	-	-	-	-	-	-	-	-	0.4434	0.5336	0.9770	1.8310
1970-75	-	-	-	-	-	-	-	-	-	-	-	0.8098	0.4781	1.2880	2.6940
1975-80	-	-	-	-	-	-	-	-	-	-	-	0.6576	0.3522	1.0100	2.8670
1980-85	-	-	-	-	-	-	-	-	-	-	-	0.2309	0.4884	0.7194	1.4730
1985-90	-	-	-	-	-	-	-	-	-	-	-	0.0959	0.3728	0.4688	1.2570
1990-95	-	-	-	-	-	-	-	-	-	-	-	0.1444	0.1966	0.3411	1.7350
1995-00	-	-	-	-	-	-	-	-	-	-	-	0.0805	0.4177	0.4982	1.1930
2000-05	-	-	-	-	-	-	-	-	-	-	-	0.2154	0.4985	0.7139	1.4320
2005-10	-	-	-	-	-	-	-	-	-	-	-	0.6159	0.5350	1.1510	2.1510
1935-2010	-	-	-	-	-	-	-	-	-	-	-	0.3171	0.3789	0.6960	1.8370
Panel B															
1935-6/68	0.0007	0.0012	0.0019	1.5830	-	-	-	0.0005	0.0015	0.0021	0.13400	0.1331	0.4686	0.6017	1.2840
1935-45	0.0006	0.0009	0.0015	1.6030	-	-	-	0.0003	0.0014	0.0017	0.12540	0.1106	0.4487	0.5593	1.2470
1945-55	0.0004	0.0004	0.0008	1.9400	-	-	-	0.0002	0.0006	0.0009	0.13580	0.1220	0.2570	0.3790	1.4750
1955-6/68	0.0011	0.0021	0.0032	1.5100	-	-	-	0.0009	0.0024	0.0034	0.13810	0.1619	0.6553	0.8172	1.2470
1935-40	0.0002	0.0012	0.0014	1.1610	-	-	-	0.0000	0.0019	0.0019	0.1070	0.0985	0.3607	0.4433	0.8237
1941-45	0.0010	0.0006	0.0016	2.7860	-	-	-	0.0007	0.0008	0.0015	0.1980	0.3397	0.3860	0.7257	1.8800
1946-50	0.0002	0.0004	0.0006	1.6650	-	-	-	0.0002	0.0006	0.0007	1.3420	0.1133	0.2372	0.3505	1.4780
1951-55	0.0006	0.0005	0.0011	2.1750	-	-	-	0.0003	0.0007	0.0010	1.3840	0.1365	0.2767	0.4132	1.4930
1956-60	0.0006	0.0010	0.0016	1.5730	-	-	-	0.0001	0.0018	0.0016	0.9260	0.0935	0.2810	0.8744	1.1200
1961-6/68	0.0014	0.0029	0.0043	1.5020	-	-	-	0.0017	0.0029	0.0045	1.5750	0.2158	0.5716	0.7874	1.3780
7/1968-2010	0.0023	0.0016	0.0039	2.4170	-	-	-	0.0025	0.0024	0.0049	0.20280	0.3834	0.5015	0.8849	1.7650
1970-80	0.0036	0.0019	0.0056	2.8660	-	-	-	0.0044	0.0031	0.0075	2.3900	0.7271	0.6402	1.3670	2.1360
1980-90	0.0021	0.0017	0.0038	2.2220	-	-	-	0.0027	0.0031	0.0058	0.18740	0.0612	0.5702	0.6314	1.1070
1990-00	0.0025	0.0026	0.0051	1.9610	-	-	-	0.0020	0.0040	0.0065	1.6280	0.1303	0.4085	0.5388	1.3190
2000-10	0.0014	0.0006	0.0020	3.1640	-	-	-	0.0014	0.0006	0.0020	3.1760	0.4582	0.4852	0.9434	1.9440
1970-75	0.0044	0.0022	0.0066	2.9860	-	-	-	0.0043	0.0035	0.0077	2.2180	0.6724	0.7218	1.3940	1.9320
1975-80	0.0041	0.0018	0.0059	3.2210	-	-	-	0.0050	0.0033	0.0082	2.5240	0.7562	0.6297	1.3860	2.2010
1980-85	0.0019	0.0011	0.0031	2.6800	-	-	-	0.0017	0.0014	0.0031	2.2480	0.0992	0.5573	0.5665	1.0170
1985-90	0.0021	0.0017	0.0041	1.9680	-	-	-	0.0034	0.0044	0.0078	1.7790	0.0551	0.5845	0.6396	1.0940
1990-95	0.0023	0.0035	0.0057	1.6570	-	-	-	0.0023	0.0059	0.0082	1.3910	0.1718	0.3511	0.5229	1.4890
1995-00	0.0026	0.0014	0.0040	2.8320	-	-	-	0.0026	0.0015	0.0041	2.7240	0.0745	0.1443	0.4888	1.1800
2000-05	0.0022	0.0010	0.0032	3.1910	-	-	-	0.0022	0.0010	0.0032	3.1870	0.2205	0.4580	0.6786	1.4810
2005-10	0.0004	0.0002	0.0006	2.9840	-	-	-	0.0004	0.0002	0.0006	3.0630	0.6393	0.4859	1.1250	2.3160
1935-2010	0.0016	0.0014	0.0030	2.1010	-	-	-	0.0016	0.0020	0.0036	1.7980	0.2775	0.4870	0.7645	1.5700

TABLE S5d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0016	0.0012	0.0028	2.2660	0.0015	0.0007	0.0022	3.0780	1935-6/68	0.0018	0.0016	0.0034	2.0880	0.0014	0.0016	0.0030	1.8220
1935-45	0.0031	0.0023	0.0053	2.3560	0.0024	0.0010	0.0034	3.3670	1935-45	0.0034	0.0027	0.0061	2.2390	0.0018	0.0021	0.0039	1.8250
1946-55	0.0008	0.0007	0.0014	2.180	0.0012	0.0004	0.0016	3.9150	1946-55	0.0008	0.0016	0.0026	2.0360	0.0014	0.0012	0.0027	2.1430
1956-6/68	0.0009	0.0008	0.0017	2.4460	0.0010	0.0007	0.0017	2.3060	1956-6/68	0.0012	0.0014	0.0026	1.8560	0.0009	0.0015	0.0025	1.6100
1935-40	0.0051	0.0030	0.0081	2.6740	0.0032	0.0014	0.0046	3.3220	1935-40	0.0055	0.0036	0.0091	2.5200	0.0021	0.0026	0.0048	1.7940
1941-45	0.0008	0.0014	0.0021	1.5720	0.0015	0.0006	0.0021	3.5170	1941-45	0.0010	0.0017	0.0027	1.5880	0.0014	0.0016	0.0029	1.8960
1946-50	0.0013	0.0006	0.0020	3.0830	0.0017	0.0003	0.0021	6.3310	1946-50	0.0012	0.0007	0.0019	2.7770	0.0020	0.0012	0.0032	2.7240
1951-55	0.0001	0.0007	0.0008	1.1770	0.0006	0.0005	0.0011	2.3050	1951-55	0.0003	0.0008	0.0008	1.3600	0.0008	0.0013	0.0021	1.6460
1956-60	0.0000	0.0007	0.0007	1.0320	0.0004	0.0007	0.0010	1.5530	1956-60	-0.0002	0.0013	0.0011	0.8708	0.0008	0.0018	0.0026	1.4690
1961-6/68	0.0015	0.0009	0.0024	2.7310	0.0013	0.0008	0.0021	2.7430	1951-6/68	0.0021	0.0015	0.0036	2.4310	0.0010	0.0014	0.0024	1.7490
7/1968-2010	0.0009	0.0011	0.0020	1.7920	0.0020	0.0010	0.0030	3.0270	7/1968-2010	0.0011	0.0018	0.0029	1.5920	0.0012	0.0028	0.0041	1.4260
1970-80	0.0013	0.0015	0.0028	1.8410	0.0019	0.0011	0.0030	2.7680	1970-80	0.0021	0.0020	0.0041	2.0650	0.0008	0.0039	0.0047	1.2170
1980-90	0.0009	0.0014	0.0023	1.6040	0.0028	0.0013	0.0041	3.2130	1980-90	0.0008	0.0018	0.0026	1.4310	0.0020	0.0037	0.0057	1.5470
