Returns to Buying Winners and Selling Losers
Based on Jegadeesh & Titman (1993) JF

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Paper's Table 1, Panel A

	J	K=	3	6	9	12
3	Sell		0.0108	0.0091	0.0092	0.0087
			(2.16)	(1.87)	(1.92)	(1.87)
3	Buy		0.014	0.0149	0.0152	0.0156
			(3.57)	(3.78)	(3.83)	(3.89)
3	Buy-sell		0.0032	0.0058	0.0061	0.0069
			(1.10)	(2.29)	(2.69)	(3.53)
6	Sell		0.0087	0.0079	0.0072	0.008
			(1.67)	(1.56)	(1.48)	(1.66)
6	Buy		0.0171	0.0174	0.0174	0.0166
			(4.28)	(4.33)	(4.31)	(4.13)
6	Buy-sell		0.0084	0.0095	0.0102	0.0086
			(2.44)	(3.07)	(3.76)	(3.36)
9	Sell		0.0077	0.0065	0.0071	0.0082
			(1.47)	(1.29)	(1.43)	(1.66)
9	Buy		0.0186	0.0186	0.0176	0.0164
			(4.56)	(4.53)	(4.30)	(4.03)
9	Buy-sell		0.0109	0.0121	0.0105	0.0082
			(3.03)	(3.78)	(3.47)	(2.89)
12	Sell		0.006	0.0065	0.0075	0.0087
			(1.17)	(1.29)	(1.48)	(1.74)
12	Buy		0.0192	0.0179	0.0168	0.0155
			(4.63)	(4.36)	(4.10)	(3.81)
12	Buy-sell		0.0131	0.0114	0.0093	0.0068
			(3.74)	(3.40)	(2.95)	(2.25)

Paper's Table 1, Panel B

	J	K=	3	6	9	12
3	Sell		0.0083	0.0079	0.0084	0.0083
			(1.67)	(1.64)	(1.77)	(1.79)
3	Buy		0.0156	0.0158	0.0158	0.0160
			(3.95)	(3.98)	(3.96)	(3.98)
3	Buy-sell		0.0073	0.0078	0.0074	0.0077
			(2.61)	(3.16)	(3.36)	(4.00)
6	Sell		0.0066	0.0068	0.0067	0.0076
			(1.28)	(1.35)	(1.38)	(1.58)
6	Buy		0.0179	0.0178	0.0175	0.0166
			(4.47)	(4.41)	(4.32)	(4.13)
6	Buy-sell		0.0114	0.011	0.0108	0.0090
			(3.37)	(3.61)	(4.01)	(3.54)
9	Sell		0.0058	0.0058	0.0066	0.0078
			(1.13)	(1.15)	(1.34)	(1.59)
9	Buy		0.0193	0.0188	0.0176	0.0164
			(4.72)	(4.56)	(4.30)	(4.04)
9	Buy-sell		0.0135	0.013	0.0109	0.0085
			(3.85)	(4.09)	(3.67)	(3.04)
12	Sell		0.0048	0.0058	0.007	0.0085
			(0.93)	(1.15)	(1.40)	(1.71)
12	Buy		0.0196	0.0179	0.0167	0.0154
			(4.73)	(4.36)	(4.09)	(3.79)
12	Buy-sell		0.0149	0.0121	0.0096	0.0069
			(4.28)	(3.65)	(3.09)	(2.31)

Paper's Results

- The returns of all the zero-cost portfolios (i.e., the returns per dollar long in this portfolio) are positive.
- All these returns are statistically significant except for the 3-month/3-month strategy that does not skip a week.
- Many of the individual t-statistics are sufficiently large to be significant even after considering the fact that we have conducted 32 separate tests.
- The probability of obtaining a single t-statistic as large as 4.28 (obtained with the 12-month/3-month strategy that skips a week) with 32 observations is less than 0.0006, as given by the Bonferroni inequality.

Paper's Results (con't)

- The most successful zero-cost strategy selects stocks based on their returns over the previous 12 months and then holds the portfolio for 3 months.

- This strategy yields 1.31% per month (shown in Panel A) when there is no time lag between the portfolio formation period and the holding period and it yields 1.49% per month (shown in Panel B) when there is a 1-week lag between the formation period and the holding period.

Our's Results, Panel A

	J	K=	3	6	9	12
3	Sell		−0.0290	−0.0241	−0.0303	−0.0278
			(5.89)	(5.84)	(2.98)	(3.24)
3	Buy		0.0297	0.0278	0.0263	0.0245
			(5.93)	(6.13)	(6.33)	(6.28)
3	Buy-sell		0.0587	0.0519	0.0566	0.0523
			(6.36)	(6.26)	(4.49)	(4.74)
6	Sell		−0.0455	−0.0385	−0.0331	−0.0316
			(2.16)	(2.48)	(2.74)	(3.05)
6	Buy		0.0324	0.0306	0.0291	0.0266
			(6.23)	(6.31)	(6.25)	(6.02)
6	Buy-sell		0.0779	0.0691	0.0621	0.0582
			(3.37)	(3.87)	(4.26)	(4.51)
9	Sell		−0.0259	−0.0251	−0.0401	−0.0372
			(5.19)	(5.32)	(2.57)	(2.86)
9	Buy		0.0313	0.0305	0.0279	0.0257
			(5.83)	(6.09)	(5.78)	(5.62)
9	Buy-sell		0.0572	0.0555	0.0680	0.0629
			(6.18)	(6.14)	(3.81)	(4.09)
12	Sell		−0.0249	−0.0250	−0.0283	−0.0290
			(5.21)	(5.19)	(5.73)	(6.00)
12	Buy		0.0296	0.0292	0.0272	0.0253
			(5.56)	(5.50)	(5.31)	(5.21)
12	Buy-sell		0.0545	0.0541	0.0555	0.0543
			(5.97)	(5.74)	(5.85)	(5.89)

Our's Results, Panel B

	J	K=	3	6	9	12
3	Sell		−0.0298	−0.0242	−0.0303	−0.0278
			(5.67)	(5.39)	(3.01)	(3.24)
3	Buy		0.0300	0.0277	0.0261	0.0244
			(5.50)	(5.65)	(5.87)	(5.80)
3	Buy-sell		0.0598	0.0518	0.0564	0.0522
			(5.91)	(5.73)	(4.39)	(4.60)
6	Sell		−0.0460	−0.0385	−0.0340	−0.0327
			(2.20)	(2.50)	(2.81)	(3.14)
6	Buy		0.0311	0.0307	0.0293	0.0268
			(5.69)	(6.08)	(6.07)	(5.69)
6	Buy-sell		0.0771	0.0692	0.0634	0.0595
			(3.32)	(3.85)	(4.26)	(4.49)
9	Sell		−0.0253	−0.0259	−0.0404	−0.0387
			(4.63)	(5.06)	(2.65)	(2.99)
9	Buy		0.0308	0.0303	0.0277	0.0258
			(5.60)	(5.76)	(5.38)	(5.23)
9	Buy-sell		0.0561	0.0562	0.0681	0.0645
			(5.62)	(5.73)	(3.81)	(4.12)
12	Sell		−0.0269	−0.0273	−0.0284	−0.0299
			(4.79)	(5.00)	(5.31)	(5.54)
12	Buy		0.0292	0.0282	0.0274	0.0257
			(5.30)	(5.11)	(5.00)	(4.95)
12	Buy-sell		0.0560	0.0556	0.0558	0.0556
			(5.50)	(5.40)	(5.43)	(5.52)