Internet Appendix

Non-Standard Errors in Portfolio Sorts

I Sorting Variables

Table I.1: Summary statistics for sorting variables.

This table provides summary statistics for the 68 sorting variables (SV) analyzed in this paper. The number of observations (Obs.) is in 1,000s and SD denotes the standard deviation. All variables are winsorized at the 1%-level on either tail.

Group	SV	Mean	SD	Minimum	Median	Maximum	Obs.
Fin.	CDI	0.47	1.42	-3.90	0.36	5.29	222.84
Fin.	CSI	0.10	0.46	-0.79	0.00	2.19	1828.21
Fin.	DBE	0.15	0.85	-1.63	0.02	6.28	398.76
Fin.	DCOL	0.06	0.26	-0.48	0.01	2.00	344.22
Fin.	DFNL	0.06	0.36	-1.02	0.00	2.48	401.50
Fin.	NDF	0.03	0.17	-0.37	0.00	1.04	350.31
Fin.	NEF	0.08	0.32	-0.26	0.00	1.98	341.87
Fin.	NXF	0.12	0.42	-0.40	0.00	2.57	325.44
Int.	ADM	0.06	0.12	0.00	0.02	0.83	89.79
Int.	EPRD	21.26	143.84	0.01	0.51	1319.26	160.91
Int.	HR	0.04	0.30	-1.04	0.02	1.25	322.53
Int.	KZI	-10.11	36.04	-277.64	-0.86	13.65	203.06
Int.	LFE	0.15	0.61	-0.86	0.05	4.42	311.00
Int.	OL	1.16	1.28	0.02	0.87	8.59	350.36
Int.	RDM	0.07	0.12	0.00	0.03	0.73	105.18
Int.	RER	-0.00	0.17	-0.36	-0.01	0.51	114.95
Int.	TAN	0.66	0.23	0.03	0.67	1.49	380.98
Int.	WW	-0.88	0.11	-1.15	-0.87	-0.64	123.14
Inv.	ACI	0.07	0.78	-0.95	-0.09	4.18	218.72
Inv.	AG	0.27	0.99	-0.75	0.07	7.43	400.01
Inv.	DINV	0.01	0.06	-0.21	0.00	0.26	390.31
Inv.	DNOA	0.11	0.51	-1.03	0.03	3.53	396.75
Inv.	DPIA	0.09	0.27	-0.62	0.04	1.71	354.25
Inv.	DWC	0.01	0.23	-1.29	0.00	1.04	337.05
Inv.	IG	0.72	2.74	-1.00	0.06	20.15	344.72
Inv.	NOA	0.58	0.66	-3.24	0.65	3.11	397.51
Inv.	OA	-0.12	0.50	-4.03	-0.05	0.73	369.93
Inv.	PTA	0.62	4.39	-14.94	0.30	28.14	390.49
Mom.	52W	0.74	0.22	0.12	0.80	1.00	2592.95
Mom.	ABR	0.00	0.09	-0.27	0.00	0.30	735.86
Mom.	MOM	0.12	0.55	-0.82	0.05	2.58	2805.76
Mom.	RMOM	-0.04	0.32	-0.92	-0.02	0.70	2058.06
Pro.	ATO	3.08	5.00	0.00	1.79	37.21	336.89
Pro.	BL	3.90	5.24	1.01	2.08	35.03	392.50
Pro.	CBOP	-0.02	0.61	-4.62	0.09	0.60	350.34
Pro.	CTO	1.10	1.13	0.00	0.82	6.23	398.40
Pro.	GPA	0.27	0.34	-1.02	0.22	1.45	434.16
Pro.	O	-3.36	9.91	-62.86	-2.96	46.27	321.08
Pro.	OPE	0.05	0.72	-4.64	0.18	1.72	389.86
Pro.	TBI	3.93	13.81	0.00	0.32	108.33	281.14

Continued on next page

Table I.1: Summary statistics for sorting variables.

Pro.	Z	4.50	6.82	-12.60	3.22	42.09	199.69
Siz.	ME	18.49	2.26	13.99	18.30	24.26	3106.39
Tra.	AMI	0.00	0.00	0.00	0.00	0.00	2740.54
Tra.	BETA	1.11	0.73	-0.44	1.04	3.52	2559.67
Tra.	BFP	0.94	0.58	-0.26	0.90	2.63	2728.90
Tra.	DTV	0.01	0.04	0.00	0.00	0.27	2740.54
Tra.	ISKEW	0.18	0.85	-2.54	0.15	2.83	2834.52
Tra.	IVOL	0.03	0.02	0.00	0.02	0.14	2817.54
Tra.	MDR	0.08	0.07	-0.00	0.05	0.44	2836.93
Tra.	SREV	0.01	0.15	-0.39	0.00	0.59	3077.53
Tra.	TUR	0.00	0.01	0.00	0.00	0.04	2740.54
Val.	AM	3.18	5.01	0.10	1.46	32.52	236.31
Val.	BM	0.84	0.73	0.04	0.65	4.24	227.34
Val.	CFM	0.15	0.13	0.01	0.11	0.79	177.82
Val.	DM	0.97	1.84	0.00	0.36	12.51	207.54
Val.	EBM	0.74	0.53	0.01	0.69	3.07	220.54
Val.	EM	0.09	0.07	0.00	0.07	0.39	167.67
Val.	NDM	1.13	2.09	0.00	0.46	14.49	149.42
Val.	NPY	0.05	0.05	0.00	0.03	0.35	92.48
Val.	OCM	0.18	0.23	0.00	0.11	1.53	156.41
Val.	REV	0.71	1.52	-0.93	0.34	8.27	1836.74
Val.	SM	2.40	3.83	0.00	1.08	24.52	235.34

II Visualizing mean absolute differences

Figure II.1: Visualizing mean absolute differences at the fork: exclusion of negative earnings.
For each of the 68 sorting variables, we consider the paths of 14 decision forks for portfolio sorts until the premium is estimated. The first seven forks concern the sample construction and the ensuing seven forks belong to the portfolio construction. The color saturation indicates how often 109 papers analyzed by Hou et al. (2020) implemented each choice. We visualize a path that excludes stocks with negative earnings in Panel A and a matched pair for this path in Panel B that only differs in the choice not to exclude stocks with negative earnings. Moreover, we show how the corresponding long-minus-short return differentials enter the equation to compute mean absolute differences.
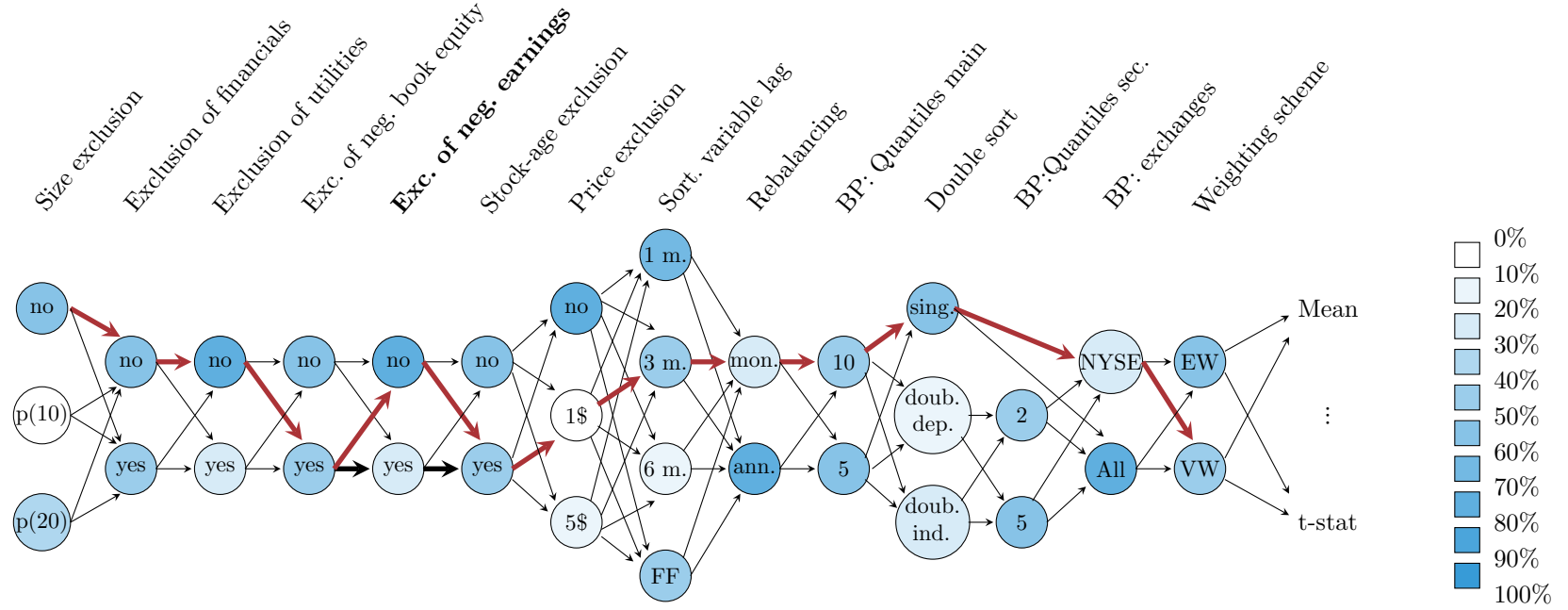
Panel A: Long-minus-short return differentials for a path excluding stocks with negative earnings
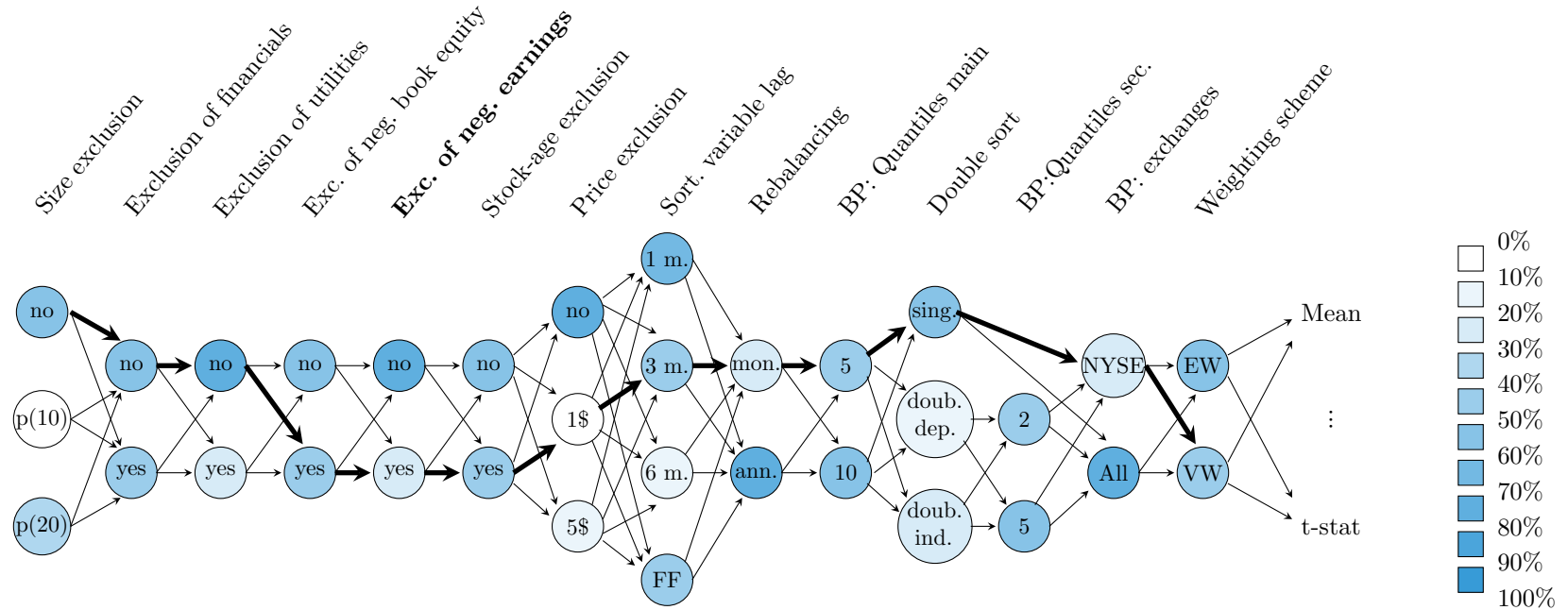
$$MAD_t^f = \frac{1}{|V|} \sum_{v \in V} \left(\frac{1}{|S_f^v|} \sum_{(i,j) \in S_f^v} |\boldsymbol{r_{t,i}^v} - r_{t,j}^v| \right).$$

(II.1)

Panel B: Long-minus-short return differentials for a matched pair of paths that differ only in the choice of excluding stocks with negative earnings

$$MAD_t^f = \frac{1}{|V|} \sum_{v \in V} \left(\frac{1}{|S_f^v|} \sum_{(i,j) \in S_f^v} |\boldsymbol{r_{t,i}^v} - \textcolor{red}{\boldsymbol{r_{t,j}^v}}| \right). \tag{II.2}$$

III Non-standard errors for CAPM-, FF5-, and Q5-adjusted returns

Below, we show graphs similar to Figure 4 for adjusted premia. In particular, we consider intercepts relative to the CAPM, the Fama and French (2015)-model (abbreviated *FF5*), and the Hou et al. (2021)-model (abbreviated *Q5*). We show the distribution of the respective statistics in box plots to illustrate the overall spread across all sorting variables.

First, we present the distributions of the intercepts from CAPM (see Figure III.1 and Table VIII.1), FF5 (see Figure III.2 and Table VIII.2), and Q5 (see Figure III.3 and Table VIII.3). We show the distribution of the respective statistics in box plots to illustrate the overall spread across all sorting variables and comprehensive tables.

Second, we present the distributions of t-statistics of the intercepts from CAPM (see Figure III.4), FF5 (see Figure III.5), and Q5 (see Figure III.6). For the unadjusted premia, we show these distributions in Figure C.1 in the Appendix of the paper. We show the distribution of the respective statistics in box plots to illustrate the overall spread across all sorting variables.

Third, we show the distribution of Newey and West (1987) standard errors for all four models. In particular, Figures III.7 to III.9 show standard errors of the intercept relative to the CAPM, FF5-model, and Q5-model, respectively. We show the distribution of the respective statistics in box plots to illustrate the overall spread across all sorting variables.

Finally, we show a comparison between asset pricing model's explanatory power in Table III.4.

Figure III.1: CAPM alphas: Non-standard errors across sorting variables.
This figure shows the estimated average premia (in %) adjusted for the CAPM in box plots for all sorting variables across all paths. The boxes cover the interquartile range and thus correspond to the definition of non-standard errors from Equation (2). Moreover, the lines at the ends of each box indicate the maximum and minimum premium of each distribution. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.