1990-00	0.0003	0.0011	0.0014	2.2840	0.0016	0.0011	0.0028	2.4470	1990-00	0.0017	0.0017	0.0023	1.3540	0.0010	0.0021	0.0031	1.4840
2000-10	0.0007	0.0006	0.0013	2.2220	0.0018	0.0006	0.0024	4.1700	2000-10	0.0003	0.0018	0.0021	1.1750	0.0011	0.0020	0.0031	1.5530
1970-75	0.0021	0.0018	0.0039	2.1500	0.0015	0.0012	0.0027	2.1830	1970-75	0.0030	0.0025	0.0055	2.2300	0.0013	0.0042	0.0055	3.1140
1975-80	0.0009	0.0014	0.0023	1.6560	0.0022	0.0010	0.0032	3.0880	1975-80	0.0021	0.0017	0.0039	2.2290	0.0008	0.0040	0.0048	1.1960
1980-85	0.0010	0.0013	0.0024	1.7960	0.0024	0.0011	0.0035	3.2000	1980-85	0.0009	0.0015	0.0025	1.5830	0.0027	0.0038	0.0065	1.7030
1985-90	0.0006	0.0015	0.0021	1.4300	0.0029	0.0013	0.0042	3.1430	1985-90	0.0006	0.0019	0.0025	1.3140	0.0013	0.0032	0.0045	1.3900
1990-95	0.0000	0.0009	0.0012	3.9897	0.0012	0.0012	0.0024	2.0710	1990-95	0.0001	0.0015	0.0016	1.0910	0.0002	0.0021	0.0023	1.0820
1995-00	0.0008	0.0009	0.0017	3.9360	0.0020	0.0010	0.0030	3.0890	1995-00	0.0013	0.0018	0.0030	1.7070	0.0019	0.0018	0.0037	2.0580
2000-05	0.0004	0.0006	0.0010	1.7480	0.0014	0.0007	0.0021	2.9550	2000-05	-0.0001	0.0014	0.0014	0.9591	0.0008	0.0019	0.0027	1.4340
2005-10	0.0008	0.0005	0.0013	2.6920	0.0020	0.0004	0.0024	6.4460	2005-10	0.0006	0.0020	0.0026	1.2880	0.0010	0.0020	0.0030	1.5150
1935-2010	0.0012	0.0012	0.0024	2.0080	0.0018	0.0009	0.0026	3.0450	1935-2010	0.0014	0.0017	0.0031	1.7970	0.0013	0.0023	0.0036	1.5550
Panel B																	
1935-6/68	-0.0001	0.0066	0.0065	0.9895	0.0025	0.0217	0.0242	1.1170	1935-6/68	0.0000	0.0092	0.0092	0.9985	0.0024	0.0235	0.0259	1.1010
1935-45	0.0003	0.0086	0.0088	1.0290	0.0027	0.0212	0.0239	1.1270	1935-45	0.0016	0.0121	0.0138	1.1340	0.0044	0.0231	0.0275	1.1910
1946-55	-0.0004	0.0046	0.0042	0.9159	0.0021	0.0134	0.0156	1.1570	1946-55	-0.0006	0.0054	0.0048	0.8826	0.0016	0.0133	0.0148	1.1180
1956-6/68	0.0000	0.0064	0.0064	0.9977	0.0030	0.0287	0.0318	1.1060	1956-6/68	-0.0008	0.0096	0.0088	0.9137	0.0016	0.0321	0.0336	1.0490
1935-40	0.0097	0.0097	0.0123	1.2690	0.0089	0.0225	0.0314	1.3970	1935-40	0.0068	0.0129	0.0197	1.5250	0.0142	0.0238	0.0380	1.5960
1941-45	-0.0024	0.0073	0.0049	0.6695	-0.0044	0.0197	0.0154	0.7793	1941-45	-0.0043	0.0112	0.0069	0.6187	-0.0068	0.0222	0.0154	0.6958
1946-50	-0.0005	0.0043	0.0037	0.8779	0.0007	0.0096	0.0104	1.0770	1946-50	-0.0003	0.0048	0.0045	0.9466	0.0003	0.0095	0.0098	1.0370
1951-55	-0.0002	0.0049	0.0049	0.9594	0.0037	0.0172	0.0172	1.2160	1951-55	-0.0010	0.0061	0.0051	0.8289	0.0030	0.0201	0.0201	1.1790
1956-60	-0.0002	0.0035	0.0033	0.9399	0.0013	0.0200	0.0213	1.0670	1956-60	-0.0006	0.0043	0.0037	0.8617	0.0008	0.0202	0.0210	1.0400
1961-6/68	0.0001	0.0084	0.0085	1.0170	0.0042	0.0346	0.0388	1.1210	1961-6/68	-0.0009	0.0132	0.0122	0.9294	0.0020	0.0400	0.0420	1.0510
7/1968-2010	0.0018	0.0074	0.0092	1.2380	0.0062	0.0307	0.0369	1.2030	7/1968-2010	0.0023	0.0090	0.0113	1.2580	0.0043	0.0333	0.0376	1.1310
1970-80	0.0080	0.0147	0.0226	1.5420	0.0248	0.0471	0.0720	1.5270	1970-80	0.0109	0.0159	0.0268	1.6850	0.0191	0.0497	0.0688	1.3830
1980-90	0.0003	0.0080	0.0083	0.9370	0.0058	0.0330	0.0388	1.1760	1980-90	-0.0003	0.0102	0.0100	0.7151	0.0051	0.0373	0.0424	1.1370
1990-00	-0.0017	0.0051	0.0033	0.6588	-0.0093	0.0345	0.0251	0.7292	1990-00	0.0000	0.0025	0.0025	0.9933	0.0007	0.0120	0.0127	0.7528
2000-10	0.0002	0.0015	0.0017	1.1440	0.0014	0.0093	0.0107	1.1550	2000-10	0.0020	0.0072	0.0052	0.7175	-0.0093	0.0078	0.0285	1.0610
1970-75	0.0102	0.0278	1.5800	0.0273	0.0560	0.0833	1.4870	1970-75	0.0142	0.0190	0.0332	1.7430	0.0244	0.0593	0.0837	1.4100	
1975-80	0.0063	0.0121	0.0183	1.5190	0.0220	0.0395	0.0615	1.5580	1975-80	0.0083	0.0129	0.0212	1.6440	0.0123	0.0429	0.0551	1.2860
1980-85	0.0018	0.0085	0.0047	1.2160	0.0118	0.0300	0.0419	1.3930	1980-85	0.0021	0.0122	0.0122	1.2080	0.0100	0.0320	0.0420	1.3130
1985-90	-0.0005	0.0062	0.0039	0.6320	-0.0134	0.0398	0.0264	0.6627	1985-90	-0.0110	0.0156	0.0085	0.8926	0.0050	0.0443	0.0456	1.1090
1990-95	-0.0023	0.0034	0.0028	0.8181	-0.0023	0.0248	0.0325	0.9057	1990-95	-0.0004	0.0047	0.0043	0.9048	-0.0132	0.0453	0.0321	0.7086
1995-00	-0.0006	0.0017	0.0016	0.9610	-0.0026	0.0131	0.0105	0.7810	1995-00	-0.0005	0.0024	0.0019	0.7810	-0.0026	0.0149	0.0231	0.9072
2000-05	0.0005	0.0012	0.0017	1.4530	0.0049	0.0044	0.0092	2.1130	2000-05	0.0004	0.0024	0.0029	1.1800	0.0037	0.0080	0.0117	0.8230
2005-10	0.0005	0.0010	0.0080	1.1350	0.0046	0.0267	0.0313	1.1710	2005-10	0.0013	0.0091	0.0103	1.1410	0.0035	0.0290	0.0324	1.1190

TABLE 5d: Value-Weighted NYSE Market Portfolio + 20 Single-Sort Test Portfolios Built Using Value-Weighted Securities  
COMPONENTS OF THE VARIANCES OF THE  $\hat{\gamma}_{j,t}$  (cont.)

