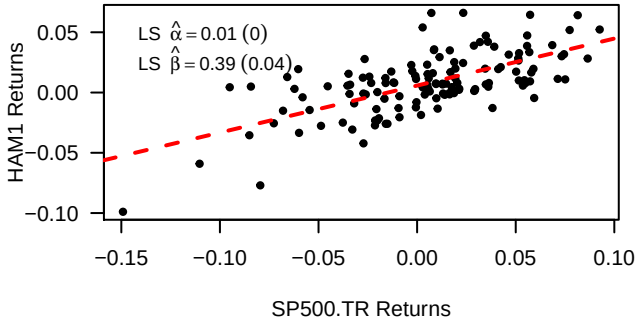
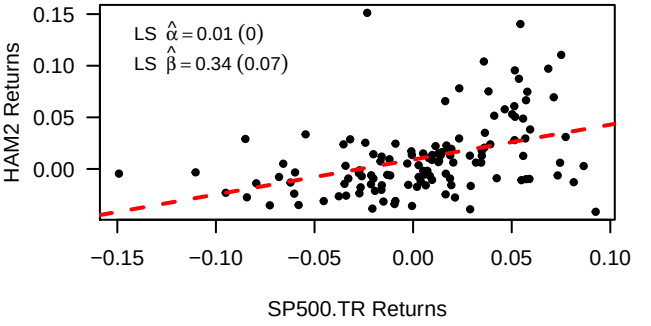
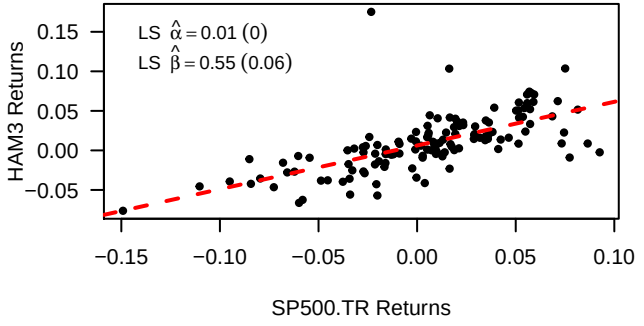
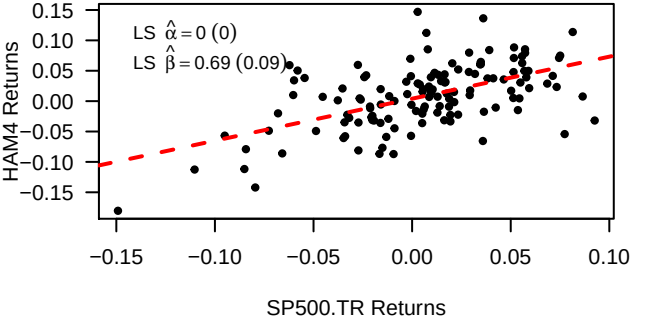
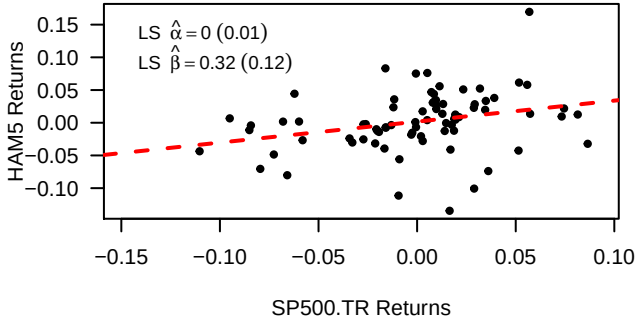
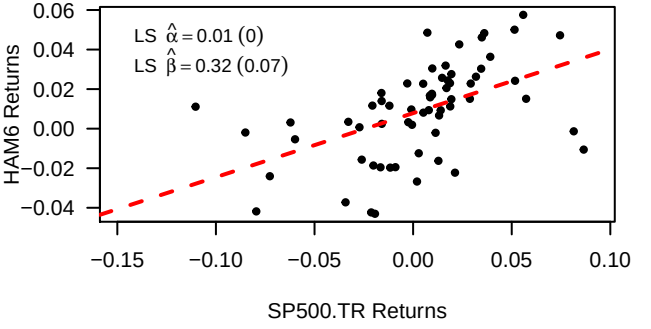

LS $\hat{\alpha} = 0.01$ (0)
LS $\hat{\beta} = 0.39$ (0.04)
HAM1 Returns
SP500.TR Returns