Figure III.2: FF5 alphas: Non-standard errors across sorting variables.
This figure shows the estimated average premia (in %) adjusted for the Fama and French (2015)-model in box plots for all sorting variables across all paths. The boxes cover the interquartile range and thus correspond to the definition of non-standard errors from Equation (2). Moreover, the lines at the ends of each box indicate the maximum and minimum premium of each distribution. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.
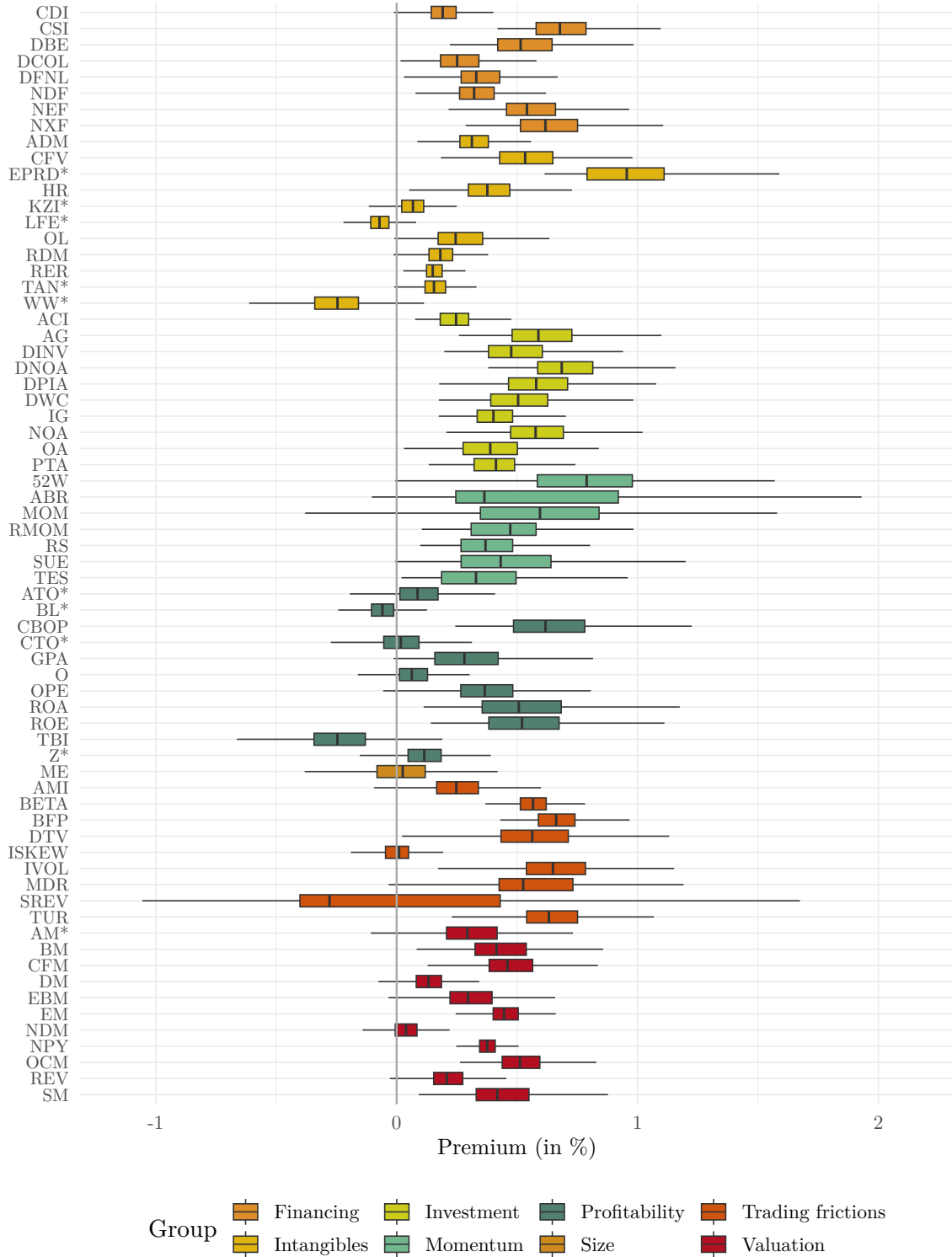
Figure III.3: Q5 alphas: Non-standard errors across sorting variables.

This figure shows the estimated average premia (in %) adjusted for the Hou et al. (2021)-model in box plots for all sorting variables across all paths. The boxes cover the interquartile range and thus correspond to the definition of non-standard errors from Equation (2). Moreover, the lines at the ends of each box indicate the maximum and minimum premium of each distribution. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.
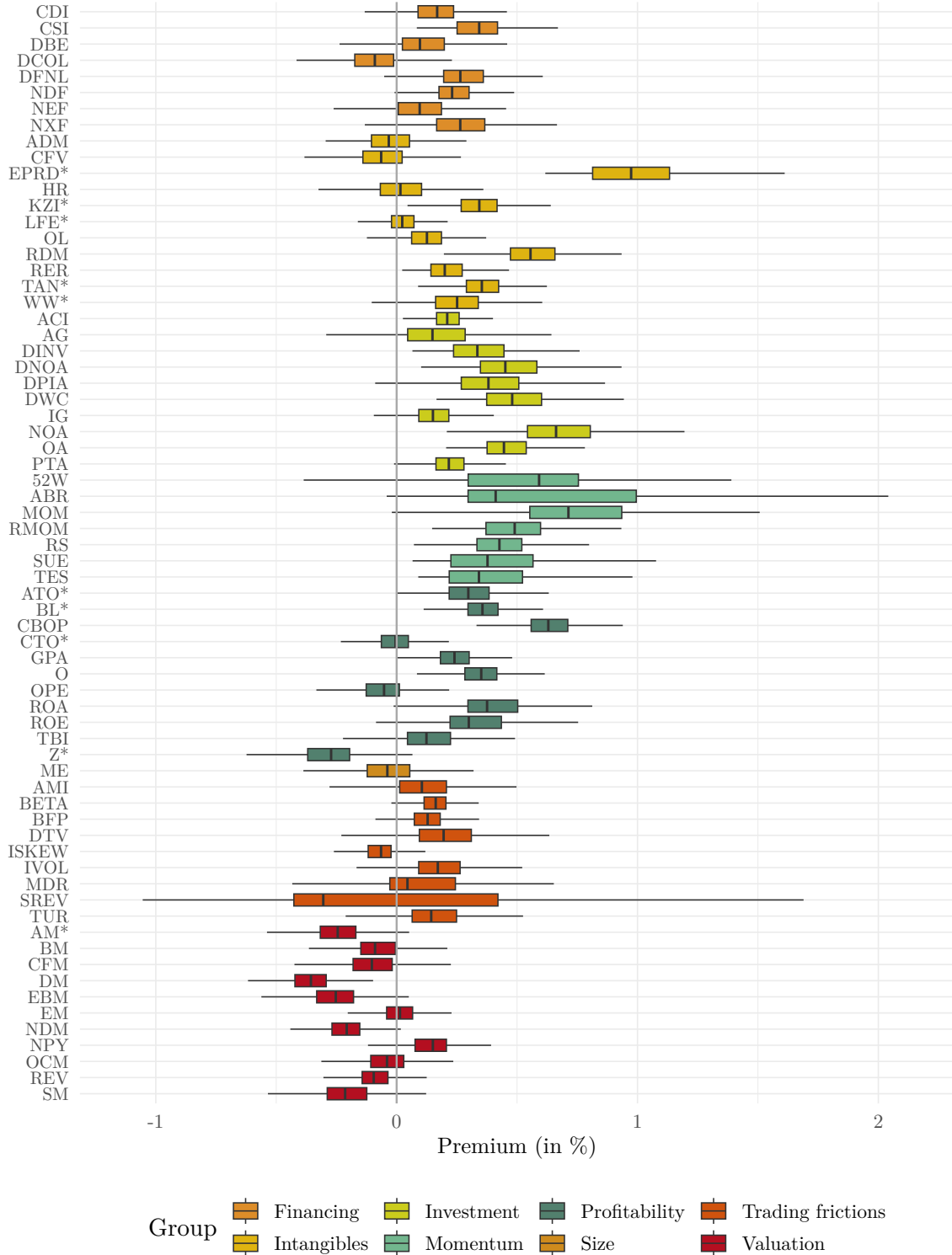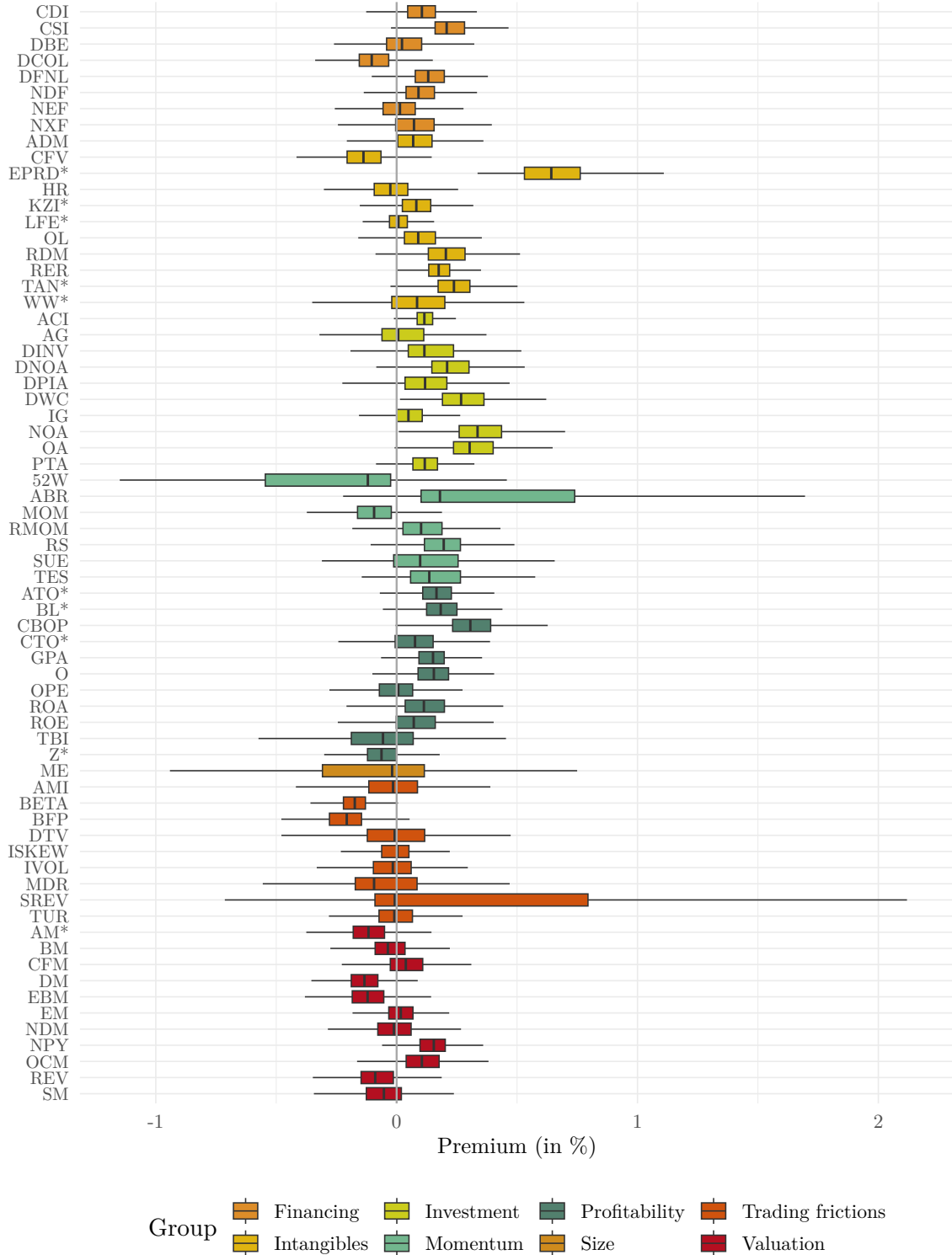
Table III.1: Non-standard errors in CAPM-adjusted premia.

This table shows summary statistics across all paths for individual sorting variables in panels grouped by categories. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the CAPM-adjusted premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of CAPM-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive CAPM-adjusted premia and t-statistics larger than 1.96. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.20	0.10	(0.01, 0.07)	1.21	0.16	5.09	0.97	0.71
CSI	0.69	0.21	(0.03, 0.03)	1.10	0.63	3.26	1.00	1.00
DBE	0.54	0.23	(0.02, 0.05)	1.16	0.74	3.11	1.00	1.00
DCOL	0.28	0.16	(0.00, 0.08)	1.19	1.17	4.80	1.00	0.70
DFNL	0.35	0.16	(0.02, 0.14)	1.47	0.79	3.38	1.00	0.98
NDF	0.34	0.14	(0.06, 0.12)	1.44	0.71	3.40	1.00	0.99
NEF	0.57	0.20	(0.02, 0.05)	1.13	1.03	4.12	1.00	0.99
NXF	0.65	0.24	(0.08, 0.08)	1.41	0.86	3.66	1.00	1.00
Mean	0.45	0.18	(0.03, 0.08)	1.26	0.76	3.85	1.00	0.92

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.33	0.12	(0.00, 0.00)	0.53	0.91	3.81	1.00	0.41
CFV	0.55	0.22	(0.01, 0.00)	0.81	0.68	3.49	1.00	0.93
EPRD*	0.97	0.32	(0.09, 0.07)	1.37	0.43	2.40	1.00	1.00
HR	0.39	0.17	(0.01, 0.06)	1.13	0.77	4.02	1.00	0.90
KZI*	0.07	0.09	(0.00, 0.01)	0.60	0.45	5.48	0.83	0.02
LFE*	-0.07	0.08	(0.00, 0.01)	0.83	0.88	5.85	0.12	0.00
OL	0.27	0.18	(0.00, 0.01)	0.89	0.62	2.77	1.00	0.46
RDM	0.19	0.10	(0.00, 0.00)	0.49	1.39	7.27	0.99	0.03
RER	0.16	0.06	(0.00, 0.01)	0.82	1.00	3.97	1.00	0.81
TAN*	0.17	0.09	(0.00, 0.01)	0.66	0.82	5.40	0.98	0.13
WW*	-0.25	0.18	(0.01, 0.02)	0.77	-0.26	5.42	0.05	0.00
Mean	0.25	0.15	(0.01, 0.02)	0.81	0.70	4.54	0.82	0.43

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.25	0.12	(0.03, 0.02)	0.99	0.38	2.69	1.00	0.92
AG	0.62	0.25	(0.05, 0.09)	1.39	0.89	3.76	1.00	1.00
DINV	0.51	0.22	(0.11, 0.16)	1.73	0.77	3.11	1.00	1.00
DNOA	0.72	0.23	(0.07, 0.12)	1.53	0.92	3.79	1.00	1.00
DPIA	0.60	0.25	(0.10, 0.13)	1.67	0.73	3.65	1.00	1.00
DWC	0.52	0.24	(0.16, 0.15)	1.85	0.57	3.03	1.00	1.00
IG	0.42	0.15	(0.03, 0.04)	1.13	0.82	3.82	1.00	1.00
NOA	0.59	0.22	(0.08, 0.05)	1.31	0.55	3.20	1.00	1.00
OA	0.41	0.23	(0.03, 0.15)	1.55	0.70	3.30	1.00	0.87
PTA	0.41	0.17	(0.11, 0.05)	1.27	0.11	2.42	1.00	1.00
Mean	0.50	0.21	(0.08, 0.10)	1.44	0.64	3.28	1.00	0.98

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.78	0.39	(0.13, 0.09)	1.59	0.08	2.98	1.00	0.93
ABR	0.59	0.67	(0.19, 0.37)	4.32	0.95	2.63	0.99	0.91

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Table III.1: Non-standard errors in CAPM-adjusted premia.

	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
MOM	0.62	0.49	(0.06, 0.13)	1.54	0.54	2.70	1.00	0.70
RMOM	0.46	0.27	(0.13, 0.03)	1.29	0.05	2.37	1.00	0.85
RS	0.40	0.21	(0.04, 0.12)	1.55	1.10	4.53	1.00	0.87
SUE	0.49	0.37	(0.19, 0.25)	2.77	1.15	4.35	1.00	0.86
TES	0.37	0.31	(0.14, 0.20)	2.33	1.13	3.92	1.00	0.77
Mean	0.53	0.39	(0.13, 0.17)	2.20	0.71	3.35	1.00	0.84

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.10	0.16	(0.00, 0.01)	0.84	0.49	3.00	0.79	0.07
BL*	-0.06	0.09	(0.00, 0.00)	0.46	-0.04	4.17	0.20	0.00
CBOP	0.65	0.30	(0.07, 0.15)	1.73	0.82	3.62	1.00	0.99
CTO*	0.03	0.15	(0.00, 0.01)	0.78	0.62	3.67	0.56	0.01
GPA	0.31	0.26	(0.00, 0.07)	1.23	0.62	2.74	1.00	0.53
O	0.08	0.12	(0.00, 0.02)	0.67	0.70	3.57	0.80	0.07
OPE	0.38	0.22	(0.05, 0.01)	0.96	0.56	3.48	1.00	0.82
ROA	0.54	0.33	(0.11, 0.11)	1.69	0.94	4.00	1.00	0.90
ROE	0.55	0.29	(0.14, 0.11)	1.69	1.02	4.31	1.00	0.97
TBI	-0.23	0.21	(0.00, 0.04)	0.91	0.54	4.49	0.10	0.00
Z*	0.12	0.14	(0.00, 0.00)	0.65	0.61	3.63	0.88	0.02
Mean	0.23	0.21	(0.03, 0.05)	1.06	0.62	3.70	0.76	0.40

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.03	0.20	(0.06, 0.06)	1.49	1.38	10.89	0.57	0.07

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.26	0.17	(0.01, 0.05)	1.06	0.79	7.32	0.94	0.43
BETA	0.57	0.11	(0.00, 0.00)	0.37	0.33	2.72	1.00	0.99
BFP	0.67	0.15	(0.00, 0.00)	0.49	0.49	2.69	1.00	1.00
DTV	0.59	0.28	(0.06, 0.04)	1.09	0.62	3.59	1.00	0.88
ISKEW	0.00	0.10	(0.12, 0.04)	1.39	-0.05	4.44	0.56	0.05
IVOL	0.68	0.25	(0.02, 0.05)	1.18	0.82	4.55	1.00	0.98
MDR	0.59	0.31	(0.01, 0.14)	1.38	1.00	3.86	1.00	0.96
SREV	-0.05	0.83	(0.07, 0.32)	3.45	1.08	3.59	0.33	0.29
TUR	0.66	0.21	(0.01, 0.03)	0.98	0.88	4.37	1.00	0.97
Mean	0.44	0.27	(0.03, 0.08)	1.27	0.66	4.13	0.87	0.73

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	0.32	0.21	(0.00, 0.01)	0.77	0.68	3.72	0.98	0.18
BM	0.45	0.21	(0.00, 0.04)	0.88	1.13	4.72	1.00	0.59
CFM	0.48	0.18	(0.00, 0.00)	0.67	0.53	3.07	1.00	0.80
DM	0.14	0.10	(0.00, 0.00)	0.42	0.31	3.27	0.96	0.00
EBM	0.32	0.17	(0.00, 0.02)	0.70	1.20	5.36	1.00	0.18
EM	0.46	0.10	(0.00, 0.00)	0.49	0.86	4.18	1.00	0.95
NDM	0.04	0.09	(0.00, 0.00)	0.46	0.13	3.35	0.72	0.00
NPY	0.38	0.06	(0.00, 0.00)	0.42	0.44	3.65	1.00	0.98
OCM	0.52	0.16	(0.00, 0.00)	0.58	0.35	2.72	1.00	0.96
REV	0.23	0.12	(0.00, 0.01)	0.68	1.41	7.41	0.99	0.18
SM	0.46	0.22	(0.00, 0.01)	0.82	1.06	4.07	1.00	0.55
Mean	0.34	0.15	(0.00, 0.01)	0.63	0.74	4.14	0.97	0.49

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.