TABLE S5: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0012	0.0008	0.0020	2.4090	0.0022	0.0008	0.0030	3.8820	1935-6/68	0.0012	0.0010	0.0022	2.2610	0.0022	0.0020	0.0042	2.1080
1935-45	0.0022	0.0015	0.0037	2.4200	0.0040	0.0014	0.0054	3.9350	1935-45	0.0022	0.0017	0.0039	2.2660	0.0032	0.0038	0.0070	1.8290
1946-55	0.0007	0.0005	0.0012	2.5880	0.0015	0.0004	0.0019	4.5960	1946-55	0.0009	0.0014	2.8190	0.0022	0.0010	0.0031	3.2350	
1956-6/68	0.0007	0.0006	0.0013	2.3090	0.0012	0.0005	0.0017	3.3400	1956-6/68	0.0007	0.0014	1.9680	0.0014	0.0012	0.0026	2.1750	
1935-40	0.0037	0.0019	0.0056	2.9030	0.0059	0.0018	0.0077	4.3060	1935-40	0.0037	0.0021	0.0058	2.7750	0.0043	0.0048	0.0091	1.8820
1941-45	0.0005	0.0011	0.0015	1.4250	0.0019	0.0009	0.0028	3.0630	1941-45	0.0004	0.0013	1.3410	0.0019	0.0026	0.0045	1.7400	
1946-50	0.0011	0.0004	0.0015	3.8380	0.0019	0.0003	0.0023	6.4550	1946-50	0.0012	0.0004	3.8700	0.0029	0.0010	0.0040	3.8440	
1951-55	0.0003	0.0005	0.0008	1.6330	0.0010	0.0005	0.0015	3.2540	1951-55	0.0006	0.0006	2.0690	0.0014	0.0009	0.0023	2.5830	
1956-60	0.0003	0.0005	0.0008	1.5750	0.0005	0.0010	2.1960	1.956-60	0.0004	0.0008	1.4630	0.0006	0.0009	0.0015	1.6240		
1961-6/68	0.0010	0.0006	0.0015	2.6780	0.0016	0.0006	0.0021	3.8120	1961-6/68	0.0009	0.0007	2.3170	0.0019	0.0014	0.0033	2.3400	
7/1968-2010	0.0006	0.0008	0.0014	1.8270	0.0022	0.0008	0.0030	3.6740	7/1968-2010	0.0009	0.0011	0.0020	1.8680	0.0018	0.0027	0.0045	1.6640
1970-80	0.0013	0.0008	0.0020	2.6410	0.0034	0.0008	0.0042	5.1030	1970-80	0.0017	0.0012	0.0029	2.3490	0.0007	0.0040	0.0047	1.1780
1980-90	0.0006	0.0010	0.0016	1.5530	0.0021	0.0011	0.0032	2.8860	1980-90	0.0009	0.0013	1.6670	0.0031	0.0033	0.0064	1.9330	
1990-00	0.0003	0.0009	0.0012	3.13750	0.0013	0.0009	0.0022	2.4770	1990-00	0.0007	0.0010	1.6900	0.0013	0.0017	0.0031	1.7710	
2000-10	0.0004	0.0006	0.0010	1.6730	0.0020	0.0006	0.0026	4.6260	2000-10	0.0009	0.0016	1.8330	0.0024	0.0019	0.0042	2.2690	
1970-75	0.0018	0.0008	0.0026	3.1770	0.0034	0.0008	0.0043	5.1210	1970-75	0.0023	0.0014	0.0038	2.6120	0.0002	0.0051	0.0053	1.0490
1975-80	0.0007	0.0008	0.0016	1.9270	0.0038	0.0009	0.0047	5.3240	1975-80	0.0012	0.0013	0.0024	1.9380	0.0011	0.0033	0.0045	1.3410
1980-85	0.0009	0.0007	0.0016	2.2720	0.0020	0.0008	0.0028	3.6540	1980-85	0.0010	0.0009	2.0790	0.0023	0.0026	0.0049	1.8920	
1985-90	0.0002	0.0013	0.0015	1.9390	0.0020	0.0013	0.0033	2.5210	1985-90	0.0006	0.0015	1.4000	0.0022	0.0034	0.0039	1.8880	
1990-95	0.0000	0.0011	0.0011	0.9634	0.0011	0.0009	0.0022	2.0120	1990-95	0.0002	0.0012	1.1830	0.0014	0.0018	0.0029	1.6430	
1995-00	0.0008	0.0006	0.0014	2.6290	0.0015	0.0006	0.0021	3.5730	1995-00	0.0012	0.0007	0.0020	2.7170	0.0014	0.0029	0.0029	1.9250
2000-05	0.0004	0.0006	0.0011	1.7220	0.0014	0.0006	0.0020	3.2690	2000-05	0.0009	0.0009	0.0018	1.9700	0.0007	0.0017	0.0024	1.4270
2005-10	0.0003	0.0005	0.0007	1.5510	0.0025	0.0005	0.0029	6.3980	2005-10	0.0005	0.0008	0.0013	1.6440	0.0036	0.0019	0.0055	2.9270
1935-2010	0.0009	0.0008	0.0017	2.0920	0.0022	0.0008	0.0030	3.7610	1935-2010	0.0011	0.0010	0.0021	2.0310	0.0020	0.0024	0.0044	1.8250
Panel B																	
1935-6/68	0.0004	0.0041	0.0045	1.0990	0.0070	0.0181	0.0251	1.3890	1935-6/68	0.0005	0.0051	0.0056	1.1000	0.0057	0.0183	0.0240	1.3100
1935-45	-0.0008	0.0054	0.0047	0.8619	0.0081	0.0258	0.0339	1.3140	1935-45	0.0005	0.0070	0.0075	1.0660	0.0081	0.0263	0.0344	1.3080
1946-55	0.0018	0.0028	0.0046	1.6340	0.0114	0.0112	0.0226	2.0150	1946-55	0.0007	0.0036	0.0042	1.1830	0.0078	0.0114	0.0192	1.6870
1956-6/68	0.0004	0.0039	0.0043	1.0920	0.0029	0.0168	0.0197	1.1730	1956-6/68	0.0005	0.0045	0.0050	1.1020	0.0020	0.0169	0.0190	1.1210
1935-40	-0.0012	0.0058	0.0056	0.8225	0.0139	0.0323	0.0463	1.4300	1935-40	0.0005	0.0084	0.0079	0.9350	0.0124	0.0320	0.0454	1.3750
1941-45	-0.0003	0.0038	0.0035	0.9309	0.0014	0.0181	0.0195	1.0780	1941-45	0.0017	0.0053	0.0070	1.3100	0.0033	0.0183	0.0216	1.1790
1946-50	0.0009	0.0018	0.0027	1.4990	0.0069	0.0068	0.0137	2.0110	1946-50	0.0003	0.0024	0.0027	1.1250	0.0062	0.0068	0.0130	1.9060
1951-55	0.0028	0.0039	0.0066	1.7160	0.0160	0.0156	0.0216	2.0260	1951-55	0.0011	0.0048	0.0059	1.2260	0.0096	0.0159	0.0255	1.6020
1956-60	-0.0002	0.0024	0.0022	0.9071	0.0013	0.0107	0.0120	1.1190	1956-60	0.0003	0.0029	0.0026	0.8831	0.0003	0.0111	0.0108	0.9720
1961-6/68	0.0008	0.0050	0.0057	1.1540	0.0042	0.0208	0.0250	1.2000	1961-6/68	0.0010	0.0056	0.0066	1.1830	0.0037	0.0208	0.0246	1.1800
7/1968-2010	0.0012	0.0039	0.0051	1.2990	0.0105	0.0203	0.0307	1.5160	7/1968-2010	0.0019	0.0048	0.0067	1.4040	0.0109	0.0213	0.0322	1.5100
1970-80	0.0036	0.0064	0.0100	1.5630	0.0215	0.0299	0.0514	1.7190	1970-80	0.0048	0.0078	0.0126	1.6220	0.0215	0.0321	0.0536	1.6680
1980-90	0.0021	0.0050	0.0071	1.4150	0.0153	0.0254	0.0406	1.6020	1980-90	0.0037	0.0063	0.0100	1.5900	0.0150	0.0263	0.0413	1.5720
1990-00	-0.0002	0.0030	0.0027	0.9214	0.0033	0.0193	0.0226	1.1710	1990-00	0.0005	0.0035	0.0040	1.1320	0.0053	0.0187	0.0240	1.2850
2000-10	-0.0002	0.0015	0.0013	0.8830	0.0075	0.0085	0.0160	1.8850	2000-10	-0.0001	0.0018	0.0016	0.9282	0.0091	0.0095	0.0185	1.9570
1970-75	0.0020	0.0062	0.0082	1.3150	0.0081	0.0288	0.0369	1.2820	1970-75	0.0026	0.0082	0.0108	1.3210	0.0167	0.0314	0.0481	1.5310
1975-80	0.0072	0.0068	0.0139	2.0610	0.0387	0.0322	0.0708	2.0200	1975-80	0.0086	0.0074	0.0160	2.1500	0.0361	0.0348	0.0709	2.0350
1980-85	0.0227	0.0049	0.0076	1.5460	0.0165	0.0227	0.0392	1.7270	1980-85	0.0032	0.0060	0.0059	1.5370	0.0171	0.0232	0.0403	1.7370
1985-90	0.0018	0.0063	0.0187	1.3870	0.0145	0.0250	0.0395	1.5780	1985-90	0.0046	0.0059	0.0059	1.7890	0.0138	0.0232	0.0402	1.5210
1990-95	-0.0009	0.0043	0.0034	0.7988	0.0011	0.0291	0.0303	1.0380	1990-95	0.0003	0.0048	0.0045	0.9352	0.0022	0.0283	0.0305	1.0790