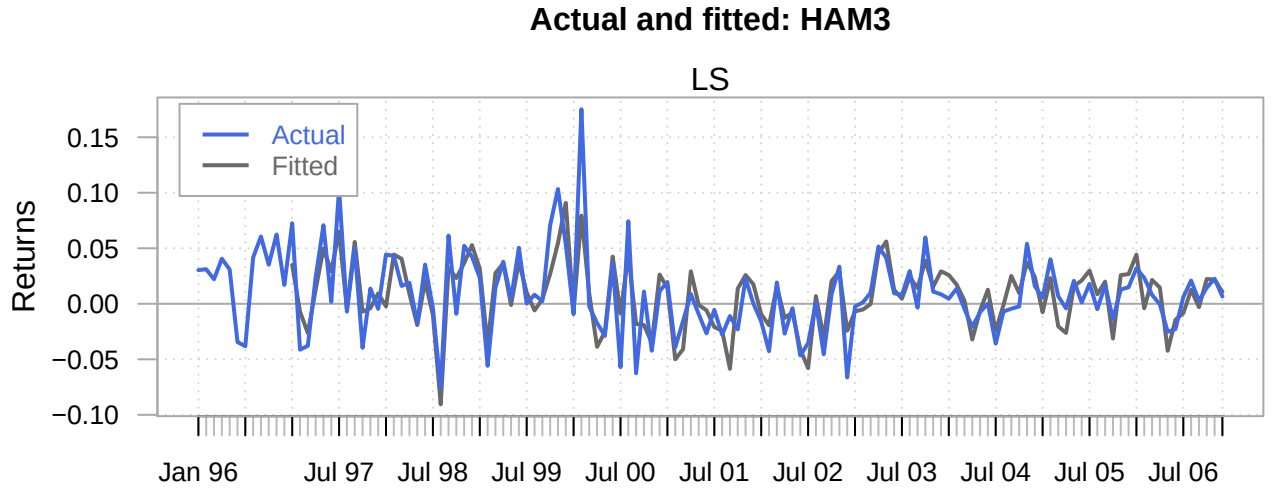

LS $\hat{\alpha} = 0.01$ (0)
LS $\hat{\beta} = 0.34$ (0.07)
HAM2 Returns
SP500.TR Returns

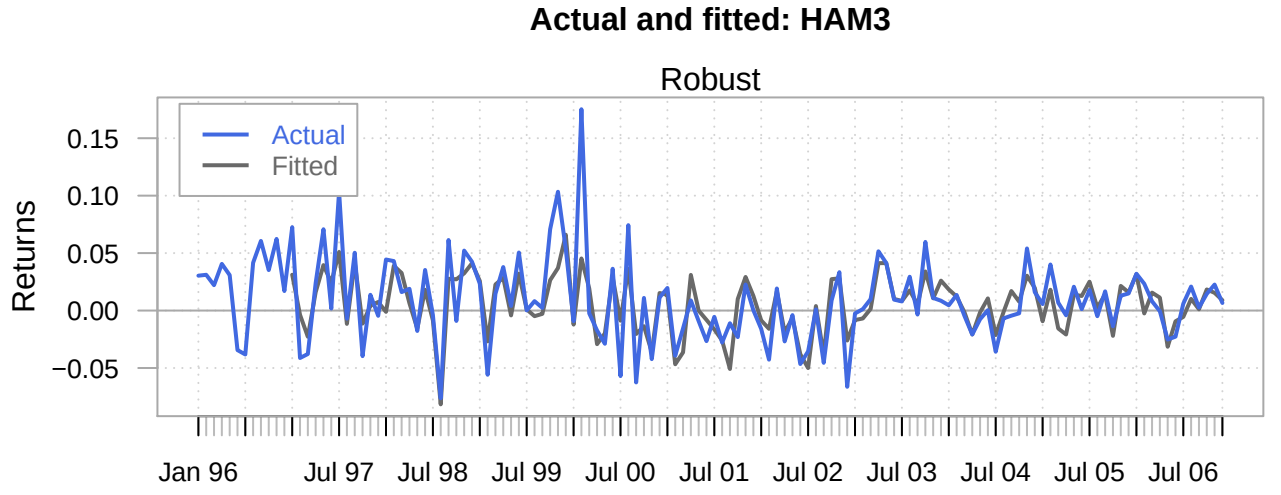

LS $\hat{\alpha} = 0.01$ (0)
LS $\hat{\beta} = 0.55$ (0.06)
HAM3 Returns
SP500.TR Returns

