

Alpha Estimates with Significance Levels

Table 1: Alpha Estimates (Part 1)

Sorting Method	VW CAPM	EW CAPM	VW FF3	EW FF3	VW Carhart	EW Carhart	VW FF5	EW FF5
E_pred_ols	-0.00413***	-0.00187	-0.00513***	-0.00286***	-0.00444***	-0.00213**	-0.00304**	-0.00072
E_pred_ann_bagging	-0.00348**	-0.00121	-0.00390***	-0.00198*	-0.00263*	-0.00118	0.00059	0.00083
E_pred_ar	-0.00271*	-0.00146	-0.00337**	-0.00240**	-0.00231	-0.00147	0.00029	0.00031
E_pred_catboost	-0.00466***	-0.00193	-0.00532***	-0.00283***	-0.00409***	-0.00187*	-0.00127	-0.00010
E_pred_gbf	-0.00352**	-0.00143	-0.00406***	-0.00234**	-0.00274*	-0.00142	0.00013	0.00048
E_pred_rf	-0.00377**	-0.00171	-0.00417***	-0.00256**	-0.00267*	-0.00162	0.00050	0.00039
E_pred_hvz	-0.00369**	-0.00155	-0.00443***	-0.00240**	-0.00337**	-0.00154	-0.00061	0.00036
E_pred_lasso	-0.00404***	-0.00203	-0.00511***	-0.00302***	-0.00442***	-0.00231**	-0.00312***	-0.00081
E_pred_lightgbm	-0.00360**	-0.00107	-0.00407***	-0.00196*	-0.00377***	-0.00113	-0.00112	0.00066
E_pred_ri	-0.00309*	-0.00089	-0.00373***	-0.00182	-0.00256*	-0.00094	0.00002	0.00079
E_pred_ridge	-0.00398***	-0.00192	-0.00505***	-0.00292***	-0.00426***	-0.00219**	-0.00294**	-0.00072

Notes: Significance levels: *** p < 0.01, ** p < 0.05, * p < 0.10.

Table 2: Alpha Estimates (Part 2)

Sorting Method	VW CAPM	EW CAPM	VW FF3	EW FF3	VW Carhart	EW Carhart	VW FF5	EW FF5
E_pred_rw	-0.00271*	-0.00146	-0.00337**	-0.00240**	-0.00231	-0.00147	0.00029	0.00031
E_pred_xgb	-0.00505***	-0.00214	-0.00599***	-0.00303***	-0.00474***	-0.00211**	-0.00227**	-0.00032
COMP_EXT	-0.00328**	-0.00135	-0.00399***	-0.00227**	-0.00287**	-0.00139	-0.00014	0.00043
COMP_LR	-0.00390***	-0.00193	-0.00497***	-0.00294***	-0.00433***	-0.00223**	-0.00299**	-0.00075
COMP_NL	-0.00383**	-0.00151	-0.00425***	-0.00237**	-0.00308**	-0.00145	-0.00023	0.00050
COMP_ML	-0.00388**	-0.00168	-0.00443***	-0.00258**	-0.00339**	-0.00168	-0.00089	0.00014
COMP_MED_EXT	-0.00317**	-0.00134	-0.00387***	-0.00225**	-0.00284**	-0.00136	-0.00017	0.00049
COMP_MED_LR	-0.00380***	-0.00185	-0.00489***	-0.00284***	-0.00421***	-0.00214*	-0.00291**	-0.00063
COMP_MED_NL	-0.00381**	-0.00151	-0.00440***	-0.00240**	-0.00309**	-0.00144	-0.00003	0.00047
COMP_MED_ML	-0.00373**	-0.00169	-0.00428***	-0.00259**	-0.00309**	-0.00163	-0.00014	0.00019

Notes: Significance levels: *** p < 0.01, ** p < 0.05, * p < 0.10.

Performance Metrics

Table 3: Performance Metrics (Part 1)

Sorting Method	VW Return	VW Sharpe	VW Drawdown	EW Return	EW Sharpe	EW Drawdown
E_pred_ols	0.01988	0.17600	-0.46127	0.02879	0.24275	-0.37996
E_pred_ann_bagging	0.03469	0.23935	-0.46205	0.03666	0.28116	-0.40813
E_pred_ar	0.04553	0.33391	-0.32860	0.03682	0.28762	-0.44534
E_pred_catboost	0.02353	0.16723	-0.47133	0.03176	0.24914	-0.36819
E_pred_gbf	0.03782	0.25992	-0.56784	0.03656	0.27744	-0.48014
E_pred_rf	0.03448	0.22466	-0.48819	0.03351	0.25326	-0.45544
E_pred_hvz	0.03301	0.23768	-0.35953	0.03654	0.28496	-0.39928
E_pred_lasso	0.02072	0.17842	-0.61867	0.02715	0.22374	-0.52255
E_pred_lightgbm	0.02371	0.18983	-0.51969	0.03918	0.30348	-0.42440
E_pred_ri	0.04067	0.28990	-0.48784	0.04258	0.32387	-0.43568
E_pred_ridge	0.02227	0.19146	-0.58208	0.02887	0.23824	-0.36529

Table 4: Performance Metrics (Part 2)

Sorting Method	VW Return	VW Sharpe	VW Drawdown	EW Return	EW Sharpe	EW Drawdown
E_pred_rw	0.045 53	0.333 91	−0.600 43	0.036 82	0.287 62	−0.646 04
E_pred_xgb	0.014 97	0.112 95	−0.569 66	0.028 40	0.230 01	−0.585 71
COMP_EXT	0.039 88	0.283 22	−0.431 23	0.038 65	0.295 58	−0.471 63
COMP_LR	0.022 53	0.195 20	−0.505 76	0.028 55	0.235 92	−0.672 24
COMP_NL	0.029 95	0.207 66	−0.350 49	0.036 06	0.274 04	−0.467 40
COMP_ML	0.028 20	0.203 09	−0.396 24	0.033 37	0.255 24	−0.520 33
COMP_MED_EXT	0.039 94	0.287 79	−0.423 29	0.038 65	0.297 05	−0.424 23
COMP_MED_LR	0.023 48	0.202 96	−0.423 24	0.029 73	0.244 71	−0.587 88
COMP_MED_NL	0.034 88	0.234 32	−0.638 26	0.035 94	0.271 88	−0.508 67
COMP_MED_ML	0.035 41	0.242 25	−0.443 40	0.033 65	0.254 81	−0.609 24