1995-00	0.0006	0.0013	0.0018	1.4330	0.0053	0.0069	0.0123	1.7700	1995-00	0.0015	0.0019	0.0019	1.7670	0.0081	0.0068	0.0149	2.1980
2000-05	-0.0003	0.0016	0.0013	0.8201	0.0035	0.0093	0.0128	1.3800	2000-05	0.0001	0.0018	0.0018	0.9470	0.0040	0.0043	0.0140	1.4410
2005-10	-0.0001	0.0012	0.0012	0.9541	0.0103	0.0071	0.0174	2.4390	2005-10	-0.0001	0.0015	0.0014	0.9496	0.0116	0.0087	0.0203	2.3420
1935-2010	0.0008	0.0040	0.0048	1.2110	0.0090	0.0193	0.0283	1.4660	1935-2010	0.0013	0.0049	0.0062	1.2670	0.0086	0.0200	0.0286	1.4300

TABLE 5f: Equal-Weighted NYSE Market Portfolio + 5x5 Double-Sort Test Portfolios Built Using Value-Weighted Securities  
(cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	
Panel A															
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.6040
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.2070
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0960
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.5800
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.5160
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.0050
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.5150
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.8510
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.3180
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.7670
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4160
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.2090
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.6080
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.9750
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.6940
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.0770
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.1660
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.2620
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.7180
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.9340
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0230
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0130
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4870
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4690
Panel B															
1935-6/68	0.0009	0.0040	0.0049	1.2160	-	-	-	0.0008	0.0047	0.0054	1.1710	0.1660	0.3376	0.5035	1.4920
1935-45	0.0008	0.0061	0.0069	1.1300	-	-	-	0.0018	0.0075	0.0093	1.2460	0.1008	0.2957	0.3965	1.3410
1946-55	0.0021	0.0023	0.0043	1.9280	-	-	-	0.0010	0.0025	0.0035	1.4000	0.1644	0.2668	0.4313	1.6160
1955-6/68	0.0000	0.0036	0.0037	1.0050	-	-	-	-0.0003	0.0039	0.0036	0.9350	0.2195	0.4307	0.6502	1.5100
1935-40	0.0014	0.0077	0.0091	1.1810	-	-	-	0.0016	0.0096	0.0112	1.1670	0.0927	0.2408	0.3335	1.3850
1941-45	0.0000	0.0042	0.0041	0.9940	-	-	-	0.0021	0.0050	0.0071	1.4200	0.1172	0.3607	0.4778	1.3250
1946-50	0.0008	0.0013	0.0021	1.6710	-	-	-	0.0005	0.0014	0.0020	1.3520	0.1729	0.2308	0.4037	1.7490
1951-55	0.0034	0.0032	0.0066	2.0350	-	-	-	0.0015	0.0036	0.0052	1.4270	0.1631	0.3029	0.4660	1.5390
1956-60	0.0004	0.0024	0.0028	1.1690	-	-	-	0.0001	0.0025	0.0026	1.0370	0.0660	0.4300	0.4959	1.1530
1961-6/68	-0.0002	0.0045	0.0043	0.9530	-	-	-	-0.0005	0.0047	0.0043	0.9051	0.3248	0.4312	0.7560	1.7530
7/1968-2010	0.0017	0.0053	0.0070	1.3110	-	-	-	0.0020	0.0058	0.0078	1.3540	0.2949	0.6178	0.9127	1.4770
1935-6/68	0.0009	0.0040	0.0049	1.2160	-	-	-	0.0018	0.0075	0.0093	1.2460	0.1008	0.2957	0.3965	1.3410
1935-45	0.0008	0.0061	0.0069	1.1300	-	-	-	0.0010	0.0025	0.0035	1.4000	0.1644	0.2668	0.4313	1.6160
1946-55	0.0021	0.0023	0.0043	1.9280	-	-	-	-0.0003	0.0039	0.0036	0.9350	0.2195	0.4307	0.6502	1.5100
1955-6/68	0.0000	0.0036	0.0037	1.0050	-	-	-	-	-	-	-	-	-	-	-
1935-40	0.0014	0.0077	0.0091	1.1810	-	-	-	0.0016	0.0096	0.0112	1.1670	0.0927	0.2408	0.3335	1.3850
1941-45	0.0000	0.0042	0.0041	0.9940	-	-	-	0.0021	0.0050	0.0071	1.4200	0.1172	0.3607	0.4778	1.3250
1946-50	0.0008	0.0013	0.0021	1.6710	-	-	-	0.0005	0.0014	0.0020	1.3520	0.1729	0.2308	0.4037	1.7490
1951-55	0.0034	0.0032	0.0066	2.0350	-	-	-	0.0015	0.0036	0.0052	1.4270	0.1631	0.3029	0.4660	1.5390
1956-60	0.0004	0.0024	0.0028	1.1690	-	-	-	0.0001	0.0025	0.0026	1.0370	0.0660	0.4300	0.4959	1.1530
1961-6/68	-0.0002	0.0045	0.0043	0.9530	-	-	-	-0.0005	0.0047	0.0043	0.9051	0.3248	0.4312	0.7560	1.7530
7/1968-2010	0.0017	0.0053	0.0070	1.3110	-	-	-	0.0020	0.0058	0.0078	1.3540	0.2949	0.6178	0.9127	1.4770
1970-80	0.0040	0.0070	0.0110	1.5780	-	-	-	0.0048	0.0075	0.0123	1.6480	0.3180	1.0360	1.3540	1.3070
1980-90	0.0032	0.0068	0.0100	1.4680	-	-	-	0.0040	0.0079	0.0119	1.5070	0.4838	0.6432	1.1270	1.7520
1990-00	0.0005	0.0061	0.0066	1.0820	-	-	-	0.0007	0.0062	0.0069	1.1200	0.3100	0.3040	0.6140	2.0200
2000-10	0.0008	0.0023	0.0031	1.3440	-	-	-	0.0005	0.0023	0.0028	1.2420	0.2464	0.4451	0.6915	1.5540
1970-75	0.0021	0.0067	0.0088	1.3200	-	-	-	0.0036	0.0074	0.0110	1.4830	0.3078	1.4780	1.7860	1.2080
1975-80	0.0083	0.0077	0.0160	2.0830	-	-	-	0.0091	0.0079	0.0170	2.1540	0.2186	0.5982	0.9169	1.3130
1980-85	0.0035	0.0055	0.0089	1.6330	-	-	-	0.0036	0.0060	0.0096	1.6040	0.1699	0.4869	0.6568	1.3490
1985-90	0.0030	0.0073	0.0103	1.4040	-	-	-	0.0047	0.0088	0.0136	1.5330	0.7328	0.7799	1.5130	1.9400
1990-95	-0.0007	0.0095	0.0088	0.9267	-	-	-	0.0004	0.0096	0.0092	0.9611	0.2407	0.2628	0.5035	1.9160
1995-00	0.0016	0.0018	0.0035	1.8900	-	-	-	0.0018	0.0021	0.0039	1.8310	0.3575	0.3304	0.6879	2.0820
2000-05	0.0008	0.0026	0.0034	1.3240	-	-	-	0.0004	0.0025	0.0029	1.1610	0.3210	0.3621	0.6831	1.8860
2005-10	0.0005	0.0019	0.0024	1.2770	-	-	-	0.0005	0.0019	0.0024	1.2560	0.1704	0.4933	0.6638	1.3450
1935-2010	0.0013	0.0048	0.0061	1.2760	-	-	-	0.0015	0.0053	0.0068	1.2830	0.2377	0.4944	0.7322	1.4810