Table III.1: Non-standard errors in CAPM-adjusted premia.

All	0.37	0.21	(0.04, 0.06)	1.18	0.70	3.99	0.90	0.65
Orig. Sig.	0.41	0.22	(0.05, 0.07)	1.25	0.74	3.94	0.95	0.74
Orig. Insig.	0.14	0.15	(0.01, 0.01)	0.77	0.47	4.27	0.64	0.14

Table III.2: Non-standard errors in FF5-adjusted premia.

This table shows summary statistics across all paths for individual sorting variables in panels grouped by categories. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the FF5-adjusted premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of FF5-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive FF5-adjusted premia and t-statistics larger than 1.96. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.15	0.15	(0.10, 0.09)	1.76	-0.54	4.02	0.88	0.61
CSI	0.34	0.17	(0.07, 0.06)	1.29	0.43	2.91	1.00	0.97
DBE	0.12	0.17	(0.09, 0.12)	1.70	1.01	5.20	0.81	0.28
DCOL	-0.08	0.16	(0.08, 0.15)	1.99	0.82	4.77	0.22	0.08
DFNL	0.28	0.16	(0.06, 0.17)	1.76	0.56	3.37	1.00	0.88
NDF	0.24	0.12	(0.03, 0.10)	1.31	0.67	3.56	1.00	0.86
NEF	0.10	0.18	(0.08, 0.11)	1.54	0.44	3.24	0.77	0.28
NXF	0.27	0.20	(0.11, 0.14)	1.70	0.29	2.99	0.98	0.76
Mean	0.18	0.16	(0.08, 0.12)	1.63	0.46	3.76	0.83	0.59

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	-0.02	0.16	(0.00, 0.01)	0.81	0.63	3.14	0.40	0.00
CFV	-0.05	0.16	(0.02, 0.04)	1.00	0.39	3.11	0.30	0.01
EPRD*	0.98	0.32	(0.13, 0.08)	1.53	0.25	2.04	1.00	1.00
HR	0.03	0.17	(0.13, 0.14)	2.03	0.68	4.49	0.55	0.17
KZI*	0.34	0.15	(0.00, 0.01)	0.83	0.17	3.07	1.00	0.78
LFE*	0.03	0.09	(0.00, 0.00)	0.83	0.60	4.17	0.63	0.01
OL	0.12	0.12	(0.01, 0.00)	0.72	-0.01	3.12	0.90	0.04
RDM	0.58	0.18	(0.00, 0.04)	0.98	1.28	5.63	1.00	0.99
RER	0.21	0.13	(0.09, 0.04)	1.32	0.54	2.79	1.00	0.90
TAN*	0.35	0.13	(0.04, 0.02)	0.94	-0.20	4.59	0.98	0.78
WW*	0.25	0.18	(0.04, 0.02)	1.13	-0.12	5.87	0.96	0.52
Mean	0.26	0.16	(0.04, 0.04)	1.10	0.38	3.82	0.79	0.47

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.22	0.09	(0.01, 0.02)	0.83	0.39	2.91	1.00	0.84
AG	0.18	0.24	(0.20, 0.19)	2.50	1.03	4.76	0.84	0.50
DINV	0.36	0.21	(0.15, 0.16)	1.81	0.85	3.40	1.00	0.97
DNOA	0.48	0.23	(0.16, 0.17)	2.06	0.87	3.80	1.00	0.98
DPIA	0.39	0.24	(0.19, 0.16)	2.17	0.46	3.58	0.98	0.89
DWC	0.50	0.23	(0.18, 0.16)	1.93	0.49	2.77	1.00	1.00
IG	0.16	0.12	(0.04, 0.07)	1.33	0.53	4.12	0.95	0.55

Table III.2: Non-standard errors in FF5-adjusted premia.

NOA	0.68	0.26	(0.12, 0.09)	1.59	0.58	3.19	1.00	1.00
OA	0.47	0.16	(0.04, 0.12)	1.41	0.98	3.81	1.00	1.00
PTA	0.22	0.12	(0.01, 0.07)	1.12	0.33	3.22	1.00	0.80
Mean	0.37	0.19	(0.11, 0.12)	1.68	0.65	3.56	0.98	0.85

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.54	0.46	(0.08, 0.01)	1.25	-0.36	3.03	0.99	0.65
ABR	0.65	0.70	(0.18, 0.35)	4.11	1.00	2.69	1.00	0.95
MOM	0.75	0.38	(0.03, 0.02)	1.14	0.39	2.99	1.00	0.96
RMOM	0.49	0.23	(0.03, 0.02)	1.04	0.23	2.41	1.00	0.96
RS	0.44	0.19	(0.11, 0.11)	1.57	0.82	4.16	1.00	0.99
SUE	0.44	0.34	(0.17, 0.24)	2.75	1.34	4.75	1.00	0.88
TES	0.40	0.30	(0.06, 0.23)	2.23	1.09	3.72	1.00	0.90
Mean	0.53	0.37	(0.09, 0.14)	2.01	0.65	3.39	1.00	0.90

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.30	0.17	(0.02, 0.01)	0.93	0.27	2.66	1.00	0.71
BL*	0.36	0.12	(0.01, 0.00)	0.75	0.34	2.85	1.00	0.96
CBOP	0.64	0.15	(0.02, 0.05)	1.13	0.68	3.67	1.00	1.00
CTO*	-0.01	0.11	(0.00, 0.01)	0.74	0.14	3.64	0.48	0.01
GPA	0.24	0.12	(0.00, 0.00)	0.75	0.08	2.70	1.00	0.65
O	0.35	0.13	(0.02, 0.00)	0.84	0.07	2.74	1.00	0.93
OPE	-0.06	0.14	(0.07, 0.10)	1.40	-0.36	3.33	0.29	0.03
ROA	0.41	0.21	(0.06, 0.18)	1.88	1.03	4.39	1.00	0.92
ROE	0.35	0.21	(0.02, 0.19)	1.93	1.37	4.98	1.00	0.84
TBI	0.14	0.18	(0.04, 0.04)	1.10	0.51	4.51	0.86	0.17
Z*	-0.27	0.17	(0.00, 0.04)	1.07	0.74	5.04	0.02	0.00
Mean	0.22	0.16	(0.02, 0.06)	1.14	0.44	3.68	0.79	0.57

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	-0.01	0.18	(0.03, 0.12)	1.96	1.92	13.11	0.37	0.09

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.11	0.19	(0.04, 0.05)	1.19	0.46	6.87	0.77	0.14
BETA	0.16	0.09	(0.00, 0.00)	0.42	-0.26	3.34	0.98	0.02
BFP	0.13	0.11	(0.00, 0.01)	0.52	0.55	5.12	0.94	0.02
DTV	0.21	0.22	(0.06, 0.04)	1.02	0.69	5.38	0.91	0.26
ISKEW	-0.07	0.09	(0.08, 0.04)	1.26	0.08	3.71	0.16	0.01
IVOL	0.19	0.17	(0.03, 0.06)	1.33	0.89	6.01	0.92	0.32
MDR	0.11	0.27	(0.01, 0.22)	1.69	1.06	3.93	0.66	0.26
SREV	-0.07	0.85	(0.02, 0.32)	2.89	1.17	3.90	0.33	0.26
TUR	0.17	0.18	(0.03, 0.07)	1.26	0.77	4.53	0.88	0.20
Mean	0.10	0.24	(0.03, 0.09)	1.29	0.60	4.76	0.73	0.17

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.24	0.15	(0.01, 0.06)	1.09	0.43	3.67	0.04	0.00
BM	-0.06	0.14	(0.01, 0.16)	1.65	1.30	5.35	0.24	0.08
CFM	-0.09	0.16	(0.01, 0.10)	1.26	0.51	3.52	0.21	0.03
DM	-0.36	0.13	(0.00, 0.02)	0.87	-0.29	3.15	0.00	0.00
EBM	-0.25	0.15	(0.03, 0.11)	1.45	0.67	4.68	0.05	0.01

Table III.2: Non-standard errors in FF5-adjusted premia.

EM	0.01	0.11	(0.01, 0.04)	1.02	0.07	4.35	0.57	0.05
NDM	-0.21	0.12	(0.00, 0.01)	0.88	-0.27	2.58	0.00	0.00
NPY	0.14	0.13	(0.04, 0.01)	1.12	-0.66	3.24	0.91	0.47
OCM	-0.04	0.14	(0.01, 0.05)	1.04	0.26	3.22	0.35	0.03
REV	-0.08	0.11	(0.00, 0.04)	0.94	1.32	8.71	0.16	0.02
SM	-0.20	0.16	(0.00, 0.08)	1.11	0.75	3.72	0.09	0.01
Mean	-0.12	0.14	(0.01, 0.06)	1.13	0.37	4.20	0.24	0.06

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.20	0.19	(0.05, 0.09)	1.39	0.52	4.03	0.74	0.49
Orig. Sig.	0.20	0.20	(0.06, 0.10)	1.46	0.56	4.08	0.74	0.49
Orig. Insig.	0.21	0.16	(0.03, 0.03)	0.98	0.26	3.76	0.71	0.48

Table III.3: Non-standard errors in Q5-adjusted premia.

This table shows summary statistics across all paths for individual sorting variables in panels grouped by categories. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the Q5-adjusted premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of Q5-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive Q5-adjusted ppremia and t-statistics larger than 1.96. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.10	0.11	(0.01, 0.05)	1.19	-0.37	4.71	0.87	0.29
CSI	0.22	0.12	(0.00, 0.00)	0.70	0.37	2.88	1.00	0.38
DBE	0.04	0.15	(0.02, 0.05)	1.12	0.98	6.23	0.58	0.07
DCOL	-0.08	0.12	(0.00, 0.12)	1.39	1.50	6.82	0.19	0.06
DFNL	0.14	0.12	(0.02, 0.09)	1.27	0.67	3.85	0.95	0.45
NDF	0.10	0.12	(0.01, 0.10)	1.29	0.70	3.83	0.88	0.31
NEF	0.01	0.13	(0.02, 0.01)	0.96	-0.25	4.03	0.56	0.02
NXF	0.08	0.16	(0.03, 0.08)	1.29	-0.01	3.46	0.74	0.19
Mean	0.08	0.13	(0.02, 0.06)	1.15	0.45	4.48	0.72	0.22

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.08	0.14	(0.00, 0.01)	0.71	0.70	3.81	0.77	0.03
CFV	-0.14	0.14	(0.00, 0.00)	0.67	-0.10	3.16	0.11	0.00
EPRD*	0.65	0.23	(0.03, 0.04)	1.22	0.41	2.60	1.00	1.00
HR	-0.01	0.14	(0.05, 0.12)	1.53	0.73	4.95	0.40	0.10
KZI*	0.08	0.12	(0.00, 0.00)	0.65	0.18	3.95	0.83	0.01
LFE*	0.01	0.07	(0.00, 0.00)	0.64	0.21	3.62	0.55	0.00
OL	0.10	0.13	(0.00, 0.00)	0.66	0.48	3.31	0.86	0.02
RDM	0.23	0.15	(0.00, 0.01)	0.82	1.55	6.92	0.99	0.11
RER	0.18	0.09	(0.03, 0.01)	0.92	0.05	2.83	1.00	0.75
TAN*	0.24	0.13	(0.00, 0.01)	0.83	0.54	4.32	0.98	0.34
WW*	0.09	0.22	(0.01, 0.03)	0.98	0.12	4.66	0.71	0.08
Mean	0.14	0.14	(0.01, 0.02)	0.88	0.44	4.01	0.74	0.22

Table III.3: Non-standard errors in Q5-adjusted premia.

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.12	0.06	(0.00, 0.01)	0.61	0.62	4.30	1.00	0.18
AG	0.05	0.17	(0.04, 0.15)	1.75	1.56	6.86	0.52	0.16
DINV	0.15	0.19	(0.04, 0.17)	1.63	0.95	4.18	0.90	0.36
DNOA	0.23	0.15	(0.03, 0.11)	1.54	1.10	5.15	0.98	0.75
DPIA	0.13	0.17	(0.12, 0.12)	1.66	0.67	4.29	0.83	0.29
DWC	0.28	0.17	(0.07, 0.09)	1.38	0.60	3.05	1.00	0.85
IG	0.06	0.11	(0.00, 0.06)	1.08	0.85	5.34	0.75	0.12
NOA	0.35	0.18	(0.04, 0.03)	1.06	0.68	3.64	1.00	0.91
OA	0.33	0.16	(0.01, 0.10)	1.27	0.89	3.88	1.00	0.87
PTA	0.12	0.10	(0.04, 0.03)	1.06	-0.12	3.84	0.93	0.33
Mean	0.18	0.15	(0.04, 0.09)	1.31	0.78	4.45	0.89	0.48

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	-0.26	0.52	(0.22, 0.01)	1.45	-0.80	3.20	0.18	0.00
ABR	0.42	0.64	(0.06, 0.32)	3.47	1.07	2.82	0.96	0.52
MOM	-0.10	0.14	(0.01, 0.00)	0.57	-0.92	7.71	0.20	0.00
RMOM	0.11	0.16	(0.00, 0.01)	0.79	0.46	2.91	0.83	0.06
RS	0.20	0.15	(0.01, 0.05)	1.14	0.72	4.88	0.97	0.44
SUE	0.16	0.27	(0.09, 0.22)	2.62	1.48	5.57	0.71	0.39
TES	0.19	0.21	(0.00, 0.16)	1.63	1.30	4.47	0.94	0.38
Mean	0.10	0.30	(0.05, 0.11)	1.67	0.47	4.51	0.68	0.25

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.17	0.12	(0.00, 0.00)	0.56	0.21	2.74	0.99	0.09
BL*	0.19	0.13	(0.00, 0.00)	0.59	0.76	3.78	0.99	0.07
CBOP	0.32	0.16	(0.03, 0.04)	1.08	0.23	3.57	0.99	0.82
CTO*	0.07	0.16	(0.00, 0.00)	0.71	0.07	2.82	0.73	0.01
GPA	0.14	0.10	(0.00, 0.00)	0.58	-0.31	4.35	0.96	0.04
O	0.15	0.13	(0.02, 0.00)	0.66	-0.37	3.17	0.92	0.02
OPE	-0.01	0.14	(0.01, 0.00)	0.82	-0.98	5.01	0.52	0.00
ROA	0.12	0.16	(0.05, 0.08)	1.41	0.51	5.07	0.83	0.21
ROE	0.09	0.16	(0.05, 0.13)	1.72	0.87	5.13	0.75	0.22
TBI	-0.06	0.26	(0.02, 0.08)	1.12	0.03	4.43	0.37	0.04
Z*	-0.06	0.12	(0.00, 0.01)	0.61	0.81	5.79	0.25	0.00
Mean	0.10	0.15	(0.02, 0.03)	0.90	0.17	4.17	0.76	0.14

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	-0.05	0.42	(0.19, 0.19)	2.53	1.06	7.54	0.47	0.16

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	-0.02	0.20	(0.00, 0.11)	1.13	0.42	8.34	0.46	0.10
BETA	-0.18	0.09	(0.00, 0.00)	0.38	-0.95	5.01	0.00	0.00
BFP	-0.22	0.13	(0.00, 0.00)	0.53	-0.54	4.29	0.02	0.00
DTV	-0.00	0.24	(0.00, 0.11)	1.05	0.59	6.10	0.48	0.10
ISKEW	-0.00	0.11	(0.09, 0.03)	1.26	0.19	4.19	0.51	0.03
IVOL	-0.02	0.16	(0.01, 0.02)	0.91	-0.17	6.56	0.44	0.02
MDR	-0.04	0.26	(0.00, 0.13)	1.20	0.71	3.55	0.32	0.06
SREV	0.28	0.89	(0.00, 0.33)	2.73	1.17	3.77	0.48	0.33
TUR	0.01	0.14	(0.00, 0.03)	0.76	1.44	6.57	0.46	0.03

Table III.3: Non-standard errors in Q5-adjusted premia.