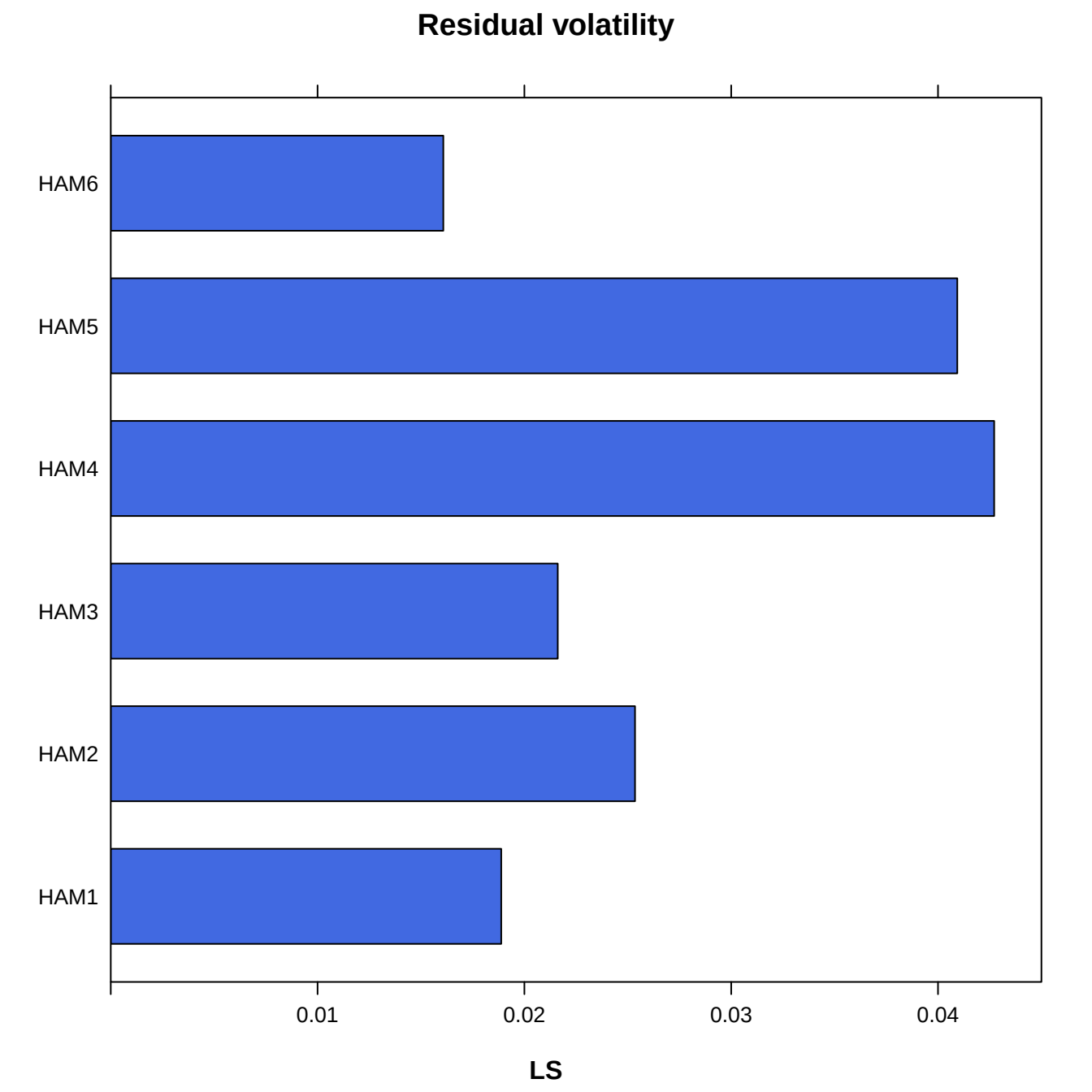

LS $\hat{\alpha} = 0$ (0)
LS $\hat{\beta} = 0.69$ (0.09)
HAM4 Returns
SP500.TR Returns