TABLE 5g: Value-Weighted NYSE Market Portfolio + 5x Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
COMPONENTS OF THE VARIANCES OF THE  $\gamma_{j,t}$

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0010	0.0004	0.0014	3.3720	-	-	-	-	1935-6/68	0.0012	0.0003	0.0015	4.4730	0.0022	0.0003	0.0026	7.5410
1935-45	0.0014	0.0009	0.0023	2.4920	-	-	-	-	1935-45	0.0017	0.0007	0.0025	3.3810	0.0037	0.0006	0.0043	6.8840
1946-55	0.0006	0.0001	5.4590	-	-	-	-	-	1946-55	0.0006	0.0001	0.0016	6.6900	0.0015	0.0001	0.0017	12.3400
1956-6/68	0.0009	0.0002	0.0011	6.2840	-	-	-	-	1956-6/68	0.0011	0.0002	0.0012	7.5590	0.0015	0.0003	0.0018	6.9390
1935-40	0.0018	0.0015	0.0033	2.2430	-	-	-	-	1935-40	0.0023	0.0011	0.0034	3.1030	0.0056	0.0008	0.0064	7.6090
1941-45	0.0009	0.0003	0.0012	3.9670	-	-	-	-	1941-45	0.0011	0.0003	0.0014	4.7990	0.0015	0.0004	0.0018	5.0490
1946-50	0.0009	0.0001	0.0010	8.2990	-	-	-	-	1946-50	0.0008	0.0001	0.0009	8.9280	0.0021	0.0001	0.0022	15.5300
1951-55	0.0002	0.0001	0.0004	2.8020	-	-	-	-	1951-55	0.0004	0.0001	0.0006	4.6060	0.0011	0.0001	0.0013	9.1860
1956-60	0.0002	0.0001	0.0004	2.4770	-	-	-	-	1956-60	0.0004	0.0002	0.0006	3.7670	0.0011	0.0002	0.0013	7.2190
1961-6/68	0.0013	0.0002	0.0015	7.6980	-	-	-	-	1961-6/68	0.0014	0.0002	0.0015	9.2900	0.0017	0.0003	0.0021	6.6520
7/1968-2010	0.0013	0.0003	0.0016	5.9720	-	-	-	-	7/1968-2010	0.0016	0.0002	0.0018	7.5020	0.0030	0.0006	0.0036	5.8420
1970-80	0.0019	0.0003	0.0022	7.3280	-	-	-	-	1970-80	0.0020	0.0003	0.0023	8.5300	0.0037	0.0010	0.0047	4.5590
1980-90	0.0016	0.0003	0.0019	6.3970	-	-	-	-	1980-90	0.0018	0.0003	0.0020	7.4470	0.0039	0.0008	0.0047	5.7230
1990-00	0.0011	0.0004	4.2240	-	-	-	-	-	1990-00	0.0017	0.0003	0.0020	7.0360	0.0026	0.0004	0.0031	6.8950
2000-10	0.0007	0.0002	0.0009	4.7320	-	-	-	-	2000-10	0.0011	0.0002	0.0013	6.0550	0.0029	0.0004	0.0032	9.2140
1970-75	0.0021	0.0003	0.0024	7.8660	-	-	-	-	1970-75	0.0023	0.0003	0.0026	9.7050	0.0037	0.0010	0.0047	4.7410
1975-80	0.0018	0.0003	0.0022	6.4350	-	-	-	-	1975-80	0.0018	0.0003	0.0021	6.9130	0.0043	0.0012	0.0055	4.5180
1980-85	0.0015	0.0002	0.0018	7.3640	-	-	-	-	1980-85	0.0016	0.0002	0.0018	7.7830	0.0034	0.0009	0.0043	4.8200
1985-90	0.0016	0.0003	0.0019	5.9930	-	-	-	-	1985-90	0.0019	0.0003	0.0022	7.4640	0.0041	0.0007	0.0048	6.9150
1990-95	0.0010	0.0004	3.4800	-	-	-	-	-	1990-95	0.0015	0.0003	0.0018	5.4960	0.0019	0.0005	0.0024	4.5450
1995-00	0.0012	0.0003	0.0015	5.9000	-	-	-	-	1995-00	0.0019	0.0002	0.0021	9.9920	0.0031	0.0003	0.0034	11.2200
2000-05	0.0007	0.0002	0.0009	4.4120	-	-	-	-	2000-05	0.0013	0.0002	0.0015	7.0050	0.0024	0.0003	0.0028	7.9820
2005-10	0.0006	0.0002	0.0008	4.9680	-	-	-	-	2005-10	0.0008	0.0002	0.0010	4.9120	0.0029	0.0003	0.0033	10.1600
1935-2010	0.0012	0.0003	0.0015	4.5390	-	-	-	-	1935-2010	0.0014	0.0003	0.0017	5.9260	0.0027	0.0005	0.0032	6.3490
Panel B																	
1935-6/68	0.0020	0.0023	0.0043	1.8490	0.0074	0.0147	1.9990	0.0016	1935-6/68	0.0016	0.0026	0.0041	1.6110	0.0053	0.0070	0.0123	1.7630
1935-45	0.0025	0.0042	0.0067	1.5950	0.0083	0.0111	1.0194	1.7510	1935-45	0.0009	0.0045	0.0054	1.2060	0.0036	0.0105	0.0141	1.3420
1946-55	0.0014	0.0011	0.0025	2.3540	0.0078	0.0031	0.0109	3.5030	1946-55	0.0006	0.0014	0.0020	1.4690	0.0052	0.0033	0.0085	2.5520
1956-6/68	0.0019	0.0017	0.0037	2.1260	0.0062	0.0075	0.0137	1.8210	1956-6/68	0.0029	0.0019	0.0048	2.5370	0.0071	0.0068	0.0140	2.0420
1935-40	0.0035	0.0053	0.0098	1.5640	0.0132	0.0165	0.0297	1.7980	1935-40	0.0013	0.0065	0.0078	1.1920	0.0056	0.0156	0.0216	1.3870
1941-45	0.0014	0.0017	0.0031	1.8120	0.0027	0.0046	0.0073	1.5870	1941-45	0.0006	0.0020	0.0026	1.2900	0.0008	0.0045	0.0053	1.1730
1946-50	0.0018	0.0010	0.0028	2.8760	0.0079	0.0023	0.0102	4.4770	1946-50	0.0012	0.0014	0.0026	1.8330	0.0058	0.0028	0.0086	3.0830
1951-55	0.0011	0.0012	0.0023	1.9480	0.0080	0.0040	0.0118	2.9610	1951-55	0.0001	0.0013	0.0016	1.0900	0.0046	0.0039	0.0085	2.1990
1956-60	0.0007	0.0009	0.0017	1.8180	0.0046	0.0052	0.0097	1.8850	1956-60	0.0010	0.0016	0.0015	1.6100	0.0044	0.0046	0.0090	1.9480
1961-6/68	0.0028	0.0023	0.0050	2.2140	0.0074	0.0091	0.0165	1.8120	1961-6/68	0.0043	0.0025	0.0068	2.7320	0.0090	0.0083	0.0173	2.0760
7/1968-2010	0.0036	0.0017	0.0053	3.1210	0.0151	0.0073	0.0233	3.0670	7/1968-2010	0.0056	0.0019	0.0075	3.8740	0.0171	0.0067	0.0238	3.5450
1970-80	0.0085	0.0033	0.0118	3.5810	0.0272	0.0108	0.0379	3.5250	1970-80	0.0131	0.0037	0.0168	4.4960	0.0329	0.0097	0.0426	4.3860
1980-90	0.0066	0.0020	0.0086	4.2670	0.0237	0.0084	0.0321	3.8030	1980-90	0.0114	0.0022	0.0136	6.2140	0.0335	0.0142	0.0410	5.3410
1990-00	0.0015	0.0013	0.0030	0.2340	0.0124	0.0095	0.0219	2.3010	1990-00	0.0029	0.0016	0.0045	2.7770	0.0091	0.0086	0.0178	2.0540
2000-10	0.0009	0.0004	0.0013	2.9910	0.0094	0.0031	0.0124	4.0240	2000-10	0.0007	0.0005	0.0012	2.4970	0.0092	0.0026	0.0118	4.5310
1970-75	0.0064	0.0032	0.0096	3.0300	0.0203	0.0103	0.0306	2.9820	1970-75	0.0089	0.0039	0.0129	3.2760	0.0192	0.0098	0.0290	2.9680
1975-80	0.0111	0.0035	0.0146	4.1240	0.0346	0.0119	0.0465	4.5990	1975-80	0.0180	0.0038	0.0218	5.7390	0.0459	0.0104	0.0563	5.3960
1980-85	0.0089	0.0022	0.0112	4.3820	0.0285	0.0079	0.0364	4.5990	1980-85	0.0129	0.0023	0.0152	6.6310	0.0357	0.0271	0.0427	6.1430
1985-90	0.0037	0.0015	0.0163	3.3890	0.0163	0.0079	0.0242	3.0540	1985-90	0.0087	0.0018	0.0016	5.7500	0.0221	0.0063	0.0347	4.5860
1990-95	0.0016	0.0020	0.0036	1.8190	0.0124	0.0056	0.0247	2.0880	1990-95	0.0041	0.0022	0.0063	2.8480	0.0079	0.0118	0.0197	1.6720
1995-00	0.0014	0.0008	0.0022	2.6340	0.0106	0.0056	0.0162	2.9110	1995-00	0.0015	0.0008	0.0023	2.7870	0.0096	0.0044	0.0140	3.1530
2000-05	0.0009	0.0014	0.0014	6.6990	0.0098	0.0044	0.0142	3.2310	2000-05	0.0006	0.0005	0.0011	2.1110	0.0090	0.0036	0.0126	3.5100