	Mean							
Mean	-0.02	0.25	(0.01, 0.08)	1.10	0.32	5.37	0.35	0.07

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.11	0.13	(0.00, 0.01)	0.58	0.83	5.51	0.13	0.00
BM	-0.01	0.12	(0.00, 0.04)	0.84	1.75	7.79	0.35	0.03
CFM	0.05	0.13	(0.00, 0.02)	0.70	0.45	4.33	0.65	0.03
DM	-0.13	0.11	(0.00, 0.00)	0.48	-0.11	3.56	0.05	0.00
EBM	-0.11	0.13	(0.00, 0.02)	0.73	0.90	5.91	0.14	0.01
EM	0.02	0.10	(0.00, 0.00)	0.57	0.09	4.86	0.59	0.00
NDM	-0.01	0.14	(0.00, 0.01)	0.82	0.06	2.96	0.46	0.00
NPY	0.14	0.10	(0.01, 0.00)	0.81	-0.70	3.90	0.95	0.31
OCM	0.11	0.14	(0.00, 0.01)	0.64	0.54	3.50	0.87	0.05
REV	-0.06	0.13	(0.00, 0.05)	1.04	2.09	11.10	0.22	0.03
SM	-0.05	0.15	(0.00, 0.02)	0.71	0.63	4.06	0.31	0.01
Mean	-0.01	0.13	(0.00, 0.02)	0.72	0.59	5.23	0.43	0.04

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.08	0.17	(0.02, 0.06)	1.09	0.47	4.64	0.65	0.20
Orig. Sig.	0.07	0.18	(0.03, 0.06)	1.15	0.48	4.75	0.64	0.21
Orig. Insig.	0.14	0.14	(0.00, 0.01)	0.74	0.41	3.98	0.72	0.16

Figure III.4: Variation in CAPM-adjusted t-statistics across sorting variables.
This figure shows the estimated t-statistics for CAPM-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group. A t-value of 1.96 is indicated by the vertical dashed line.
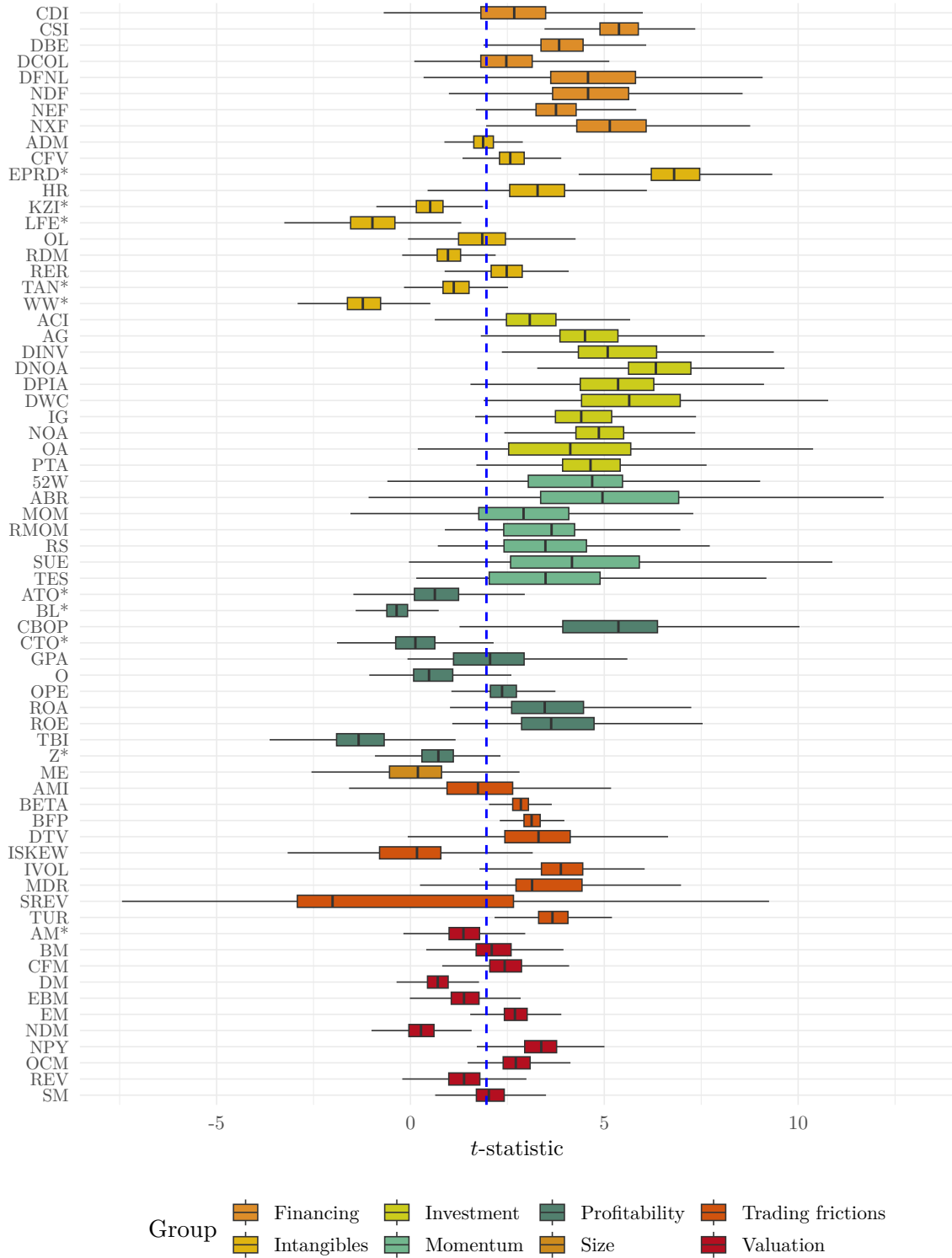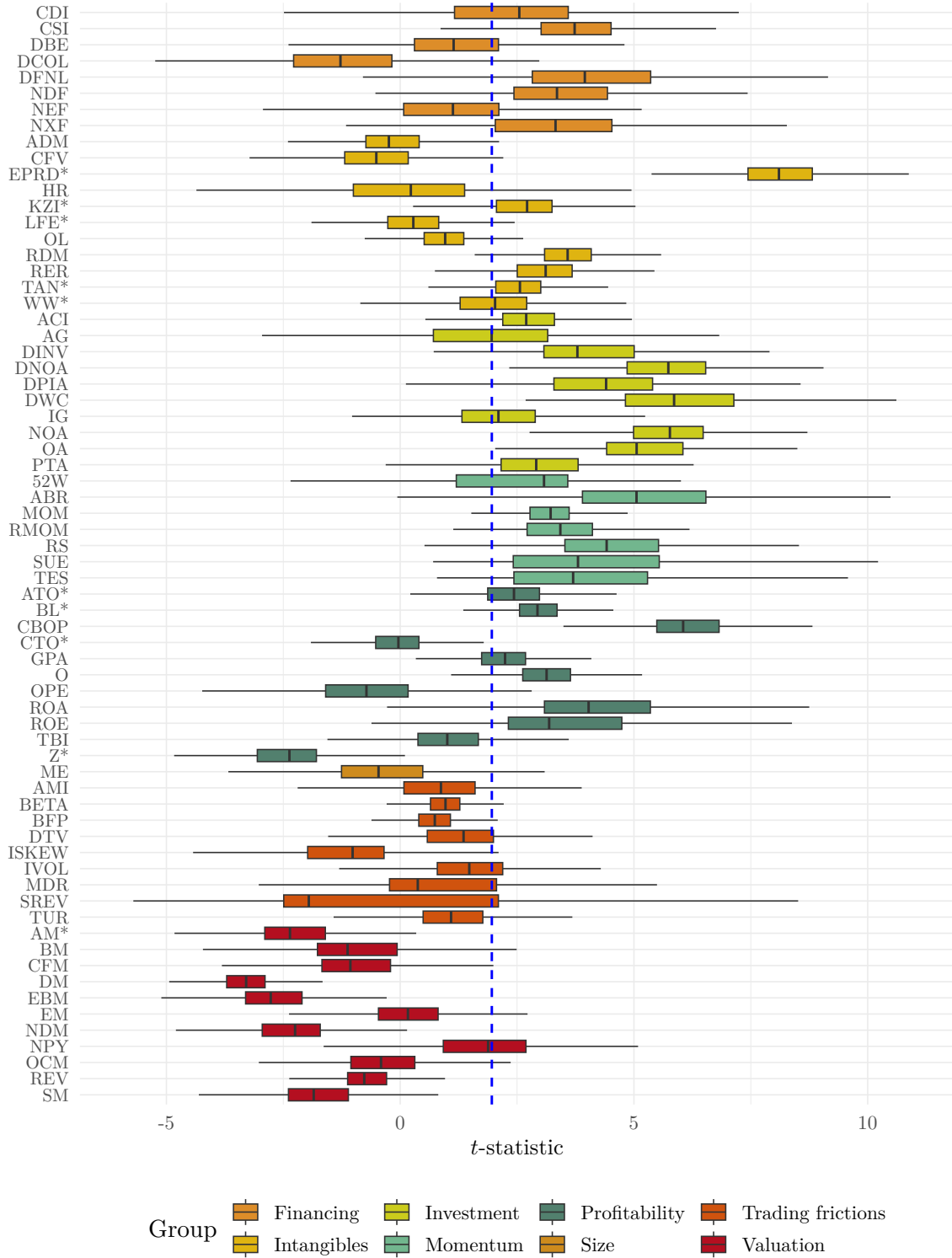
Figure III.5: Variation in FF5-adjusted t-statistics across sorting variables.
This figure shows the estimated t-statistics for Fama and French (2015)-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group. A t-value of 1.96 is indicated by the vertical dashed line.
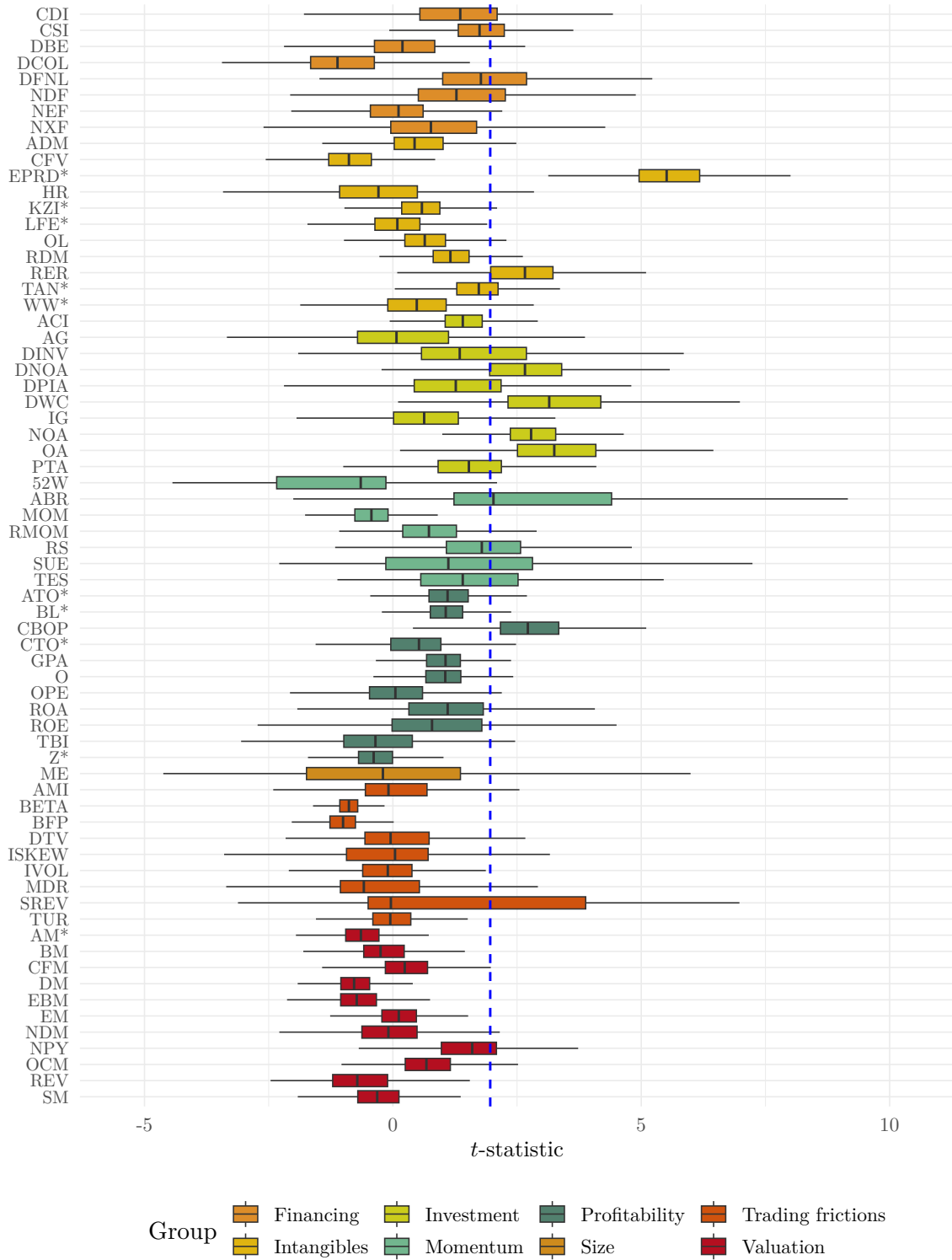
Figure III.6: Variation in Q5-adjusted t-statistics across sorting variables.
This figure shows the estimated t-statistics for Hou et al. (2021)-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group. A t-value of 1.96 is indicated by the vertical dashed line.

Figure III.7: Variation in CAPM-adjusted standard errors across sorting variables.
This figure shows the estimated standard errors for CAPM-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.
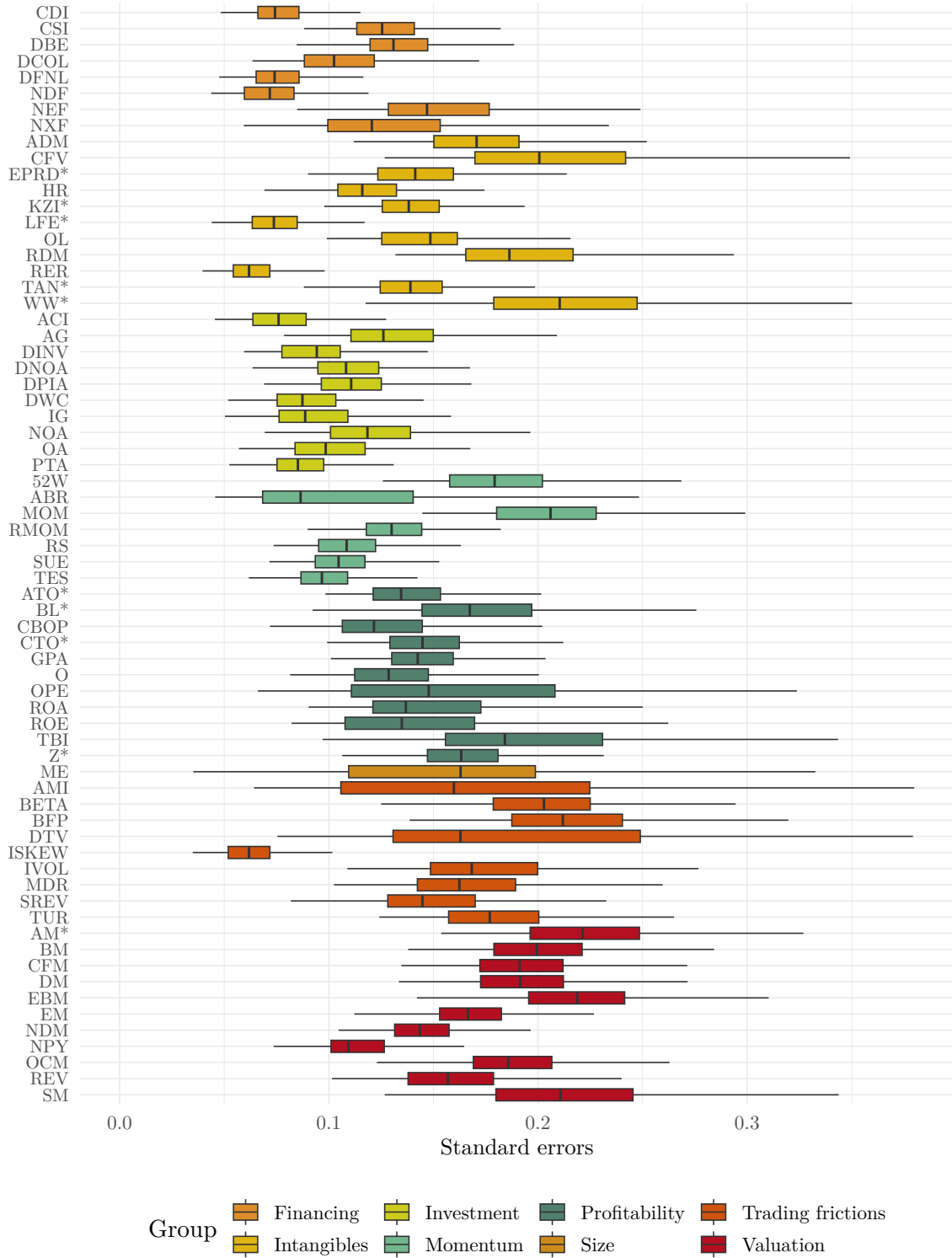
Figure III.8: Variation in FF5-adjusted standard errors across sorting variables.