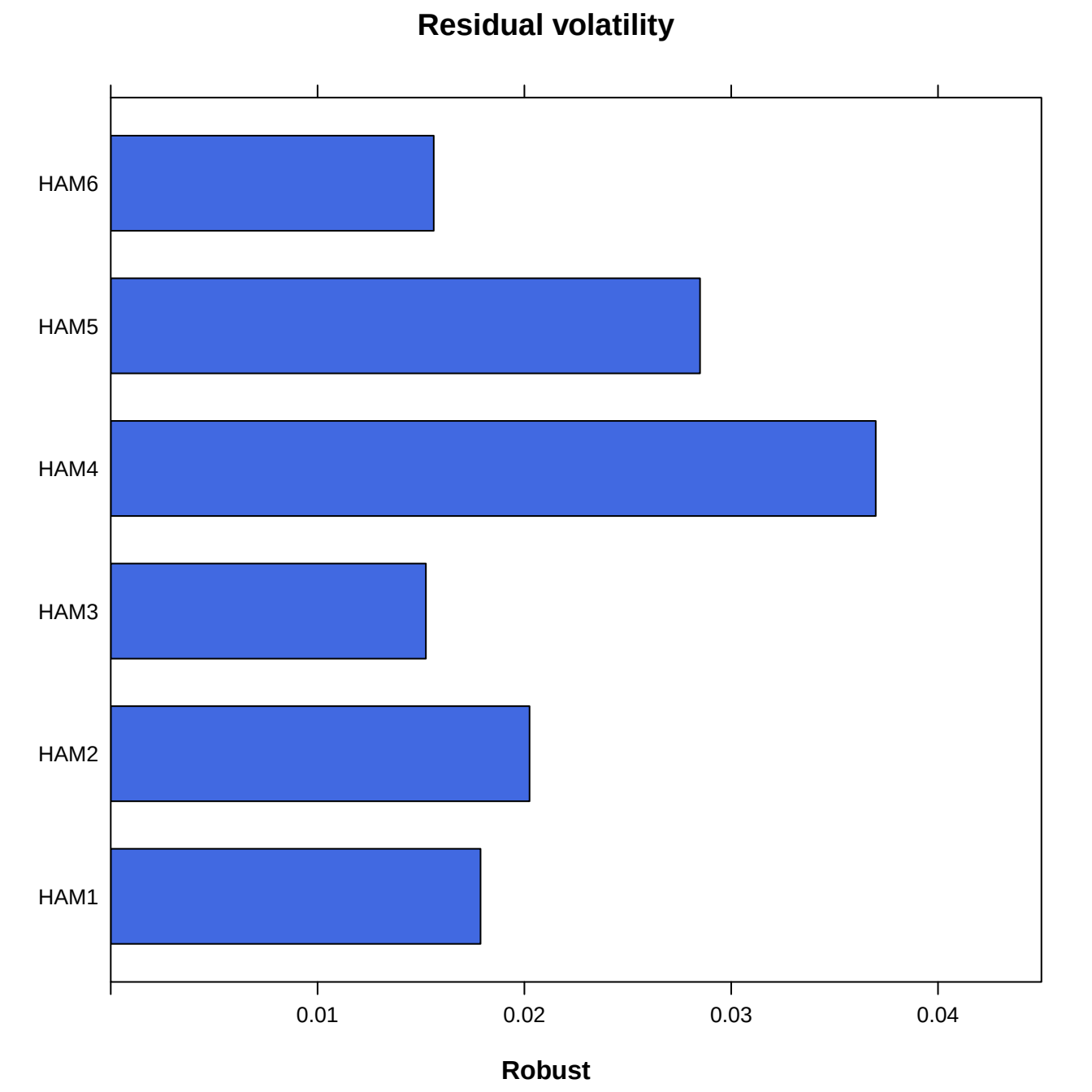

LS $\hat{\alpha} = 0$ (0.01)
LS $\hat{\beta} = 0.32$ (0.12)
HAM5 Returns
SP500.TR Returns


LS $\hat{\alpha} = 0.01$ (0)
LS $\hat{\beta} = 0.32$ (0.07)
HAM6 Returns
SP500.TR Returns