2005-10	0.0008	0.0003	0.0011	3.5200	0.0076	0.0014	0.0091	6.3380	2005-10	0.0009	0.0004	0.0012	3.2850	0.0082	0.0013	0.0095	7.1740
1935-2010	0.0029	0.0020	0.0048	2.4570	0.0117	0.0073	0.0190	2.5920	1935-2010	0.0038	0.0022	0.0060	2.7160	0.0119	0.0068	0.0187	2.7400

TABLE 5g: Value-Weighted NYSE Market Portfolio + 5x Double-Sort Test Portfolios Built Using Equal-Weighted Securities  
 (cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$		
Panel A																	
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2136	0.0452	0.2589	5.7720
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1589	0.0479	0.2068	4.3160
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1225	0.0308	0.1533	4.9760
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3221	0.0545	0.3766	6.9150
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1916	0.0418	0.2334	5.5830
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1193	0.0551	0.1745	3.1640
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0829	0.0218	0.1047	4.8040
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1612	0.0398	0.2010	5.0500
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1771	0.0418	0.2190	5.2370
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4156	0.0629	0.4785	7.6080
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3451	0.0984	0.4434	4.5070
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5767	0.1710	0.7477	4.3730
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2798	0.1124	0.3923	3.4890
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3408	0.0456	0.3864	8.4820
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2506	0.0707	0.3213	4.5460
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7823	0.2048	0.9871	4.8200
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3403	0.1547	0.4949	3.2000
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2610	0.1238	0.3849	3.1080
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2637	0.0982	0.3619	3.6840
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3335	0.0531	0.3866	7.2760
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3013	0.0326	0.3339	10.2400
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2991	0.0524	0.3515	6.7050
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1988	0.0836	0.2824	3.3770
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2871	0.0750	0.3621	4.8280
Panel B																	
1935-6/68	0.0012	0.0012	0.0025	2.0020	-	-	-	-	-	-	-	-	-	0.1330	0.0236	0.0569	4.9280
1935-45	0.0015	0.0014	0.0029	2.0330	-	-	-	-	-	-	-	-	-	0.0001	0.0016	0.0017	1.0700
1945-55	0.0009	0.0005	0.0014	2.8160	-	-	-	-	-	-	-	-	-	0.0003	0.0006	0.0009	1.5700
1955-6/68	0.0013	0.0013	0.0017	0.0030	1.7760	-	-	-	-	-	-	-	-	0.0008	0.0017	0.0025	1.4930
1935-40	0.0019	0.0021	0.0040	1.8790	-	-	-	-	-	-	-	-	-	-0.0001	0.0023	0.0022	0.9551
1941-45	0.0010	0.0006	0.0016	2.7870	-	-	-	-	-	-	-	-	-	0.0004	0.0007	0.0010	1.5710
1946-50	0.0006	0.0003	0.0009	3.4030	-	-	-	-	-	-	-	-	-	0.0003	0.0004	0.0007	1.7700
1951-55	0.0011	0.0007	0.0017	2.6030	-	-	-	-	-	-	-	-	-	0.0004	0.0008	0.0011	1.4770
1956-60	0.0010	0.0014	0.0023	1.7010	-	-	-	-	-	-	-	-	-	0.0005	0.0013	0.0017	1.3560
1961-6/68	0.0015	0.0019	0.0034	1.8140	-	-	-	-	-	-	-	-	-	0.0011	0.0019	0.0030	1.5660
7/1968-2010	0.0030	0.0017	0.0047	2.7650	-	-	-	-	-	-	-	-	-	0.0028	0.0019	0.0047	2.5100
1970-80	0.0037	0.0018	0.0055	3.0320	-	-	-	-	-	-	-	-	-	0.0052	0.0021	0.0073	3.4340
1980-90	0.0026	0.0019	0.0045	2.3950	-	-	-	-	-	-	-	-	-	0.0057	0.0021	0.0078	3.6450
1990-00	0.0047	0.0029	0.0076	2.6470	-	-	-	-	-	-	-	-	-	0.0019	0.0019	0.0049	1.6230
2000-10	0.0028	0.0010	0.0038	3.8950	-	-	-	-	-	-	-	-	-	0.0018	0.0008	0.0026	3.1090
1970-75	0.0034	0.0017	0.0051	3.0040	-	-	-	-	-	-	-	-	-	0.0024	0.0021	0.0045	2.1140
1975-80	0.0046	0.0021	0.0067	3.1650	-	-	-	-	-	-	-	-	-	0.0082	0.0024	0.0106	4.4070
1980-85	0.0033	0.0015	0.0047	3.2280	-	-	-	-	-	-	-	-	-	0.0056	0.0016	0.0071	4.4790
1985-90	0.0016	0.0021	0.0036	1.7610	-	-	-	-	-	-	-	-	-	0.0049	0.0024	0.0073	3.0130
1990-95	0.0050	0.0037	0.0087	2.3510	-	-	-	-	-	-	-	-	-	0.0018	0.0041	0.0059	1.4250
1995-00	0.0037	0.0017	0.0054	3.2400	-	-	-	-	-	-	-	-	-	0.0017	0.0015	0.0032	2.1840
2000-05	0.0045	0.0015	0.0060	3.9340	-	-	-	-	-	-	-	-	-	0.0026	0.0013	0.0039	3.0090
2005-10	0.0007	0.0003	0.0010	3.5230	-	-	-	-	-	-	-	-	-	0.0007	0.0003	0.0009	3.5950
1935-2010	0.0022	0.0015	0.0037	2.4850	-	-	-	-	-	-	-	-	-	0.0018	0.0016	0.0034	2.0870

TABLE 5h: Value-Weighted NYSE Market Portfolio + 5xS Double-Sort Test Portfolios Built Using Value-Weighted Securities  
COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$

Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$	Period	$s^2(\tilde{\gamma}_0)$	$s^2(\hat{\gamma}_0)$	$s^2(\tilde{\phi}_0)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_1)$	$s^2(\hat{\gamma}_1)$	$s^2(\tilde{\phi}_1)$	$\mathcal{F}$
Panel A																	
1935-6/68	0.0013	0.0024	0.00960	0.00015	0.00007	0.00022	3.3370	1935-6/68	0.0013	0.0012	0.0025	2.0860	0.0015	0.0013	0.0027	2.1480	
1935-45	0.0023	0.0032	0.0044	2.0640	0.0023	0.0010	0.0032	3.3990	1935-45	0.0023	0.0022	0.0045	2.0740	0.0024	0.0021	0.0044	2.1320
1946-55	0.0007	0.0007	0.0014	2.1080	0.0012	0.0004	0.0016	3.9960	1946-55	0.0008	0.0007	0.0015	2.2200	0.0013	0.0007	0.0044	2.8180
1956-6/68	0.0008	0.0006	0.0014	2.2260	0.0012	0.0006	0.0018	2.9320	1956-6/68	0.0008	0.0008	0.0007	2.0590	0.0008	0.0010	0.0018	1.8040
1935-40	0.0038	0.0029	0.0067	2.2870	0.0030	0.0013	0.0043	3.2400	1935-40	0.0039	0.0029	0.0069	2.3390	0.0039	0.0027	0.0066	2.4310
1941-45	0.0006	0.0012	0.0018	1.4860	0.0015	0.0005	0.0020	3.9070	1941-45	0.0005	0.0013	0.0018	1.4140	0.0006	0.0013	0.0019	1.4480