This figure shows the estimated standard errors for Fama and French (2015)-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.
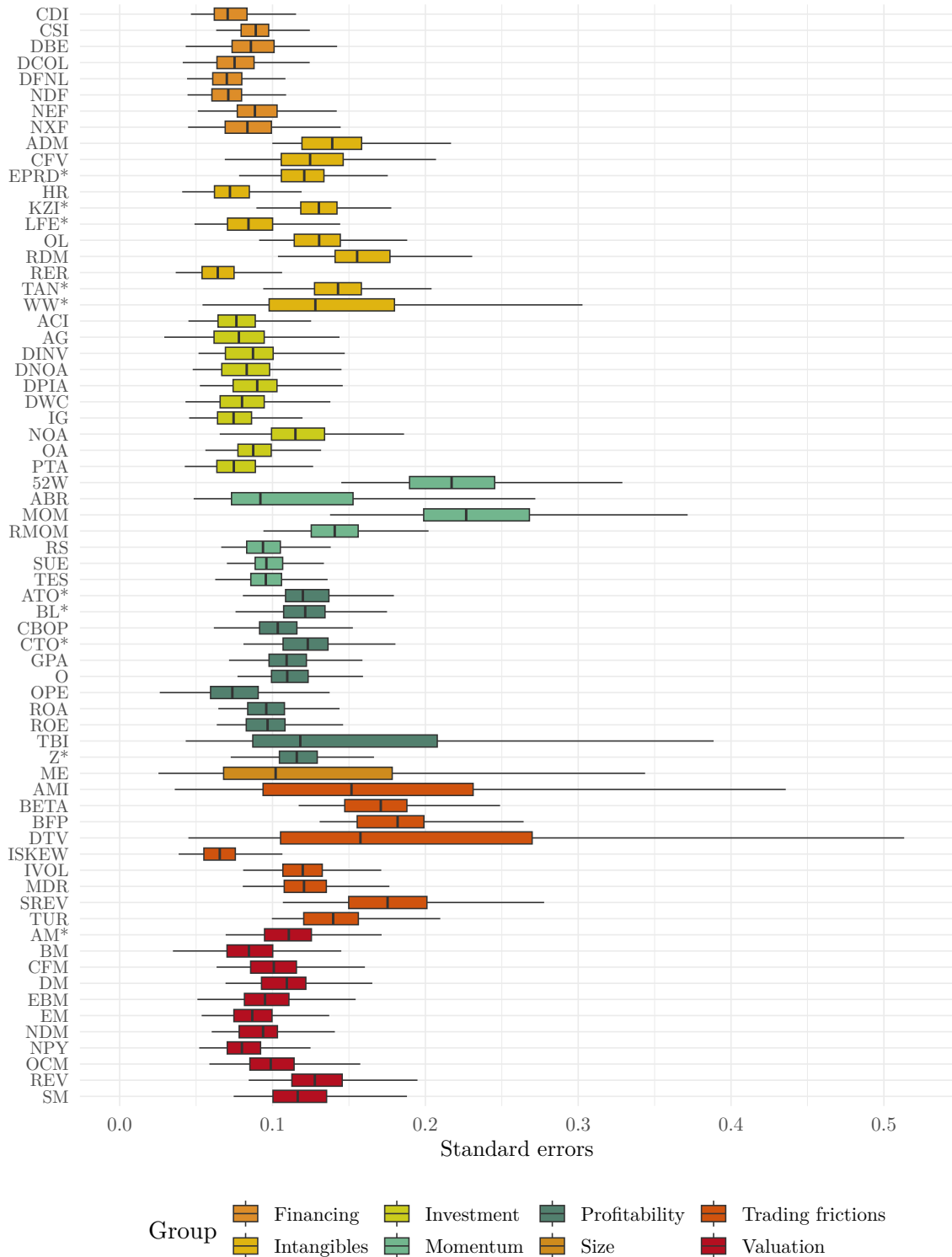
Figure III.9: Variation in Q5-adjusted standard errors across sorting variables.
This figure shows the estimated standard errors for Hou et al. (2021)-adjusted returns in box plots for all sorting variables across all paths. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.
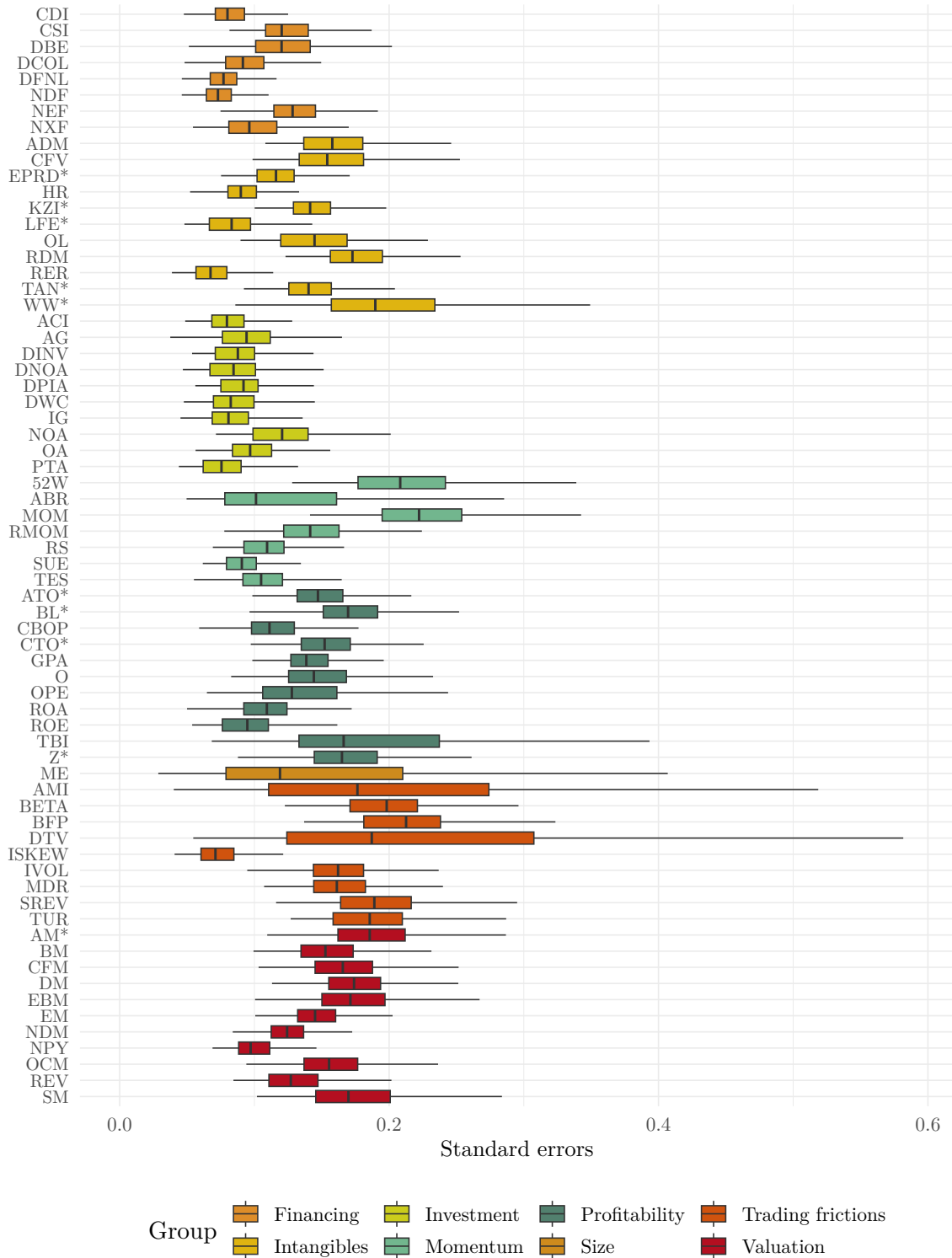
Table III.4: Non-standard errors across asset-pricing models.
This table shows non-standard errors for average premia (Raw, in %), CAPM-adjusted premia (CAPM, in %), FF5-adjusted premia (FF5, in %), Q5-adjusted premia (Q5, in %). Then, we test the similarity of the demeaned distributions of the models using Anderson-Darling tests (Scholz and Stephens, 1987). We report the average test statistics between unadjusted ("raw") and CAPM-adjusted premia (R-C), premia of the CAPM against the FF5 (C-F) and Q5 model (C-Q), and between the FF5 and Q5 model (F-Q).

Group	Raw	CAPM	FF5	Q5	R-C	C-F	C-Q	F-Q
Financing	0.17	0.18	0.16	0.13	92	437	755	405
Intangibles	0.13	0.15	0.16	0.14	318	1091	680	385
Investment	0.19	0.21	0.19	0.15	138	365	1059	706
Momentum	0.38	0.39	0.37	0.30	97	161	1005	739
Profitability	0.17	0.21	0.16	0.15	630	1209	1376	413
Size	0.25	0.20	0.18	0.42	158	112	1243	1504
Trading frictions	0.25	0.27	0.24	0.25	257	136	265	117
Valuation	0.13	0.15	0.14	0.13	292	811	984	188
Mean	0.19	0.21	0.19	0.17	278	644	893	425

IV Non-Standard Errors based on Weights from the Literature

Table IV.1: Non-standard errors across sorting variables.

This table shows summary statistics across all paths for individual sorting variables in panels grouped by categories. The paths are weighted by the relative frequency of each choice. We determine these relative frequencies for each choice by the number of past papers replicated by Hou et al. (2020) that pick the respective choice. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the relative number of monotonically increasing portfolio sorts following Patton and Timmermann (2010) and testing all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
CDI	0.18	0.22	(0.01, 0.24)	1.74	0.35	2.66	0.88	0.50	0.62
CSI	0.52	0.20	(0.01, 0.00)	0.83	0.31	2.55	1.00	0.97	0.53
DBE	0.49	0.33	(0.06, 0.13)	1.60	0.81	3.10	1.00	0.89	0.41
DCOL	0.25	0.33	(0.03, 0.27)	1.97	0.74	2.78	0.88	0.46	0.05
DFNL	0.36	0.26	(0.04, 0.29)	1.92	0.57	2.40	1.00	0.93	0.52
NDF	0.37	0.19	(0.06, 0.22)	1.66	0.70	2.81	1.00	0.99	0.82
NEF	0.38	0.28	(0.03, 0.03)	1.12	0.35	2.46	0.99	0.55	0.35
NXF	0.52	0.34	(0.09, 0.08)	1.42	0.34	2.39	1.00	0.81	0.58
Mean	0.38	0.27	(0.04, 0.16)	1.53	0.52	2.64	0.97	0.76	0.48

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ADM	0.34	0.16	(0.00, 0.00)	0.62	0.47	2.68	1.00	0.41	0.40
CFV	0.35	0.18	(0.00, 0.00)	0.59	0.78	3.46	1.00	0.16	0.46
EPRD*	0.81	0.31	(0.03, 0.01)	0.98	0.32	2.18	1.00	1.00	0.93
HR	0.35	0.32	(0.07, 0.23)	1.92	0.68	2.83	0.98	0.65	0.32
KZI*	-0.01	0.10	(0.00, 0.00)	0.58	0.36	4.42	0.40	0.00	0.02
LFE*	-0.01	0.08	(0.00, 0.03)	1.10	1.51	5.83	0.30	0.01	0.00
OL	0.32	0.15	(0.00, 0.00)	0.66	0.54	2.79	1.00	0.55	0.63
RDM	0.43	0.31	(0.00, 0.00)	0.97	0.71	2.76	1.00	0.43	0.02
RER	0.17	0.06	(0.00, 0.00)	0.65	0.86	4.36	1.00	0.78	0.52
TAN*	0.19	0.27	(0.00, 0.03)	1.21	0.24	2.20	0.84	0.34	0.46
WW*	0.03	0.35	(0.07, 0.01)	1.24	-0.71	3.27	0.60	0.02	0.03
Mean	0.27	0.21	(0.02, 0.03)	0.96	0.53	3.34	0.83	0.40	0.35

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ACI	0.27	0.13	(0.04, 0.05)	1.02	0.54	3.00	1.00	0.85	0.65
AG	0.60	0.43	(0.12, 0.24)	2.11	0.78	2.86	1.00	0.92	0.67
DINV	0.45	0.25	(0.13, 0.19)	1.88	0.77	3.21	1.00	1.00	0.84
DNOA	0.66	0.33	(0.07, 0.22)	1.99	0.98	3.33	1.00	1.00	0.89
DPIA	0.56	0.37	(0.16, 0.23)	2.14	0.65	2.89	1.00	0.92	0.73
DWC	0.43	0.19	(0.12, 0.07)	1.39	0.42	2.98	1.00	1.00	0.69
IG	0.40	0.21	(0.07, 0.13)	1.49	0.80	3.48	1.00	0.93	0.80
NOA	0.56	0.24	(0.09, 0.06)	1.31	0.69	3.11	1.00	1.00	0.57
OA	0.32	0.14	(0.00, 0.09)	1.02	1.10	4.24	1.00	0.76	0.46
PTA	0.32	0.18	(0.10, 0.06)	1.27	0.05	2.33	1.00	0.87	0.68

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Table IV.1: Non-standard errors across sorting variables (56).