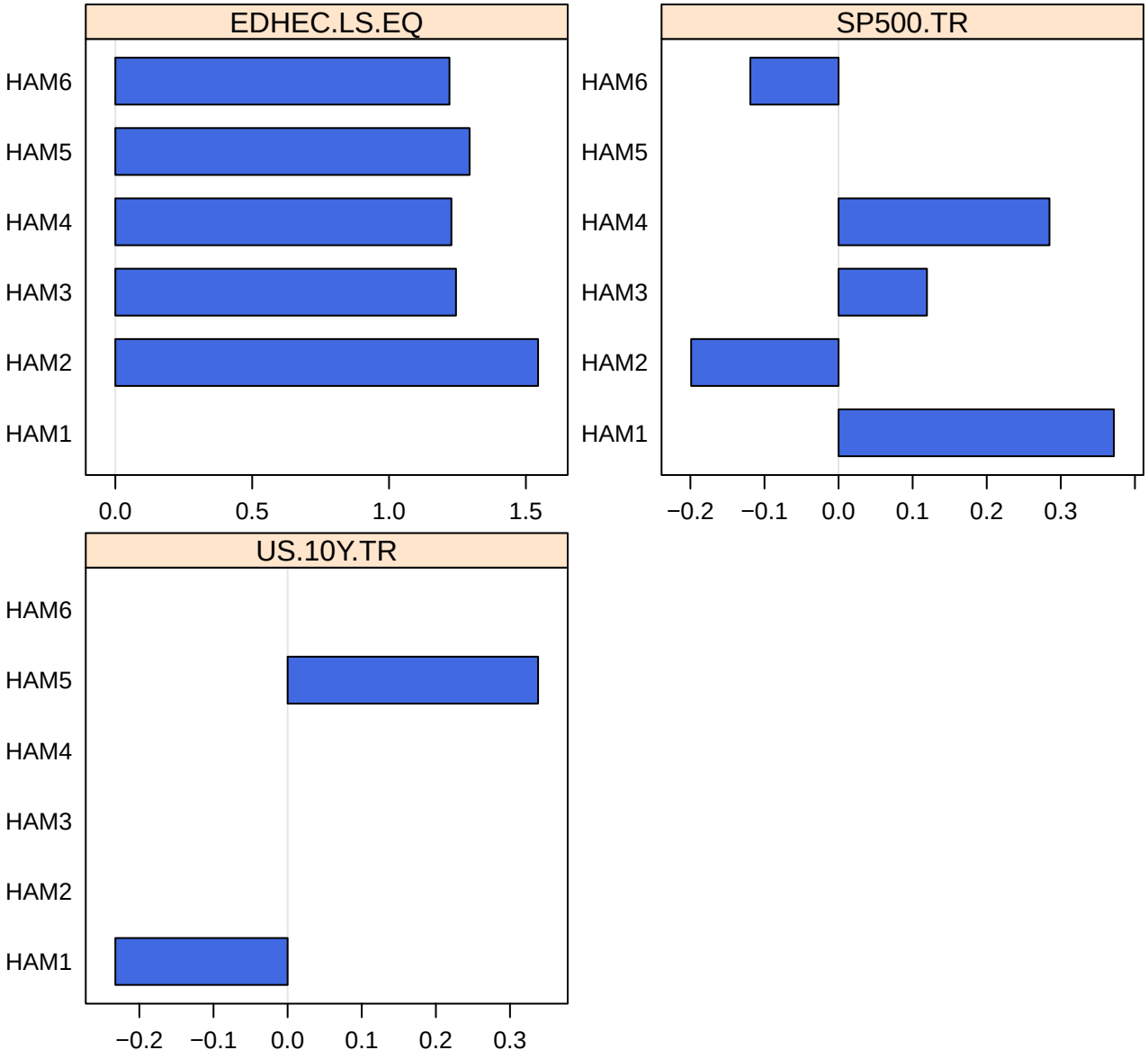

Actual and fitted: HAM3
LS
Actual
Fitted
Returns
0.15
0.10
0.05
0.00
−0.05
−0.10
Jan 96
Jul 97
Jul 98
Jul 99
Jul 00
Jul 01
Jul 02
Jul 03
Jul 04
Jul 05
Jul 06


Actual and fitted: HAM3
Robust
Actual
Fitted
Returns
0.15
0.10
0.05
0.00
−0.05
Jan 96
Jul 97
Jul 98
Jul 99
Jul 00
Jul 01
Jul 02
Jul 03
Jul 04
Jul 05
Jul 06

