

Progress Report - 20210208

I. Draft of Paper

The objective is to get you to start writing and to have you do so with the parts of the paper that are often left for last (and therefore typically suffer in the last-minute rush).

It's also an opportunity for you to get feedback on writing style and mechanics, as well as any preliminary results (though no results are required at this stage).

1. Introduction - **Done**
 - i. Background introduction
 - ii. Literature Review
 - iii. Problem Definition
2. Data Description and Methodology - **Ongoing**
3. Validation and Extension of the Original Paper
 - i. Validation using U.S. Equity Market Data
 - ii. Extension to Post-2012 Data
 - iii. Extension to China's A-share Market
4. Conclusion - **TO DO**
5. Possible Improvements - **TO DO**
6. Bibliography - **Ongoing**
7. Appendix - **Ongoing**

II. Implementation of Proposal

1. US Equity Market
 - i. Before 2012 Validation
 - Beta-sorted calendar-time portfolio returns - **Ongoing**
 - a. CAPM alpha
 - b. Three-factor alpha
 - c. Four-factor alpha
 - d. Five-factor alpha
 - e. Beta (ex ante)
 - f. Beta (realized) - Lucy, Jackie
 - ii. After 2012 Extension
 - Beta-sorted calendar-time portfolio returns - **TO DO**
 - a. CAPM alpha
 - b. Three-factor alpha
 - c. Four-factor alpha
 - d. Five-factor alpha
 - e. Beta (ex ante)
 - f. Beta (realized)
2. Chinese Equity Market
 - i. Beta-sorted calendar-time portfolio returns - **TO DO**
 - CAPM alpha
 - Three-factor alpha
 - Four-factor alpha
 - Five-factor alpha

- Beta (ex ante)
- Beta (realized)

III. Questions to Amir

1. **Ex ante** beta vs **realized** beta
2. Chinese factor data: lack of data; alternatives
3. Whether one can time BAB strategy both in developed markets and in developing markets.
4. CRSP Value-weighted market index: **includes distributions** vs **excluding dividends**