	Mean								
Mean	0.46	0.25	(0.09, 0.13)	1.56	0.68	3.14	1.00	0.93	0.70

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
52W	0.10	0.41	(0.05, 0.14)	1.49	-0.48	4.23	0.65	0.18	0.48
ABR	0.99	0.71	(0.33, 0.10)	2.74	-0.31	2.13	0.99	0.95	0.73
MOM	0.72	0.43	(0.07, 0.04)	1.27	-0.01	3.24	0.98	0.79	0.70
RMOM	0.53	0.18	(0.05, 0.01)	0.94	-0.35	3.58	1.00	0.96	0.66
RS	0.41	0.31	(0.01, 0.18)	1.66	0.74	3.05	1.00	0.73	0.69
SUE	0.64	0.71	(0.18, 0.31)	3.48	0.71	2.19	1.00	0.88	0.90
TES	0.54	0.53	(0.12, 0.31)	2.78	0.68	2.11	1.00	0.92	0.73
Mean	0.56	0.47	(0.11, 0.16)	2.05	0.14	2.93	0.95	0.77	0.70

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ATO*	0.27	0.15	(0.00, 0.01)	0.80	0.66	3.26	1.00	0.43	0.25
BL*	-0.01	0.12	(0.00, 0.00)	0.49	0.06	2.25	0.45	0.00	0.00
CBOP	0.60	0.27	(0.06, 0.10)	1.38	0.60	3.35	1.00	0.95	0.99
CTO*	0.17	0.10	(0.00, 0.00)	0.54	0.53	3.41	0.99	0.07	0.07
GPA	0.38	0.19	(0.00, 0.01)	0.86	0.23	2.64	1.00	0.76	0.75
O	0.07	0.12	(0.00, 0.00)	0.60	0.30	2.88	0.77	0.01	0.01
OPE	0.31	0.19	(0.03, 0.00)	0.79	0.10	3.01	0.99	0.41	0.64
ROA	0.58	0.40	(0.03, 0.14)	1.41	0.68	2.68	1.00	0.75	0.71
ROE	0.61	0.39	(0.04, 0.20)	1.55	0.71	2.49	1.00	0.82	0.84
TBI	0.03	0.34	(0.02, 0.10)	1.21	0.15	2.82	0.54	0.10	0.02
Z*	0.13	0.22	(0.00, 0.03)	1.00	1.05	3.71	0.75	0.11	0.00
Mean	0.28	0.22	(0.02, 0.05)	0.97	0.46	2.95	0.86	0.40	0.39

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ME	0.50	0.55	(0.08, 0.26)	2.36	1.27	4.17	0.95	0.39	0.15

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AMI	0.29	0.29	(0.03, 0.15)	1.79	1.28	4.96	0.88	0.32	0.23
BETA	-0.03	0.09	(0.00, 0.00)	0.23	0.04	2.98	0.32	0.00	0.00
BFP	0.08	0.13	(0.00, 0.00)	0.34	-0.20	3.73	0.81	0.00	0.00
DTV	0.42	0.30	(0.00, 0.17)	1.56	1.35	4.25	0.99	0.46	0.33
ISKEW	0.02	0.27	(0.23, 0.25)	2.09	-0.00	2.02	0.54	0.26	0.16
IVOL	0.29	0.38	(0.01, 0.05)	1.22	0.11	2.85	0.82	0.22	0.02
MDR	0.34	0.36	(0.03, 0.06)	1.15	0.20	2.95	0.91	0.32	0.08
SREV	0.67	1.22	(0.32, 0.32)	4.78	0.54	2.61	0.75	0.60	0.30
TUR	0.29	0.38	(0.00, 0.10)	1.10	0.55	2.53	0.86	0.26	0.07
Mean	0.26	0.38	(0.07, 0.12)	1.58	0.43	3.21	0.76	0.27	0.13

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AM*	0.34	0.32	(0.00, 0.06)	1.01	0.82	3.07	1.00	0.30	0.14
BM	0.48	0.39	(0.00, 0.17)	1.33	0.81	2.78	1.00	0.48	0.50
CFM	0.42	0.22	(0.00, 0.01)	0.78	0.53	2.83	1.00	0.60	0.83
DM	0.16	0.13	(0.00, 0.00)	0.50	0.42	2.86	0.97	0.00	0.06
EBM	0.36	0.29	(0.00, 0.10)	1.02	0.97	3.12	1.00	0.33	0.50
EM	0.33	0.10	(0.00, 0.01)	0.53	1.09	5.76	1.00	0.60	0.73
NDM	0.13	0.14	(0.00, 0.00)	0.62	0.76	2.92	0.97	0.01	0.10
NPY	0.29	0.08	(0.00, 0.00)	0.49	0.48	3.34	1.00	0.78	0.74
OCM	0.49	0.17	(0.00, 0.00)	0.68	0.41	2.87	1.00	0.85	0.69
REV	0.36	0.33	(0.00, 0.11)	1.24	0.96	3.00	0.99	0.40	0.43

Table IV.1: Non-standard errors across sorting variables (56).

SM	0.55	0.37	(0.00, 0.02)	1.02	0.62	2.52	1.00	0.63	0.89
Mean	0.36	0.23	(0.00, 0.04)	0.84	0.71	3.19	0.99	0.45	0.51

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
All	0.36	0.28	(0.05, 0.09)	1.31	0.53	3.10	0.91	0.55	0.45
Orig. Sig.	0.39	0.30	(0.05, 0.11)	1.38	0.53	3.05	0.94	0.60	0.50
Orig. Insig.	0.19	0.20	(0.01, 0.02)	0.89	0.48	3.36	0.73	0.23	0.19

Table IV.2: Non-standard errors across sorting variables (CAPM, 109).

This table shows summary statistics of CAPM alphas across all paths for individual sorting variables in panels grouped by categories. The paths are weighted by the relative frequency of each choice. We determine these relative frequencies for each choice by the number of past papers replicated by Hou et al. (2020) that pick the respective choice. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the relative number of monotonically increasing portfolio sorts following Patton and Timmermann (2010) and testing all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.24	0.21	(0.02, 0.24)	1.79	0.39	2.84	0.95	0.67
CSI	0.76	0.21	(0.07, 0.03)	1.08	0.39	2.68	1.00	1.00
DBE	0.61	0.29	(0.07, 0.10)	1.44	0.71	3.05	1.00	1.00
DCOL	0.35	0.28	(0.02, 0.21)	1.66	0.89	3.35	1.00	0.69
DFNL	0.39	0.23	(0.03, 0.27)	1.83	0.65	2.72	1.00	0.97
NDF	0.39	0.18	(0.05, 0.21)	1.64	0.78	3.07	1.00	1.00
NEF	0.66	0.31	(0.06, 0.04)	1.22	0.42	2.44	1.00	0.97
NXF	0.74	0.34	(0.14, 0.08)	1.50	0.36	2.46	1.00	1.00
Mean	0.52	0.25	(0.06, 0.15)	1.52	0.57	2.83	0.99	0.91

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.38	0.15	(0.00, 0.00)	0.59	0.60	3.16	1.00	0.60
CFV	0.61	0.26	(0.02, 0.00)	0.79	0.60	3.08	1.00	0.82
EPRD*	0.99	0.35	(0.05, 0.07)	1.31	0.32	2.19	1.00	1.00
HR	0.46	0.27	(0.03, 0.17)	1.55	0.82	3.26	1.00	0.79
KZI*	0.08	0.12	(0.00, 0.02)	0.70	0.53	4.08	0.81	0.05
LFE*	-0.03	0.09	(0.01, 0.04)	1.13	1.39	5.69	0.24	0.01
OL	0.27	0.17	(0.00, 0.01)	0.85	0.54	2.96	1.00	0.39
RDM	0.25	0.23	(0.00, 0.00)	0.80	0.91	3.34	0.97	0.12
RER	0.17	0.06	(0.00, 0.01)	0.66	0.75	3.90	1.00	0.75
TAN*	0.19	0.24	(0.00, 0.03)	1.11	0.28	2.43	0.92	0.31
WW*	-0.21	0.27	(0.06, 0.05)	1.29	-0.35	3.52	0.18	0.00
Mean	0.29	0.20	(0.02, 0.04)	0.98	0.58	3.42	0.83	0.44

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Table IV.2: Non-standard errors across sorting variables (CAPM, 109).

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.25	0.13	(0.03, 0.04)	1.02	0.55	2.97	1.00	0.81
AG	0.71	0.37	(0.09, 0.18)	1.77	0.82	3.18	1.00	1.00
DINV	0.53	0.22	(0.11, 0.15)	1.71	0.82	3.43	1.00	1.00
DNOA	0.76	0.30	(0.05, 0.18)	1.78	1.02	3.63	1.00	1.00
DPIA	0.66	0.36	(0.15, 0.21)	2.09	0.67	3.02	1.00	0.99
DWC	0.49	0.20	(0.13, 0.08)	1.44	0.53	3.17	1.00	1.00
IG	0.47	0.20	(0.06, 0.08)	1.31	0.81	3.50	1.00	1.00
NOA	0.61	0.28	(0.12, 0.09)	1.52	0.51	2.78	1.00	1.00
OA	0.33	0.16	(0.00, 0.13)	1.10	1.23	4.68	1.00	0.71
PTA	0.41	0.20	(0.14, 0.07)	1.37	0.09	2.09	1.00	0.99
Mean	0.52	0.24	(0.09, 0.12)	1.51	0.71	3.24	1.00	0.95

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.63	0.42	(0.11, 0.13)	1.72	-0.40	4.18	0.95	0.78
ABR	0.95	0.91	(0.35, 0.20)	3.33	-0.12	1.89	0.99	0.93
MOM	0.80	0.49	(0.13, 0.10)	1.68	0.08	3.09	0.98	0.83
RMOM	0.55	0.20	(0.09, 0.02)	1.14	-0.40	3.07	1.00	0.93
RS	0.44	0.32	(0.02, 0.18)	1.75	0.83	3.14	1.00	0.80
SUE	0.65	0.61	(0.19, 0.30)	3.60	0.76	2.39	1.00	0.89
TES	0.47	0.49	(0.14, 0.29)	2.88	0.71	2.23	1.00	0.77
Mean	0.64	0.49	(0.15, 0.17)	2.30	0.21	2.86	0.99	0.85

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.14	0.16	(0.01, 0.02)	0.83	0.46	3.32	0.90	0.11
BL*	-0.04	0.14	(0.00, 0.00)	0.54	-0.03	2.64	0.35	0.00
CBOP	0.70	0.35	(0.09, 0.14)	1.70	0.64	2.98	1.00	0.98
CTO*	0.06	0.14	(0.00, 0.00)	0.71	0.17	3.51	0.73	0.01
GPA	0.37	0.25	(0.03, 0.03)	1.10	0.19	2.57	1.00	0.68
O	0.12	0.15	(0.00, 0.01)	0.81	0.23	2.64	0.87	0.14
OPE	0.44	0.27	(0.10, 0.00)	0.99	0.14	2.86	0.99	0.70
ROA	0.71	0.39	(0.09, 0.14)	1.58	0.62	2.82	1.00	0.93
ROE	0.71	0.38	(0.09, 0.19)	1.64	0.67	2.76	1.00	0.97
TBI	-0.14	0.32	(0.00, 0.18)	1.35	0.70	3.06	0.24	0.04
Z*	0.20	0.16	(0.00, 0.02)	0.79	0.98	4.33	0.97	0.11
Mean	0.30	0.25	(0.04, 0.07)	1.09	0.43	3.05	0.82	0.42

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.34	0.46	(0.05, 0.25)	2.40	1.39	4.53	0.83	0.29

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.32	0.24	(0.01, 0.16)	1.67	1.40	5.30	0.93	0.36
BETA	0.58	0.12	(0.00, 0.00)	0.34	0.22	2.48	1.00	0.97
BFP	0.70	0.17	(0.00, 0.00)	0.51	0.44	2.49	1.00	0.99
DTV	0.62	0.43	(0.04, 0.16)	1.63	0.89	3.07	1.00	0.82
ISKEW	0.02	0.22	(0.21, 0.21)	2.09	0.10	2.29	0.58	0.23
IVOL	0.73	0.41	(0.09, 0.10)	1.53	0.07	2.83	0.99	0.84
MDR	0.73	0.40	(0.09, 0.11)	1.49	0.21	2.85	1.00	0.92
SREV	0.37	1.08	(0.32, 0.35)	4.38	0.81	3.02	0.63	0.47
TUR	0.75	0.38	(0.03, 0.11)	1.32	0.57	2.63	1.00	0.95
Mean	0.54	0.38	(0.09, 0.13)	1.66	0.52	2.99	0.90	0.73

Table IV.2: Non-standard errors across sorting variables (CAPM, 109).

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	0.41	0.42	(0.00, 0.03)	1.13	0.25	2.30	0.97	0.38
BM	0.59	0.43	(0.00, 0.15)	1.35	0.69	2.67	1.00	0.67
CFM	0.53	0.22	(0.00, 0.01)	0.74	0.31	2.62	1.00	0.82
DM	0.19	0.15	(0.00, 0.00)	0.52	0.03	2.46	0.96	0.01
EBM	0.45	0.38	(0.00, 0.11)	1.13	0.77	2.89	1.00	0.40
EM	0.46	0.10	(0.00, 0.00)	0.49	1.10	5.25	1.00	0.93
NDM	0.09	0.13	(0.00, 0.00)	0.64	0.23	2.75	0.82	0.01
NPY	0.41	0.07	(0.00, 0.00)	0.45	0.42	3.55	1.00	0.95
OCM	0.59	0.16	(0.00, 0.00)	0.62	0.14	2.78	1.00	0.98
REV	0.33	0.23	(0.00, 0.10)	1.12	1.18	3.84	0.99	0.35
SM	0.59	0.40	(0.02, 0.03)	1.06	0.51	2.54	1.00	0.65
Mean	0.42	0.24	(0.00, 0.04)	0.84	0.51	3.06	0.98	0.56

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.44	0.29	(0.06, 0.10)	1.36	0.53	3.11	0.92	0.66
Orig. Sig.	0.49	0.30	(0.06, 0.11)	1.44	0.55	3.06	0.96	0.75
Orig. Insig.	0.18	0.21	(0.01, 0.03)	0.95	0.40	3.40	0.71	0.20

Table IV.3: Non-standard errors across sorting variables (FF5, 109).

This table shows summary statistics of FF5 alphas across all paths for individual sorting variables in panels grouped by categories. The paths are weighted by the relative frequency of each choice. We determine these relative frequencies for each choice by the number of past papers replicated by Hou et al. (2020) that pick the respective choice. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the relative number of monotonically increasing portfolio sorts following Patton and Timmermann (2010) and testing all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.18	0.34	(0.21, 0.27)	2.47	-0.04	2.23	0.75	0.60
CSI	0.39	0.17	(0.07, 0.06)	1.24	0.38	2.69	1.00	0.99
DBE	0.24	0.34	(0.20, 0.23)	2.48	0.82	3.27	0.83	0.48
DCOL	-0.01	0.43	(0.21, 0.32)	3.11	0.57	2.49	0.39	0.28
DFNL	0.30	0.30	(0.10, 0.32)	2.45	0.44	2.23	0.98	0.76
NDF	0.29	0.20	(0.02, 0.27)	1.76	0.61	2.40	1.00	0.84
NEF	0.13	0.29	(0.16, 0.14)	1.75	0.06	2.21	0.72	0.38
NXF	0.29	0.32	(0.18, 0.21)	1.97	0.03	2.15	0.93	0.68
Mean	0.22	0.30	(0.14, 0.23)	2.15	0.36	2.46	0.83	0.63

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.

Table IV.3: Non-standard errors across sorting variables (FF5, 109).

	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.06	0.21	(0.00, 0.01)	0.95	0.39	2.47	0.61	0.03
CFV	-0.11	0.20	(0.01, 0.08)	1.00	0.74	2.94	0.22	0.00
EPRD*	0.98	0.34	(0.04, 0.09)	1.43	0.34	1.94	1.00	1.00
HR	0.10	0.39	(0.23, 0.30)	3.05	0.70	2.73	0.58	0.35
KZI*	0.33	0.16	(0.00, 0.02)	0.86	0.29	2.90	1.00	0.67
LFE*	0.04	0.13	(0.01, 0.01)	0.99	0.93	4.20	0.62	0.02
OL	0.17	0.18	(0.02, 0.00)	0.93	0.17	2.45	0.91	0.19
RDM	0.71	0.35	(0.02, 0.12)	1.41	0.76	2.98	1.00	0.96
RER	0.23	0.14	(0.11, 0.01)	1.21	0.26	2.45	1.00	0.90
TAN*	0.37	0.34	(0.17, 0.08)	1.56	-0.06	2.30	0.95	0.69
WW*	0.27	0.25	(0.14, 0.10)	1.92	-0.89	4.89	0.90	0.64
Mean	0.29	0.24	(0.07, 0.08)	1.39	0.33	2.93	0.80	0.49

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.20	0.10	(0.00, 0.04)	0.89	0.58	3.33	1.00	0.68
AG	0.31	0.48	(0.26, 0.32)	3.44	0.80	2.80	0.82	0.56
DINV	0.39	0.27	(0.21, 0.21)	2.08	0.78	3.20	1.00	0.93
DNOA	0.53	0.36	(0.21, 0.26)	2.51	0.81	2.92	1.00	0.97
DPIA	0.45	0.39	(0.24, 0.29)	2.95	0.38	2.56	0.95	0.82
DWC	0.51	0.21	(0.17, 0.10)	1.64	0.34	2.74	1.00	1.00
IG	0.19	0.23	(0.07, 0.22)	1.93	0.69	3.00	0.90	0.53
NOA	0.71	0.32	(0.17, 0.12)	1.76	0.49	2.83	1.00	1.00
OA	0.47	0.14	(0.02, 0.08)	1.16	1.31	5.29	1.00	1.00
PTA	0.23	0.15	(0.04, 0.09)	1.26	-0.06	2.46	1.00	0.71
Mean	0.40	0.27	(0.14, 0.17)	1.96	0.61	3.11	0.97	0.82

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.29	0.39	(0.07, 0.14)	1.51	-0.89	5.20	0.86	0.28
ABR	1.02	0.98	(0.34, 0.21)	3.26	-0.03	1.91	1.00	0.95
MOM	0.84	0.50	(0.09, 0.01)	1.26	-0.16	3.10	0.98	0.84
RMOM	0.53	0.22	(0.04, 0.01)	0.95	-0.11	2.37	1.00	0.94
RS	0.47	0.19	(0.12, 0.13)	1.67	0.49	3.76	1.00	0.95
SUE	0.57	0.56	(0.17, 0.30)	3.60	0.88	2.42	1.00	0.91
TES	0.50	0.43	(0.11, 0.29)	2.67	0.75	2.28	1.00	0.92
Mean	0.60	0.47	(0.13, 0.16)	2.13	0.13	3.00	0.98	0.83

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.30	0.16	(0.01, 0.02)	0.93	0.48	3.34	1.00	0.70
BL*	0.41	0.17	(0.02, 0.00)	0.79	-0.14	2.21	1.00	0.96
CBOP	0.60	0.18	(0.02, 0.06)	1.21	0.66	3.70	1.00	1.00
CTO*	-0.01	0.15	(0.00, 0.05)	1.03	0.13	2.88	0.41	0.02
GPA	0.23	0.13	(0.00, 0.01)	0.82	0.07	2.53	1.00	0.59
O	0.34	0.14	(0.01, 0.01)	0.86	0.32	2.77	1.00	0.86
OPE	-0.11	0.21	(0.10, 0.11)	1.58	-0.24	2.73	0.25	0.02
ROA	0.41	0.28	(0.10, 0.17)	1.88	0.62	3.30	0.97	0.81
ROE	0.40	0.31	(0.05, 0.23)	2.05	0.83	2.94	0.99	0.78
TBI	0.18	0.26	(0.09, 0.17)	1.71	0.46	3.27	0.85	0.34
Z*	-0.13	0.20	(0.01, 0.16)	1.59	1.23	4.35	0.20	0.04
Mean	0.24	0.20	(0.04, 0.09)	1.31	0.40	3.09	0.79	0.56

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.33	0.52	(0.14, 0.29)	3.82	1.42	4.48	0.67	0.38

Continued on next page

Table IV.3: Non-standard errors across sorting variables (FF5, 109).