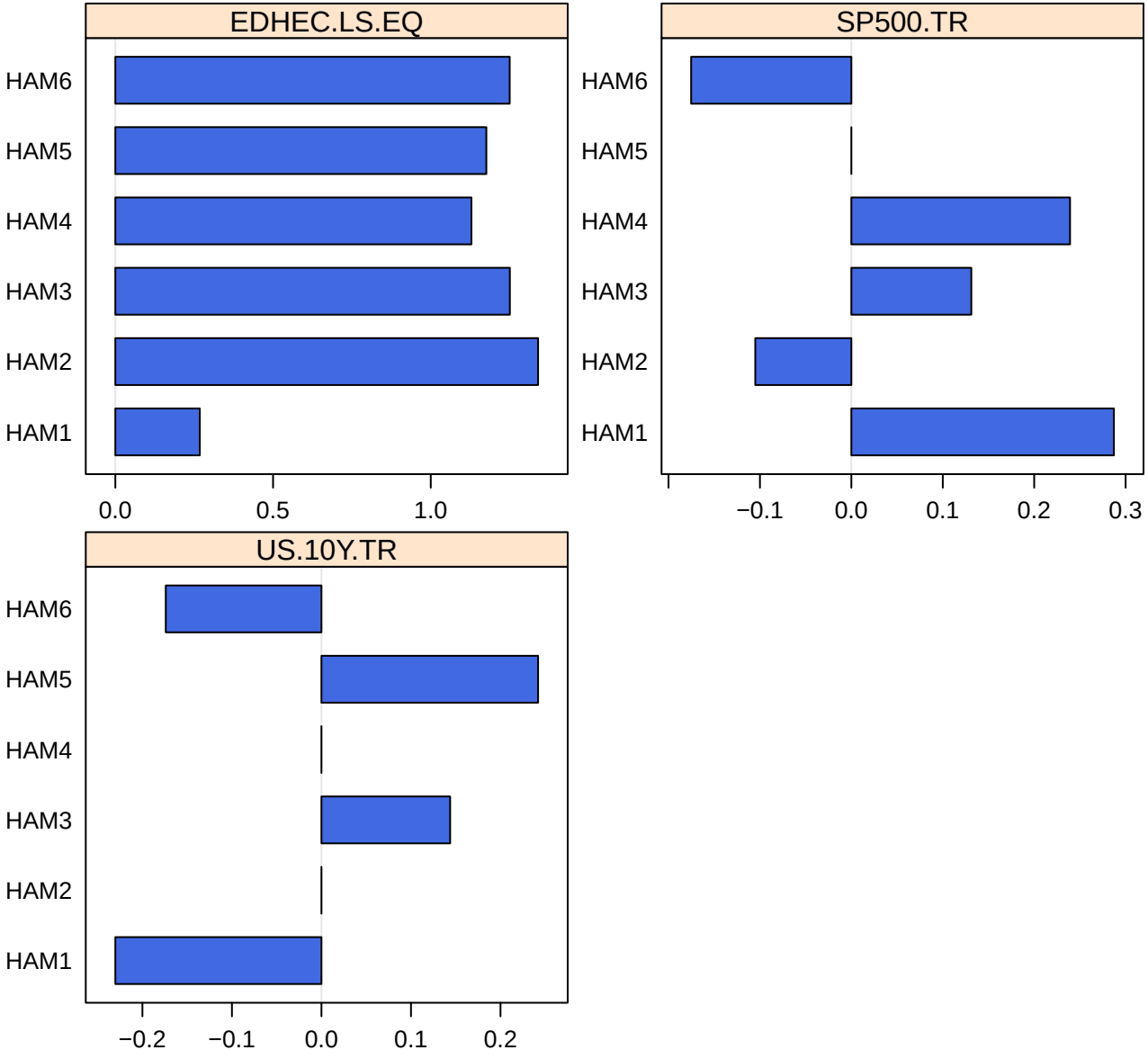

Residual volatility
HAM6
HAM5
HAM4
HAM3
HAM2
HAM1
0.01
0.02
0.03
0.04
LS

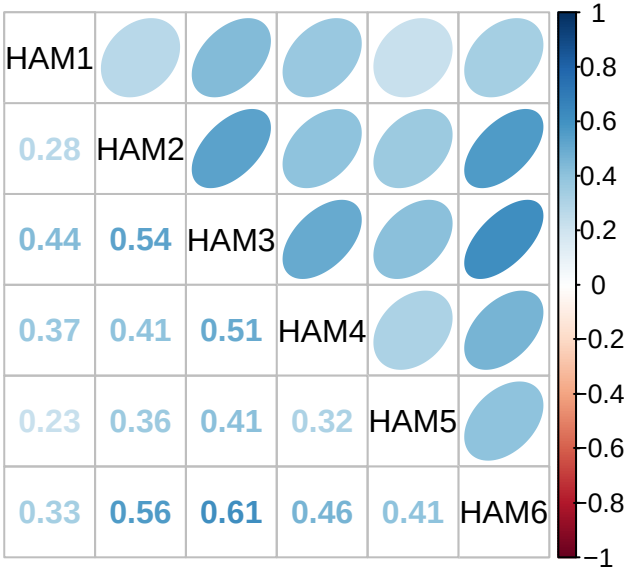

Residual volatility
HAM6
HAM5
HAM4
HAM3
HAM2
HAM1
0.01
0.02
0.03
0.04
Robust

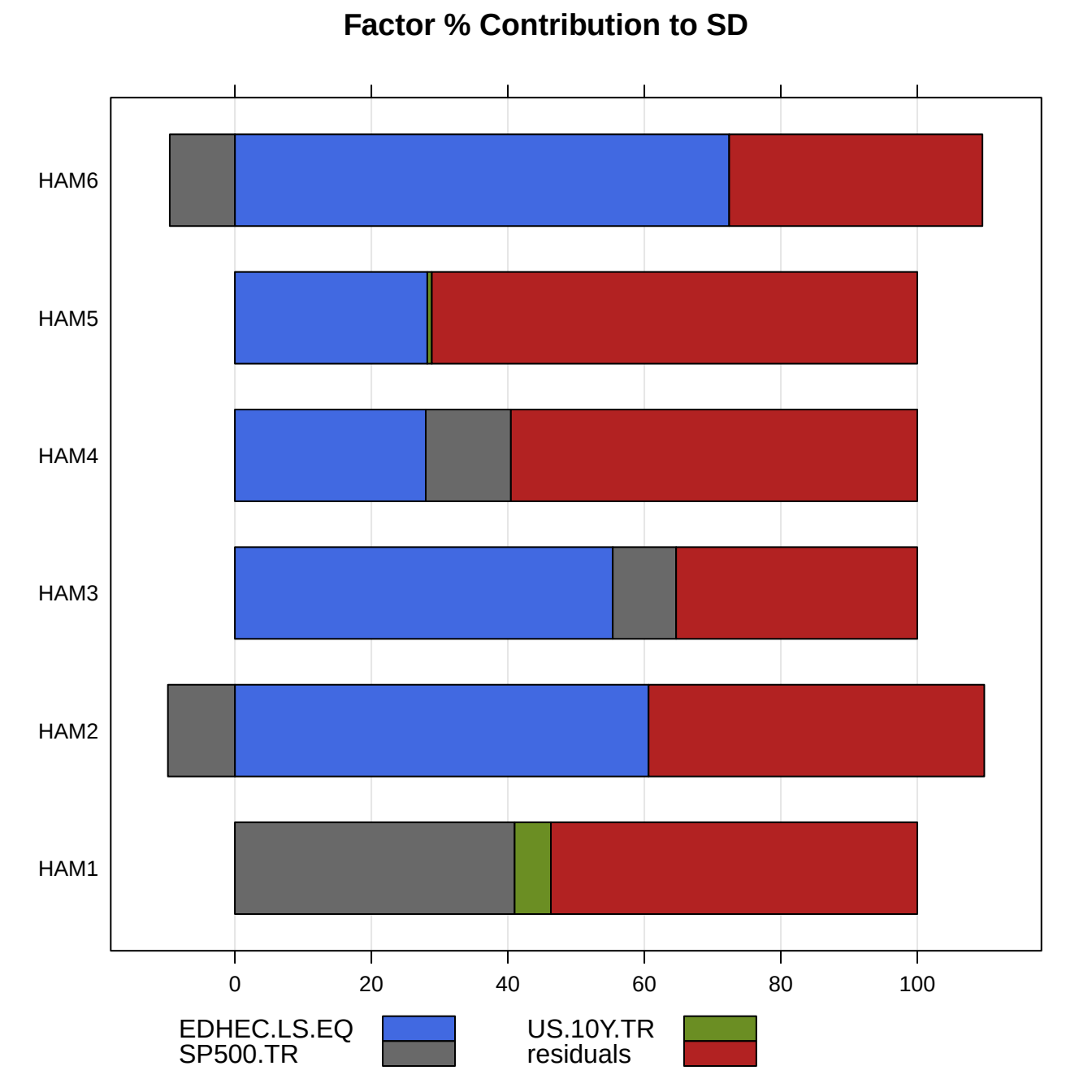
Factor model Betas