1946-50	0.0012	0.0006	0.0018	2.9110	0.0015	0.0003	0.0018	6.0530	1946-50	0.0011	0.0006	0.0017	2.8800	0.0019	0.0007	0.0026	3.7880
1951-55	0.0002	0.0007	0.0009	1.3240	0.0008	0.0005	0.0013	2.7140	1951-55	0.0005	0.0008	0.0008	1.6540	0.0008	0.0015	0.0015	1.9900
1956-60	0.0002	0.0006	0.0007	1.2670	0.0004	0.0006	0.0010	1.6510	1956-60	0.0001	0.0007	0.0009	1.1900	0.0005	0.0008	0.0012	1.5810
1961-6/68	0.0012	0.0007	0.0019	2.7410	0.0017	0.0006	0.0023	3.7000	1961-6/68	0.0012	0.0007	0.0020	2.6240	0.0010	0.0011	0.0022	1.9170
7/1968-2010	0.0007	0.0010	0.0017	1.7190	0.0019	0.0009	0.0028	3.2490	7/1968-2010	0.0010	0.0011	0.0020	1.9130	0.0012	0.0019	0.0031	1.6290
1970-80	0.0015	0.0011	0.0026	2.2940	0.0028	0.0008	0.0036	4.4480	1970-80	0.0018	0.0011	0.0029	2.6550	0.0011	0.0027	0.0037	1.4070
1980-90	0.0007	0.0013	0.0020	1.4920	0.0020	0.0012	0.0032	2.6410	1980-90	0.0007	0.0014	0.0022	1.5180	0.0014	0.0027	0.0041	1.5110
1990-00	0.0002	0.0011	0.0013	2.1210	0.0014	0.0011	0.0026	2.3040	1990-00	0.0007	0.0012	0.0018	1.5550	0.0011	0.0014	0.0025	1.8240
2000-10	0.0003	0.0006	0.0009	1.4080	0.0015	0.0006	0.0021	3.5390	2000-10	0.0005	0.0008	0.0013	1.6690	0.0013	0.0011	0.0025	2.1710
1970-75	0.0020	0.0012	0.0032	2.6950	0.0031	0.0008	0.0039	4.8430	1970-75	0.0024	0.0012	0.0036	2.9490	0.0013	0.0028	0.0041	1.4600
1975-80	0.0008	0.0011	0.0020	1.7440	0.0025	0.0009	0.0034	3.9000	1975-80	0.0013	0.0011	0.0024	2.1950	0.0003	0.0027	0.0030	1.6990
1980-85	0.0010	0.0020	0.0021	1.9360	0.0021	0.0009	0.0029	3.3980	1980-85	0.0011	0.0010	0.0021	2.0790	0.0019	0.0024	0.0043	1.7920
1985-90	0.0003	0.0015	0.0018	1.2280	0.0017	0.0014	0.0031	2.2090	1985-90	0.0003	0.0017	0.0020	1.2010	0.0009	0.0028	0.0037	1.3270
1990-95	0.0001	0.0012	0.0013	1.0780	0.0011	0.0023	0.0023	2.0280	1990-95	0.0003	0.0013	0.0016	1.2440	0.0008	0.0014	0.0022	1.5340
1995-00	0.0005	0.0009	0.0014	1.5010	0.0017	0.0010	0.0027	2.6800	1995-00	0.0011	0.0010	0.0021	2.0840	0.0014	0.0012	0.0026	2.1500
2000-05	0.0001	0.0007	0.0007	1.0960	0.0010	0.0008	0.0018	2.3110	2000-05	0.0004	0.0008	0.0013	1.5520	0.0006	0.0012	0.0018	1.5440
2005-10	0.0004	0.0005	0.0009	1.7820	0.0019	0.0004	0.0023	6.1240	2005-10	0.0005	0.0007	0.0012	1.7080	0.0019	0.0010	0.0029	3.0080
1935-2010	0.0009	0.0011	0.0020	1.8970	0.0018	0.0008	0.0025	3.2800	1935-2010	0.0011	0.0011	0.0022	1.9920	0.0013	0.0016	0.0029	1.8070
Panel B																	
1935-6/68	-0.0002	0.0064	0.0061	0.9654	0.0033	0.0191	0.0225	1.1730	1935-6/68	-0.0007	0.0072	0.0065	0.8991	0.0022	0.0197	0.0219	1.1110
1935-45	-0.0023	0.0101	0.0078	0.7749	-0.0016	0.0238	0.0223	0.9344	1935-45	-0.0037	0.0110	0.0073	0.6640	-0.0028	0.0242	0.0214	0.8828
1946-55	0.0002	0.0043	0.0046	1.0550	0.0047	0.0124	0.0171	1.3780	1946-55	0.0005	0.0052	0.0058	1.1020	0.0049	0.0129	0.0178	1.3800
1956-6/68	0.0013	0.0047	0.0060	1.2680	0.0067	0.0205	0.0272	1.3260	1956-6/68	0.0009	0.0055	0.0064	1.1580	0.0046	0.0211	0.0257	1.2160
1935-40	-0.0021	0.0133	0.0111	0.8408	0.0015	0.0297	0.0312	1.0500	1935-40	0.0047	0.0142	0.0095	0.6708	0.0006	0.0299	0.0293	0.9793
1941-45	-0.0024	0.0064	0.0040	0.6325	-0.0049	0.0169	0.0120	0.7101	1941-45	-0.0024	0.0071	0.0047	0.6621	-0.0052	0.0176	0.0124	0.7044
1946-50	0.0007	0.0037	0.0044	1.1970	0.0046	0.0083	0.0129	1.5570	1946-50	0.0007	0.0044	0.0051	1.1570	0.0049	0.0087	0.0136	1.5610
1951-55	-0.0002	0.0050	0.0050	0.9647	0.0050	0.0164	0.0214	1.0303	1951-55	0.0003	0.0063	0.0063	1.0420	0.0052	0.0171	0.0223	1.3020
1956-60	0.0003	0.0027	0.0030	0.94950	0.0081	0.0155	0.0236	1.5250	1956-60	-0.0002	0.0031	0.0029	0.9467	0.0056	0.0154	0.0220	1.4250
1961-6/68	0.0020	0.0060	0.0080	1.3280	0.0060	0.0238	0.0298	1.2530	1961-6/68	0.0016	0.0071	0.0087	1.2230	0.0035	0.0249	0.0284	1.1400
7/1968-2010	0.0003	0.0063	0.0066	1.0410	0.0037	0.0263	0.0300	1.1390	7/1968-2010	0.0009	0.0069	0.0078	1.1240	0.0044	0.0265	0.0309	1.1660
1970-80	0.0009	0.0117	0.0125	1.0760	0.0062	0.0368	0.0430	1.1700	1970-80	0.0032	0.0126	0.0159	1.2560	0.0060	0.0368	0.0427	1.1620
1980-90	0.0004	0.0079	0.0083	1.0550	0.0056	0.0329	0.0384	1.1660	1980-90	0.0006	0.0089	0.0095	1.0660	0.0050	0.0339	0.0439	1.1480
1990-00	-0.0004	0.0047	0.0042	0.9060	-0.0013	0.0315	0.0302	0.9575	1990-00	-0.0003	0.0053	0.0050	0.9405	0.0008	0.0327	0.0323	1.0260
2000-10	-0.0003	0.0015	0.0012	0.8033	0.0007	0.0106	0.0113	1.0700	2000-10	-0.0004	0.0016	0.0012	0.7437	0.0041	0.0099	0.0140	1.4180
1970-75	0.0002	0.0119	0.0121	1.0200	0.0008	0.0360	0.0368	1.0230	1970-75	0.0002	0.0133	0.0135	1.0140	0.0009	0.0378	0.0387	1.0230
1975-80	0.0039	0.0113	0.0152	1.3450	0.0157	0.0377	0.0534	1.4170	1975-80	0.0078	0.0118	0.0196	1.2170	0.0086	0.0327	0.0323	1.4470
1980-85	0.0012	0.0086	0.0098	1.1440	0.0097	0.0326	0.0423	1.2990	1980-85	0.0020	0.0094	0.0115	1.0591	0.0016	0.0311	0.0327	1.0520
1985-90	0.0001	0.0063	0.0064	1.0210	0.0018	0.0295	0.0313	1.0620	1985-90	0.0003	0.0074	0.0071	1.071	0.0054	0.0348	0.0346	1.0410
1990-95	-0.0003	0.0055	0.0052	0.9462	0.0001	0.0348	0.0350	1.0400	1990-95	-0.0007	0.0062	0.0054	0.8848	-0.0004	0.0350	0.0346	0.9891
1995-00	-0.0006	0.0033	0.0027	0.8092	-0.0039	0.0243	0.0204	0.8402	1995-00	0.0004	0.0043	0.0043	1.1020	0.0015	0.0239	0.0254	1.0610
2000-05	-0.0006	0.0018	0.0012	0.6792	-0.0025	0.0159	0.0134	0.8418	2000-05	0.0002	0.0018	0.0013	0.6962	0.0033	0.0146	0.0147	1.2300
2005-10	0.0000	0.0010	0.0010	1.0370	0.0041	0.0038	0.0079	2.0880	2005-10	-0.0002	0.0013	0.0010	0.8169	0.0045	0.0045	0.0084	2.1480
1935-2010	0.0000	0.0063	0.0064	1.0070	0.0035	0.0232	0.0267	1.1510	1935-2010	0.0002	0.0072	0.0072	1.0220	0.0034	0.0235	0.0235	1.1450

TABLE 5h: Value-Weighted NYSE Market Portfolio + 5x Double-Sort Test Portfolios Built Using Value-Weighted Securities  
 COMPONENTS OF THE VARIANCES OF THE  $\tilde{\gamma}_{j,t}$  (cont.)