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.20	0.26	(0.03, 0.18)	2.26	1.45	5.45	0.79	0.28
BETA	0.12	0.12	(0.00, 0.00)	0.45	0.37	3.35	0.93	0.03
BFP	0.11	0.18	(0.00, 0.03)	0.74	0.52	3.49	0.80	0.05
DTV	0.29	0.33	(0.13, 0.16)	1.90	1.27	4.23	0.91	0.37
ISKEW	-0.06	0.20	(0.12, 0.16)	1.68	0.02	2.16	0.32	0.03
IVOL	0.20	0.28	(0.11, 0.16)	1.93	0.13	3.31	0.80	0.36
MDR	0.21	0.36	(0.16, 0.18)	1.98	0.25	2.73	0.75	0.43
SREV	0.38	1.08	(0.31, 0.31)	3.65	0.89	3.15	0.63	0.42
TUR	0.22	0.40	(0.07, 0.21)	1.83	0.60	2.46	0.76	0.32
Mean	0.19	0.36	(0.10, 0.15)	1.82	0.61	3.37	0.74	0.25

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.17	0.25	(0.01, 0.17)	1.50	0.57	2.58	0.20	0.01
BM	0.07	0.31	(0.01, 0.31)	2.57	0.97	2.81	0.42	0.27
CFM	-0.04	0.23	(0.02, 0.16)	1.50	0.25	2.60	0.36	0.09
DM	-0.34	0.14	(0.00, 0.02)	0.90	-0.28	2.89	0.00	0.00
EBM	-0.15	0.29	(0.07, 0.24)	2.26	0.65	2.72	0.23	0.14
EM	0.03	0.11	(0.01, 0.05)	1.04	0.02	4.71	0.64	0.08
NDM	-0.16	0.12	(0.02, 0.00)	0.80	-0.39	2.86	0.00	0.00
NPY	0.16	0.18	(0.12, 0.01)	1.42	-0.66	2.58	0.86	0.58
OCM	0.01	0.16	(0.01, 0.04)	1.07	0.18	2.76	0.52	0.05
REV	0.03	0.27	(0.01, 0.20)	1.78	1.04	3.44	0.38	0.19
SM	-0.13	0.29	(0.01, 0.18)	1.48	0.59	2.35	0.26	0.02
Mean	-0.06	0.21	(0.03, 0.13)	1.48	0.27	2.94	0.35	0.13

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.25	0.28	(0.09, 0.14)	1.74	0.41	3.02	0.76	0.51
Orig. Sig.	0.25	0.30	(0.10, 0.15)	1.82	0.43	2.99	0.77	0.52
Orig. Insig.	0.24	0.21	(0.04, 0.07)	1.26	0.29	3.16	0.73	0.47

Table IV.4: Non-standard errors across sorting variables (Q5, 109).

This table shows summary statistics of Q5 alphas across all paths for individual sorting variables in panels grouped by categories. The paths are weighted by the relative frequency of each choice. We determine these relative frequencies for each choice by the number of past papers replicated by Hou et al. (2020) that pick the respective choice. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the relative number of monotonically increasing portfolio sorts following Patton and Timmermann (2010) and testing all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.

Table IV.4: Non-standard errors across sorting variables (Q5, 109).

	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.13	0.22	(0.04, 0.20)	1.75	0.12	2.71	0.78	0.42
CSI	0.21	0.14	(0.00, 0.00)	0.72	0.31	2.56	0.99	0.26
DBE	0.14	0.30	(0.11, 0.19)	2.00	0.92	3.52	0.68	0.26
DCOL	0.02	0.33	(0.04, 0.30)	2.40	0.77	2.89	0.42	0.27
DFNL	0.19	0.22	(0.03, 0.23)	1.75	0.52	2.40	0.94	0.53
NDF	0.16	0.21	(0.02, 0.25)	1.73	0.58	2.29	0.92	0.45
NEF	-0.02	0.24	(0.08, 0.02)	1.15	-0.22	2.70	0.53	0.03
NXF	0.08	0.29	(0.09, 0.11)	1.53	-0.22	2.40	0.68	0.25
Mean	0.11	0.25	(0.05, 0.16)	1.63	0.35	2.68	0.74	0.31

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.13	0.22	(0.00, 0.03)	0.97	0.78	3.28	0.79	0.14
CFV	-0.22	0.17	(0.00, 0.02)	0.72	0.12	2.58	0.07	0.00
EPRD*	0.66	0.26	(0.01, 0.05)	1.25	0.64	2.72	1.00	1.00
HR	0.07	0.35	(0.18, 0.28)	2.55	0.62	2.61	0.54	0.30
KZI*	0.06	0.14	(0.00, 0.01)	0.73	0.29	3.50	0.72	0.03
LFE*	0.01	0.08	(0.00, 0.00)	0.61	0.55	3.84	0.52	0.00
OL	0.16	0.20	(0.00, 0.00)	0.89	0.37	2.59	0.88	0.12
RDM	0.39	0.35	(0.01, 0.09)	1.27	0.86	3.05	0.99	0.37
RER	0.16	0.09	(0.01, 0.04)	0.88	0.37	2.90	1.00	0.52
TAN*	0.31	0.27	(0.02, 0.08)	1.23	0.53	2.61	0.99	0.50
WW*	0.25	0.31	(0.07, 0.11)	1.46	0.03	3.42	0.85	0.32
Mean	0.18	0.22	(0.03, 0.06)	1.14	0.47	3.01	0.76	0.30

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.15	0.09	(0.00, 0.03)	0.74	0.83	4.07	0.99	0.30
AG	0.19	0.40	(0.11, 0.32)	2.82	1.05	3.25	0.65	0.38
DINV	0.20	0.29	(0.13, 0.27)	2.19	0.69	3.12	0.85	0.47
DNOA	0.31	0.30	(0.07, 0.24)	2.08	0.92	3.21	0.99	0.68
DPIA	0.21	0.33	(0.24, 0.23)	2.33	0.42	2.77	0.81	0.45
DWC	0.31	0.19	(0.08, 0.10)	1.33	0.52	2.97	1.00	0.77
IG	0.12	0.19	(0.00, 0.18)	1.53	1.01	3.70	0.77	0.29
NOA	0.39	0.22	(0.08, 0.02)	1.21	0.59	3.25	1.00	0.88
OA	0.36	0.20	(0.01, 0.07)	1.22	0.79	3.54	1.00	0.78
PTA	0.14	0.13	(0.07, 0.03)	1.11	-0.36	2.99	0.90	0.45
Mean	0.24	0.23	(0.08, 0.15)	1.66	0.65	3.29	0.90	0.54

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	-0.60	0.54	(0.04, 0.20)	1.59	-0.97	5.13	0.06	0.00
ABR	0.73	0.86	(0.33, 0.16)	2.41	0.05	1.88	0.96	0.73
MOM	-0.15	0.24	(0.05, 0.00)	0.87	-1.31	4.79	0.25	0.00
RMOM	0.14	0.21	(0.00, 0.00)	0.78	-0.01	2.30	0.80	0.10
RS	0.19	0.14	(0.04, 0.08)	1.27	0.26	4.74	0.92	0.35
SUE	0.27	0.57	(0.23, 0.30)	3.65	0.83	2.48	0.70	0.49
TES	0.27	0.39	(0.01, 0.27)	2.25	0.78	2.19	0.94	0.50
Mean	0.12	0.42	(0.10, 0.14)	1.83	-0.05	3.36	0.66	0.31

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.16	0.14	(0.00, 0.00)	0.62	0.31	2.52	0.98	0.14
BL*	0.28	0.20	(0.01, 0.00)	0.75	0.25	2.29	1.00	0.30
CBOP	0.25	0.18	(0.04, 0.08)	1.19	0.25	3.16	0.94	0.54
CTO*	0.09	0.18	(0.00, 0.00)	0.91	-0.16	2.75	0.75	0.03
GPA	0.14	0.15	(0.01, 0.01)	0.78	-0.18	3.61	0.90	0.10

Table IV.4: Non-standard errors across sorting variables (Q5, 109).

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
O	0.11	0.12	(0.01, 0.00)	0.71	-0.15	3.17	0.88	0.04
OPE	-0.11	0.20	(0.01, 0.02)	1.05	-0.57	3.02	0.27	0.00
ROA	0.07	0.24	(0.11, 0.13)	1.66	0.32	3.21	0.67	0.18
ROE	0.08	0.30	(0.08, 0.18)	1.90	0.59	2.90	0.60	0.23
TBI	0.12	0.29	(0.02, 0.16)	1.63	0.73	3.66	0.65	0.20
Z*	0.04	0.19	(0.00, 0.09)	1.04	1.12	4.03	0.50	0.09
Mean	0.11	0.20	(0.03, 0.06)	1.11	0.23	3.12	0.74	0.17

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.52	0.72	(0.19, 0.34)	3.89	1.07	3.80	0.87	0.60

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.21	0.27	(0.02, 0.18)	2.30	1.20	5.29	0.78	0.34
BETA	-0.24	0.11	(0.00, 0.00)	0.42	-0.41	3.79	0.00	0.00
BFP	-0.26	0.21	(0.00, 0.02)	0.66	-0.08	3.28	0.04	0.00
DTV	0.26	0.39	(0.01, 0.21)	2.01	0.99	4.23	0.78	0.39
ISKEW	-0.01	0.16	(0.08, 0.06)	1.38	-0.05	2.95	0.47	0.05
IVOL	-0.08	0.25	(0.08, 0.04)	1.43	-0.69	4.06	0.40	0.03
MDR	0.00	0.35	(0.05, 0.10)	1.38	-0.02	3.00	0.49	0.09
SREV	0.77	1.11	(0.31, 0.25)	3.09	0.90	3.34	0.82	0.62
TUR	0.10	0.29	(0.00, 0.16)	1.19	0.97	2.96	0.55	0.17
Mean	0.08	0.35	(0.06, 0.11)	1.54	0.31	3.65	0.48	0.19

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.07	0.21	(0.00, 0.05)	0.89	0.97	4.24	0.29	0.02
BM	0.11	0.29	(0.00, 0.17)	1.39	1.13	3.36	0.55	0.18
CFM	0.07	0.21	(0.00, 0.03)	0.91	0.08	3.07	0.68	0.07
DM	-0.14	0.14	(0.00, 0.00)	0.60	-0.07	3.15	0.11	0.00
EBM	-0.02	0.27	(0.00, 0.14)	1.22	0.73	2.92	0.36	0.07
EM	0.02	0.11	(0.00, 0.00)	0.64	0.03	4.83	0.61	0.01
NDM	0.05	0.17	(0.00, 0.01)	0.88	0.15	2.83	0.64	0.02
NPY	0.15	0.12	(0.03, 0.00)	0.96	-0.74	3.34	0.89	0.41
OCM	0.17	0.20	(0.00, 0.01)	0.76	0.38	2.46	0.93	0.11
REV	0.13	0.26	(0.00, 0.19)	1.82	1.33	3.90	0.58	0.20
SM	0.00	0.27	(0.00, 0.04)	0.97	0.48	2.44	0.44	0.03
Mean	0.04	0.20	(0.00, 0.06)	1.00	0.41	3.32	0.55	0.10

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.13	0.26	(0.05, 0.11)	1.41	0.37	3.21	0.70	0.27
Orig. Sig.	0.13	0.28	(0.05, 0.12)	1.49	0.35	3.22	0.68	0.28
Orig. Insig.	0.18	0.20	(0.01, 0.04)	0.95	0.45	3.19	0.76	0.24

V Fixing choices of decision forks: Figures

In Figures V.10 to V.4, we graphically investigate the effects of fixing choices of the decision forks. Therefore, we plot the distribution of premia holding the branches in the decision forks constant. To allow for a fair comparison, we demean the premia of each sorting variable and aggregate thereafter. Otherwise, the locations of premia across sorting variables would impact the results. Additionally, all the figures are split based on the sorting variables' groups.

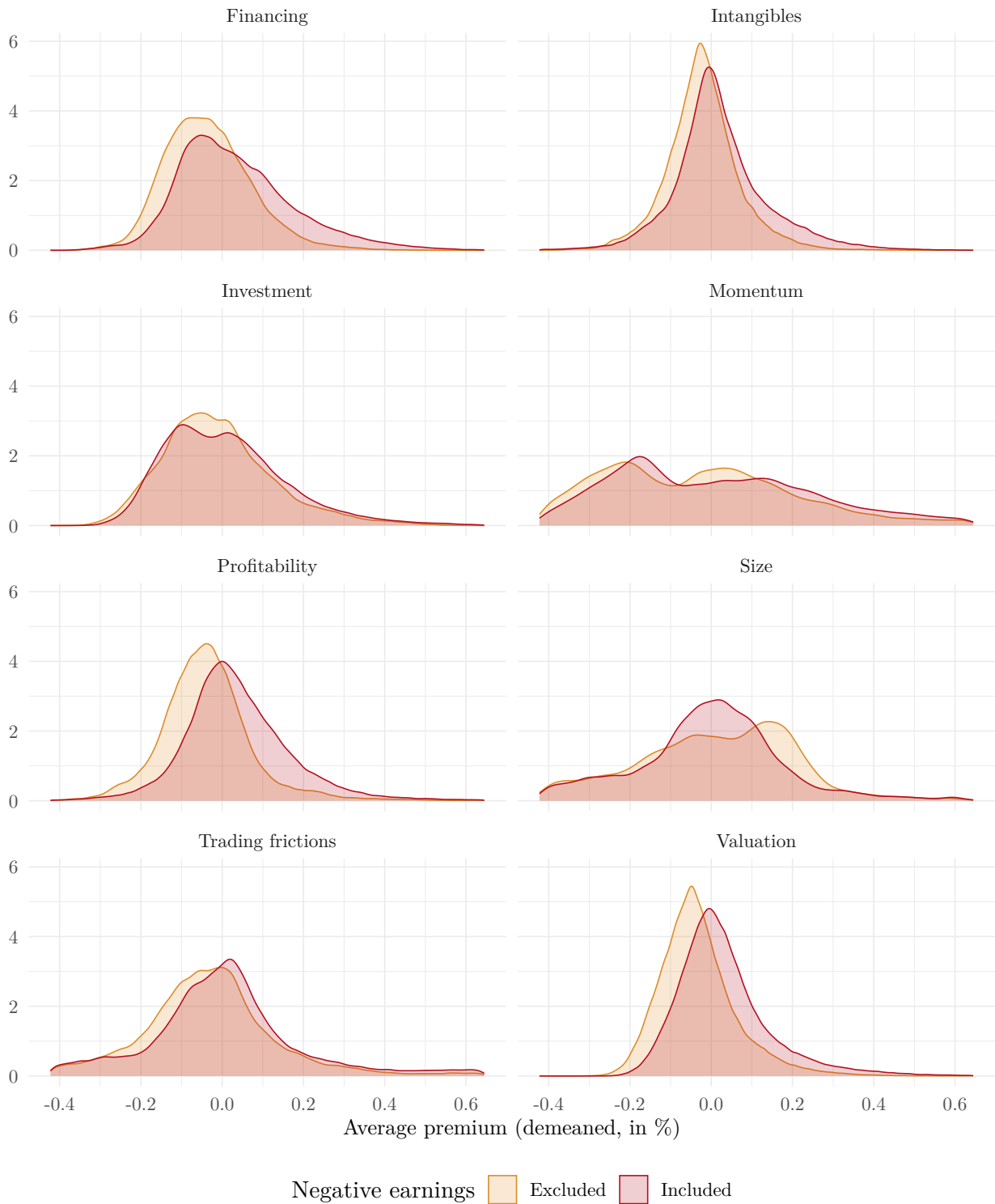## Figure V.1: Fixing choices of the decision fork: Size exclusion.