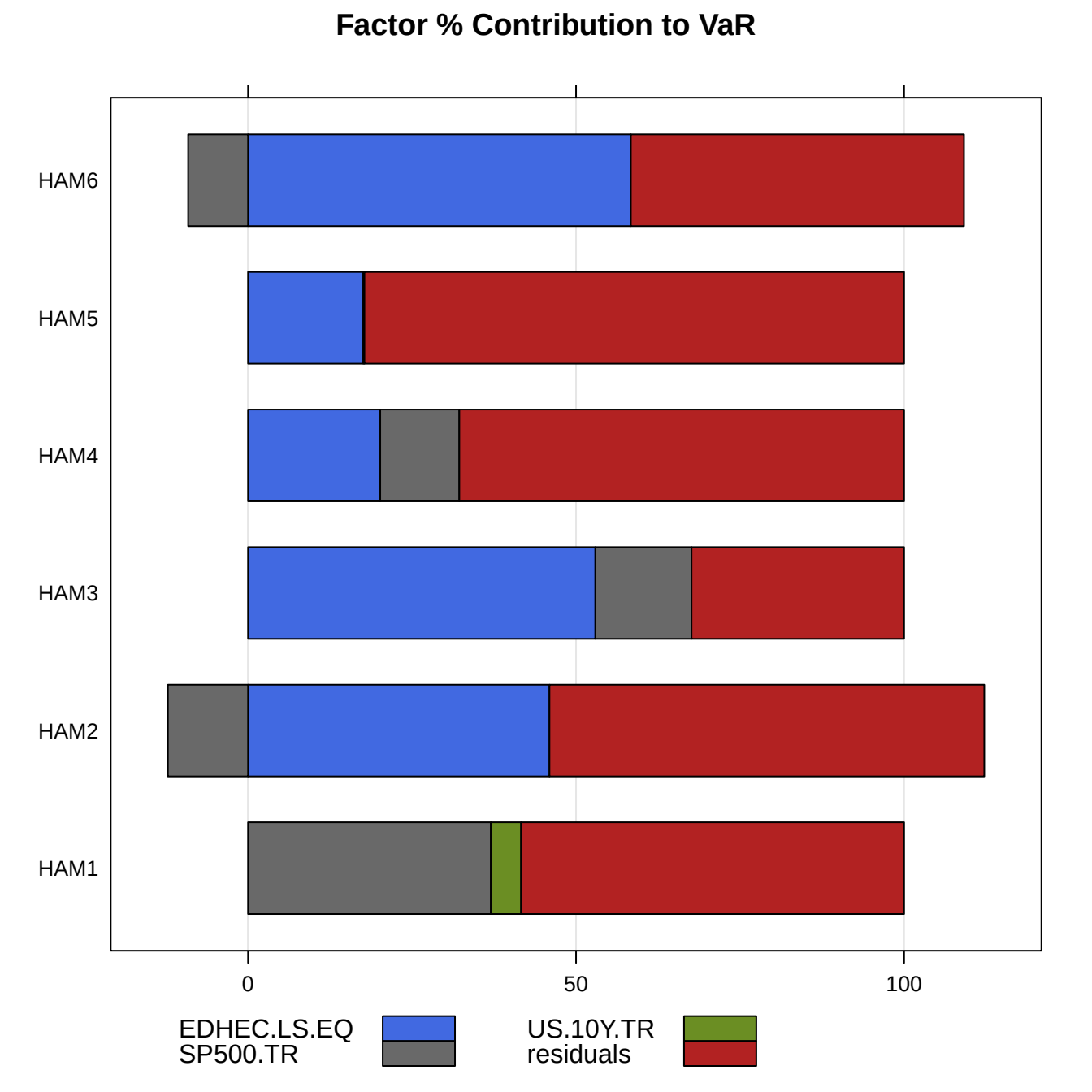


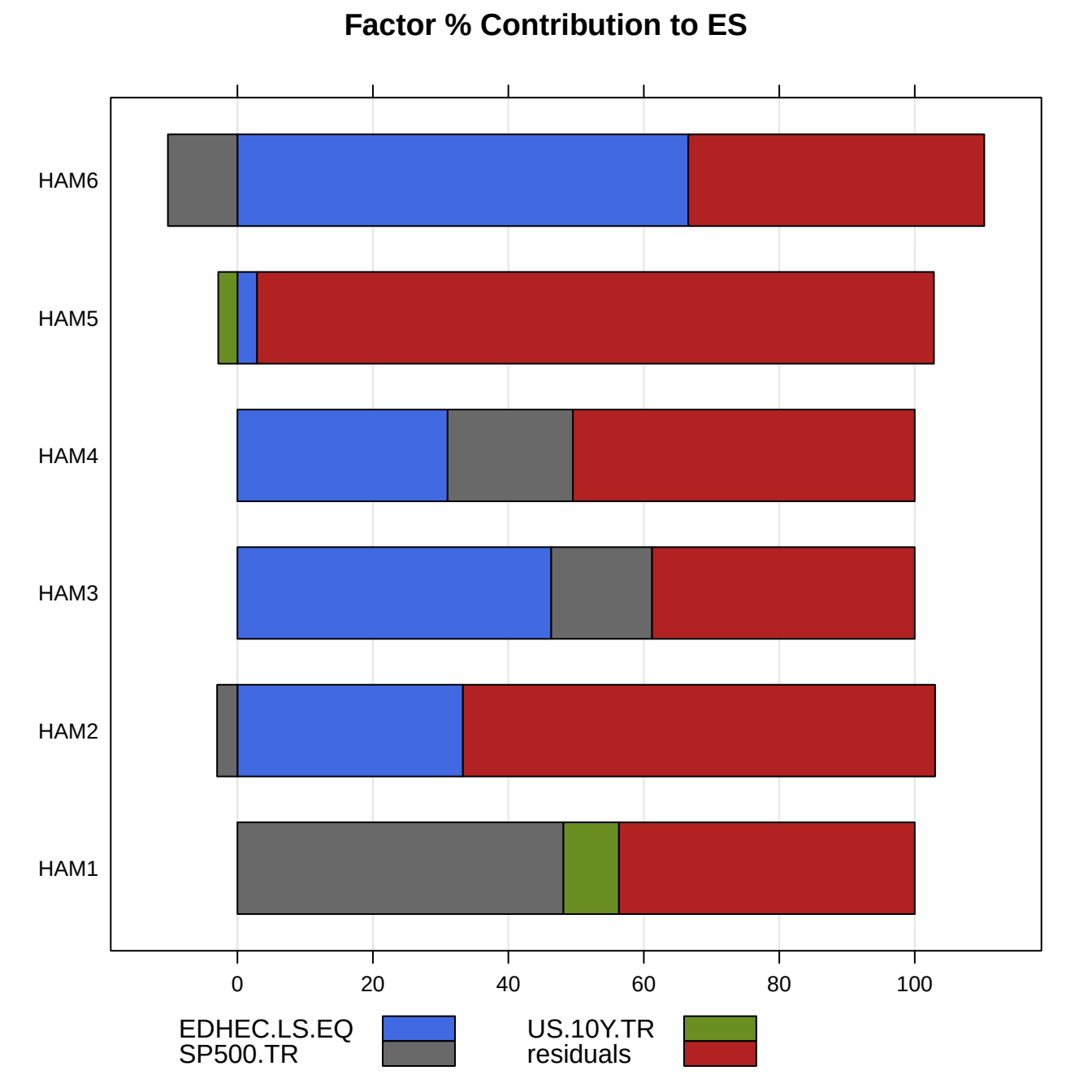
Factor model Betas




HAM1
0.28
HAM2
0.44
0.54
HAM3
0.37
0.41
0.51
HAM4
0.23
0.36
0.41
0.32
HAM5
0.33
0.56
0.61
0.46
0.41
HAM6
1
0.8
0.6
0.4
0.2
0
−0.2
−0.4
−0.6
−0.8
−1


Factor % Contribution to SD
HAM6
HAM5
HAM4
HAM3
HAM2
HAM1
0
20
40
60
80
100
EDHEC.LS.EQ
SP500.TR
US.10Y.TR
residuals


Factor % Contribution to VaR
HAM6
HAM5
HAM4
HAM3
HAM2
HAM1
0
50
100
EDHEC.LS.EQ
SP500.TR
US.10Y.TR
residuals


Factor % Contribution to ES
HAM6
HAM5
HAM4
HAM3
HAM2
HAM1
0
20
40
60
80
100
EDHEC.LS.EQ
SP500.TR
US.10Y.TR
residuals