Period	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\phi}_3)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\gamma}_2)$	$s^2(\tilde{\phi}_2)$	$\mathcal{F}$	$s^2(\tilde{\gamma}_3)$	$s^2(\tilde{\gamma}_3)$	$\mathcal{F}$	
Panel A															
1935-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.1186	0.1789	0.2975
1935-45	-	-	-	-	-	-	-	-	-	-	-	-	0.0070	0.1644	0.1714
1945-55	-	-	-	-	-	-	-	-	-	-	-	-	0.1395	0.1474	0.2869
1955-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.1993	0.2167	0.4160
1935-40	-	-	-	-	-	-	-	-	-	-	-	-	0.0402	0.1325	0.1727
1941-45	-	-	-	-	-	-	-	-	-	-	-	-	-0.0356	0.2020	0.1655
1946-50	-	-	-	-	-	-	-	-	-	-	-	-	0.1659	0.0989	0.2647
1951-55	-	-	-	-	-	-	-	-	-	-	-	-	0.1120	0.1959	0.3079
1956-60	-	-	-	-	-	-	-	-	-	-	-	-	0.1510	0.2057	0.3567
1961-6/68	-	-	-	-	-	-	-	-	-	-	-	-	0.2322	0.2240	0.4562
7/1968-2010	-	-	-	-	-	-	-	-	-	-	-	-	0.2623	0.3056	0.5679
1970-80	-	-	-	-	-	-	-	-	-	-	-	-	0.5721	0.5118	1.0840
1980-90	-	-	-	-	-	-	-	-	-	-	-	-	0.1535	0.3608	0.5143
1990-00	-	-	-	-	-	-	-	-	-	-	-	-	0.2076	0.1313	0.3389
2000-10	-	-	-	-	-	-	-	-	-	-	-	-	0.1979	0.2223	0.4202
1970-75	-	-	-	-	-	-	-	-	-	-	-	-	0.3630	0.6495	1.0120
1975-80	-	-	-	-	-	-	-	-	-	-	-	-	0.6099	0.4492	1.0590
1980-85	-	-	-	-	-	-	-	-	-	-	-	-	0.2282	0.2959	0.5241
1985-90	-	-	-	-	-	-	-	-	-	-	-	-	0.0681	0.4100	0.4781
1990-95	-	-	-	-	-	-	-	-	-	-	-	-	0.1615	0.1360	0.2975
1995-00	-	-	-	-	-	-	-	-	-	-	-	-	0.2430	0.1128	0.3558
2000-05	-	-	-	-	-	-	-	-	-	-	-	-	0.2928	0.1765	0.4693
2005-10	-	-	-	-	-	-	-	-	-	-	-	-	0.0876	0.2515	0.3391
1935-2010	-	-	-	-	-	-	-	-	-	-	-	-	0.1986	0.2498	0.4485
Panel B															
1935-6/68	0.0005	0.0033	0.0038	1.1460	-	-	-	0.0003	0.0036	0.0039	0.0039	0.0039	1.0810	0.1202	0.2056
1935-45	-0.0004	0.0029	0.0025	0.8692	-	-	-	-0.0004	0.0032	0.0028	0.8751	0.0143	0.1898	0.2042	0.10750
1945-55	0.0006	0.0019	0.0026	1.3230	-	-	-	0.0007	0.0022	0.0029	1.2910	0.1409	0.3814	0.3223	0.17770
1955-6/68	0.0012	0.0047	0.0059	1.2440	-	-	-	0.0007	0.0052	0.0058	1.1270	0.1963	0.2387	0.4350	0.18220
1935-40	-0.0004	0.0035	0.0030	0.8746	-	-	-	-0.0005	0.0039	0.0034	0.8703	0.0472	0.1629	0.2101	0.12900
1941-45	-0.0003	0.0021	0.0019	0.8774	-	-	-	-0.0002	0.0023	0.0021	0.9006	-0.0293	0.2217	0.1924	0.86779
1946-50	0.0003	0.0010	0.0012	1.2660	-	-	-	0.0003	0.0012	0.0015	1.2330	0.1361	0.3024	0.3024	2.2180
1951-55	0.0010	0.0029	0.0039	1.3530	-	-	-	0.0011	0.0033	0.0043	1.3230	0.1101	0.2265	0.3366	1.4860
1956-60	0.0021	0.0043	0.0064	1.5010	-	-	-	0.0016	0.0044	0.0059	1.3580	0.1269	0.2112	0.3381	1.6010
1961-6/68	0.0006	0.0050	0.0056	1.1110	-	-	-	0.0001	0.0057	0.0058	1.0200	0.2436	0.2571	0.50077	1.9480
7/1968-2010	0.0003	0.0062	0.0065	1.0520	-	-	-	-	-	-	-	-	0.0710	0.2723	0.3360
Panel C															
1935-6/68	-	-	-	-	-	-	-	0.0003	0.0013	0.0067	0.0080	0.1210	0.6343	0.5713	1.2060
1935-45	-	-	-	-	-	-	-	0.0007	0.0002	0.0023	0.1290	0.1409	0.3814	0.3223	1.21100
1945-55	-	-	-	-	-	-	-	0.0007	0.0012	0.0015	1.2330	0.1364	0.3024	0.3024	2.4570
1955-6/68	-	-	-	-	-	-	-	0.0007	0.0011	0.0014	0.9033	0.1101	0.2265	0.3366	1.8820
1935-40	-0.0004	0.0035	0.0030	0.8746	-	-	-	-0.0005	0.0039	0.0034	0.8703	0.0472	0.1629	0.2101	1.2900
1941-45	-0.0003	0.0021	0.0019	0.8774	-	-	-	-0.0002	0.0023	0.0021	0.9006	-0.0293	0.2217	0.1924	0.86779
1946-50	0.0003	0.0010	0.0012	1.2660	-	-	-	0.0003	0.0012	0.0015	1.2330	0.1361	0.3024	0.3024	2.2180
1951-55	0.0010	0.0029	0.0039	1.3530	-	-	-	0.0011	0.0033	0.0043	1.3230	0.1101	0.2265	0.3366	1.4860
1956-60	0.0021	0.0043	0.0064	1.5010	-	-	-	0.0016	0.0044	0.0059	1.3580	0.1269	0.2112	0.3381	1.6010
1961-6/68	0.0006	0.0050	0.0056	1.1110	-	-	-	0.0001	0.0057	0.0058	1.0200	0.2436	0.2571	0.50077	1.9480
7/1968-2010	0.0005	0.0065	0.0068	1.0520	-	-	-	-	-	-	-	-	0.0710	0.2723	0.3360
Panel D															
1935-6/68	-	-	-	-	-	-	-	0.0003	0.0013	0.0067	0.0080	0.1210	0.6343	0.5713	1.2060
1935-45	-	-	-	-	-	-	-	0.0007	0.0002	0.0023	0.1290	0.1409	0.3814	0.3223	1.21100
1945-55	-	-	-	-	-	-	-	0.0007	0.0012	0.0015	1.2330	0.1364	0.3024	0.3024	2.4570
1955-6/68	-	-	-	-	-	-	-	0.0007	0.0011	0.0014	0.9033	0.1101	0.2265	0.3366	1.8820
1935-40	-0.0004	0.0035	0.0030	0.8746	-	-	-	-0.0005	0.0039	0.0034	0.8703	0.0472	0.1629	0.2101	1.2900
1941-45	-0.0003	0.0021	0.0019	0.8774	-	-	-	-0.0002	0.0023	0.0021	0.9006	-0.0293	0.2217	0.1924	0.86779
1946-50	0.0003	0.0010	0.0012	1.2660	-	-	-	0.0003	0.0012	0.0015	1.2330	0.1364	0.3024	0.3024	2.2180
1951-55	0.0010	0.0029	0.0039	1.3530	-	-	-	0.0011	0.0033	0.0043	1.3230	0.1101	0.2265	0.3366	1.4860
1956-60	0.0021	0.0043	0.0064	1.5010	-	-	-	0.0016	0.0044	0.0059	1.3580	0.1269	0.2112	0.3381	1.6010
1961-6/68	0.0006	0.0050	0.0056	1.1110	-	-	-	0.0001	0.0057	0.0058	1.0200	0.2436	0.2571	0.50077	1.9480
7/1968-2010	0.0005	0.0065	0.0068	1.0520	-	-	-	-	-	-	-	-	0.0710	0.2723	0.3360
Panel E															
1970-80	0.0008	0.0061	0.0069	1.1230	-	-	-	0.0013	0.0067	0.0066	0.0290	0.1044	0.4850	0.6997	1.0630
1980-90	0.0005	0.0075	0.0081	1.0720	-	-	-	0.0002	0.0084	0.0086	0.0170	0.0731	0.2857	0.3240	0.5998
1990-00	-0.0005	0.0101	0.0096	0.9513	-	-	-	0.0009	0.0104	0.0072	0.0085	0.0174	0.0078	0.1499	0.5265
2000-10	-0.0006	0.0037	0.0030	0.8289	-	-	-	0.0001	0.0033	0.0034	0.0420	0.1637	0.2331	0.3968	1.7020
1970-75	0.0002	0.0057	0.0059	1.0390	-	-	-	0.0002	0.0064	0.0066	0.0290	0.1394	0.27240	0.3396	1.4690
1975-80	0.0025	0.0067	0.0091	1.3730	-	-	-	0.0013	0.0034	0.0070	0.0104	0.1450	0.1800	0.24570	
1980-85	0.0119	0.0085	1.2830	-	-	-	-	0.0014	0.0014	0.0072	0.0086	0.1950	0.2857	0.3240	
1985-90	-0.0006	0.0075	0.0085	1.0249	-	-	-	-	-	-	-	0.0174	0.0078	0.1499	
1990-95	0.0002	0.0107	0.0109	1.0190	-	-	-	0.0012	0.0112	0.0104	0.0104	0.1950	0.2857	0.3240	
1995-00	-0.0015	0.0082	0.0067	0.8451	-	-	-	-	-	-	-	0.0303	0.0072	0.1499	
2000-05	-0.0014	0.0061	0.0047	1.07737	-	-	-	-	-	-	-	0.0350	0.0053	0.1499	
2005-10	0.0002	0.0007	0.0010	1.3090	-	-	-	-	-	-	-	0.0098	0.0008	0.1499	
1935-2010	0.0004	0.0049	0.0053	1.0790	-	-	-	-	-	-	-	0.0730	0.02050	0.2786	0.4836