This figure shows the distribution of premia when fixing choices of the fork "size exclusion". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
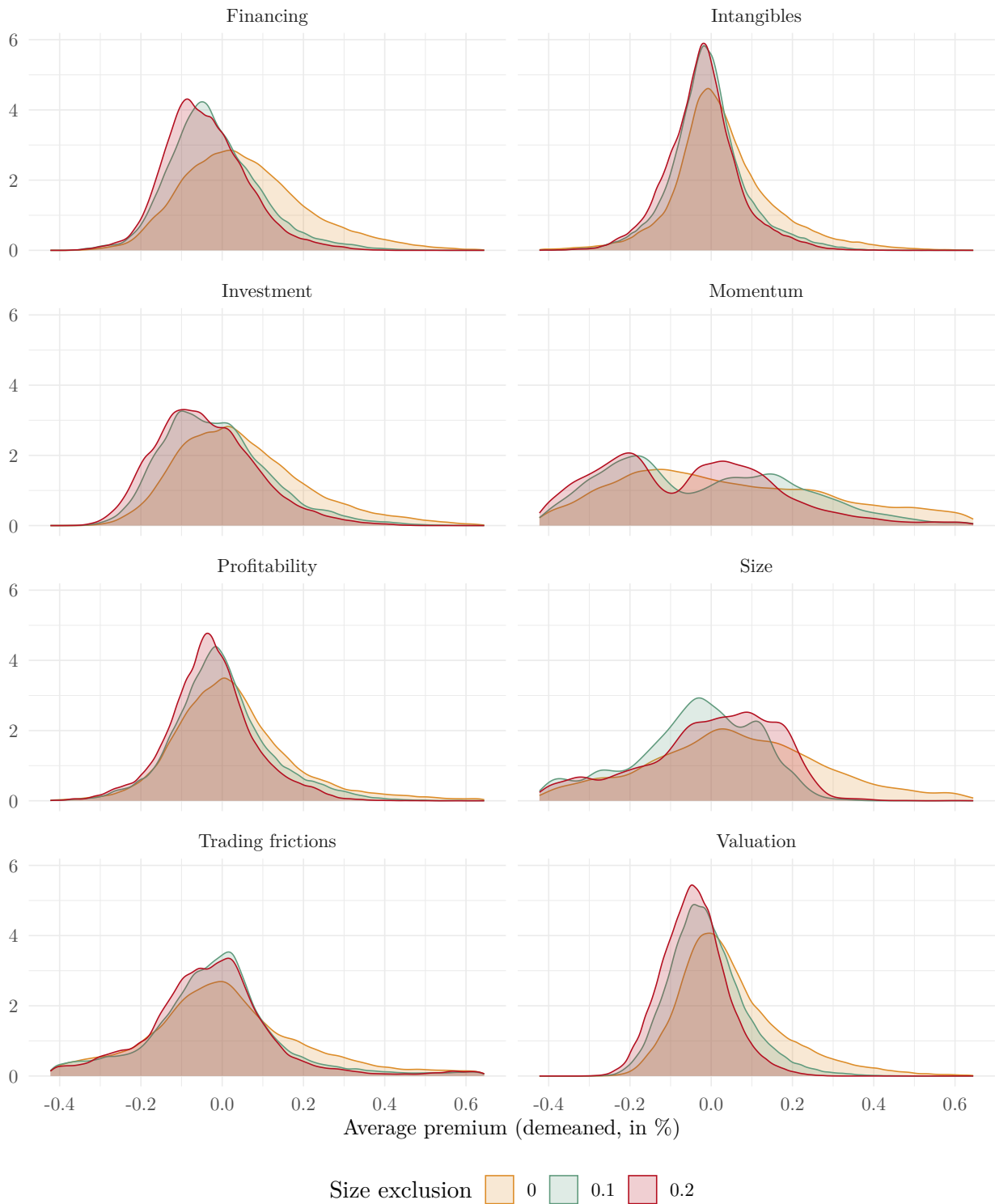
Figure V.2: Fixing choices of the decision fork: Exclusion of financials.

This figure shows the distribution of premia when fixing choices of the fork "exclusion of financials". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
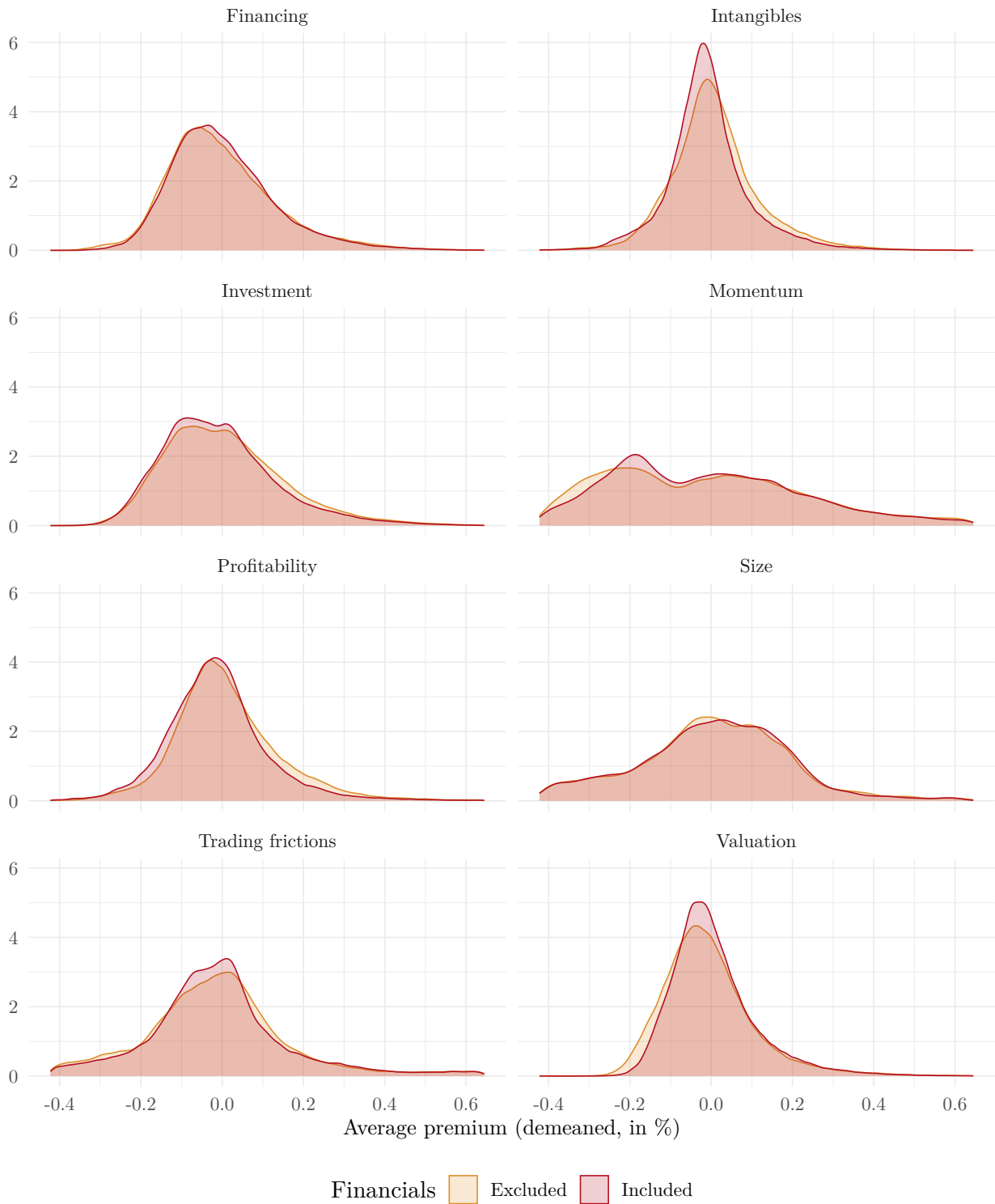
Figure V.3: Fixing choices of the decision fork: Exclusion of utilities.

This figure shows the distribution of premia when fixing choices of the fork "exclusion of utilities". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
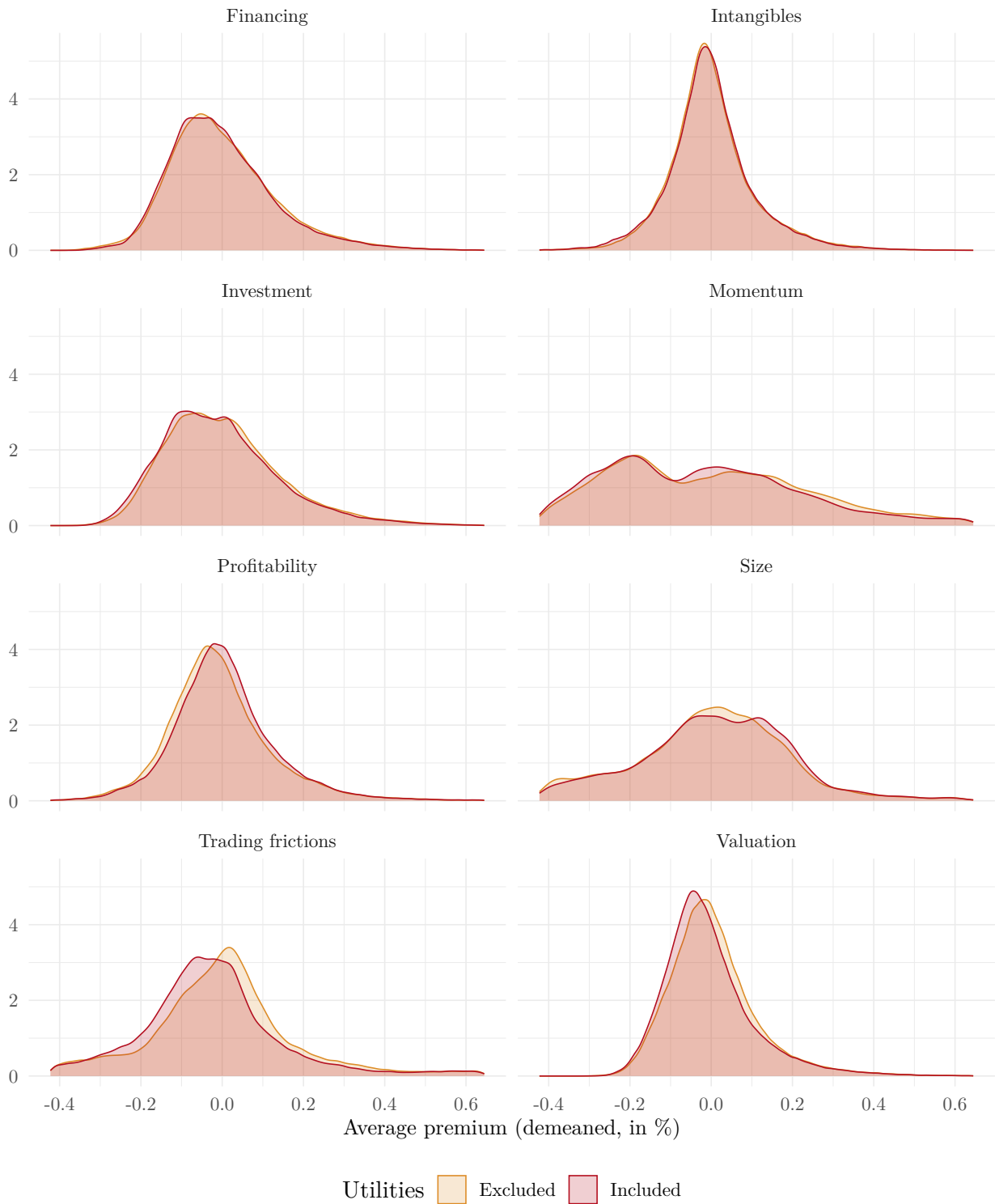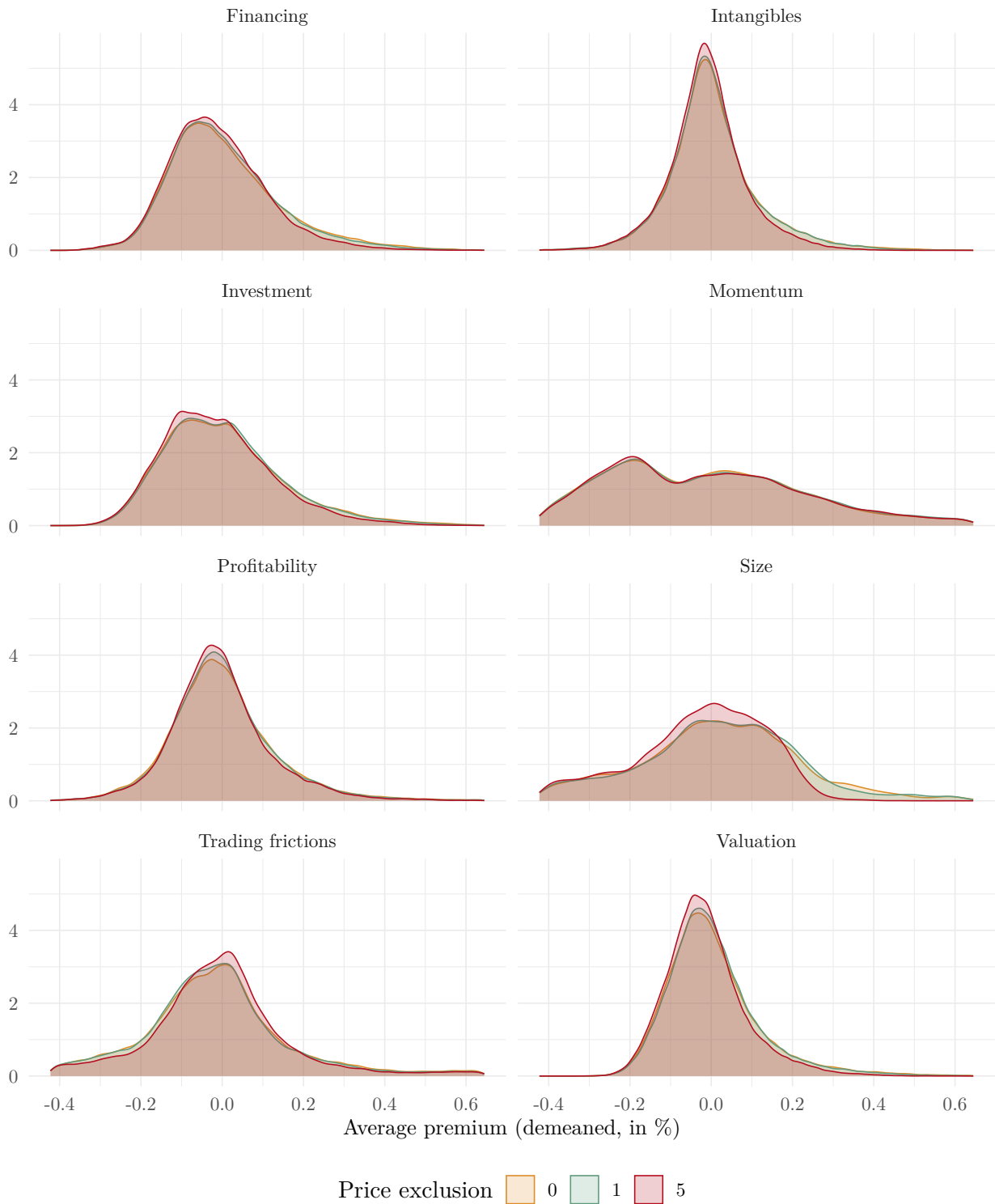
Figure V.4: Fixing choices of the decision fork: Exclusion of negative book equity.

This figure shows the distribution of premia when fixing choices of the fork "exclusion of negative book equity". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
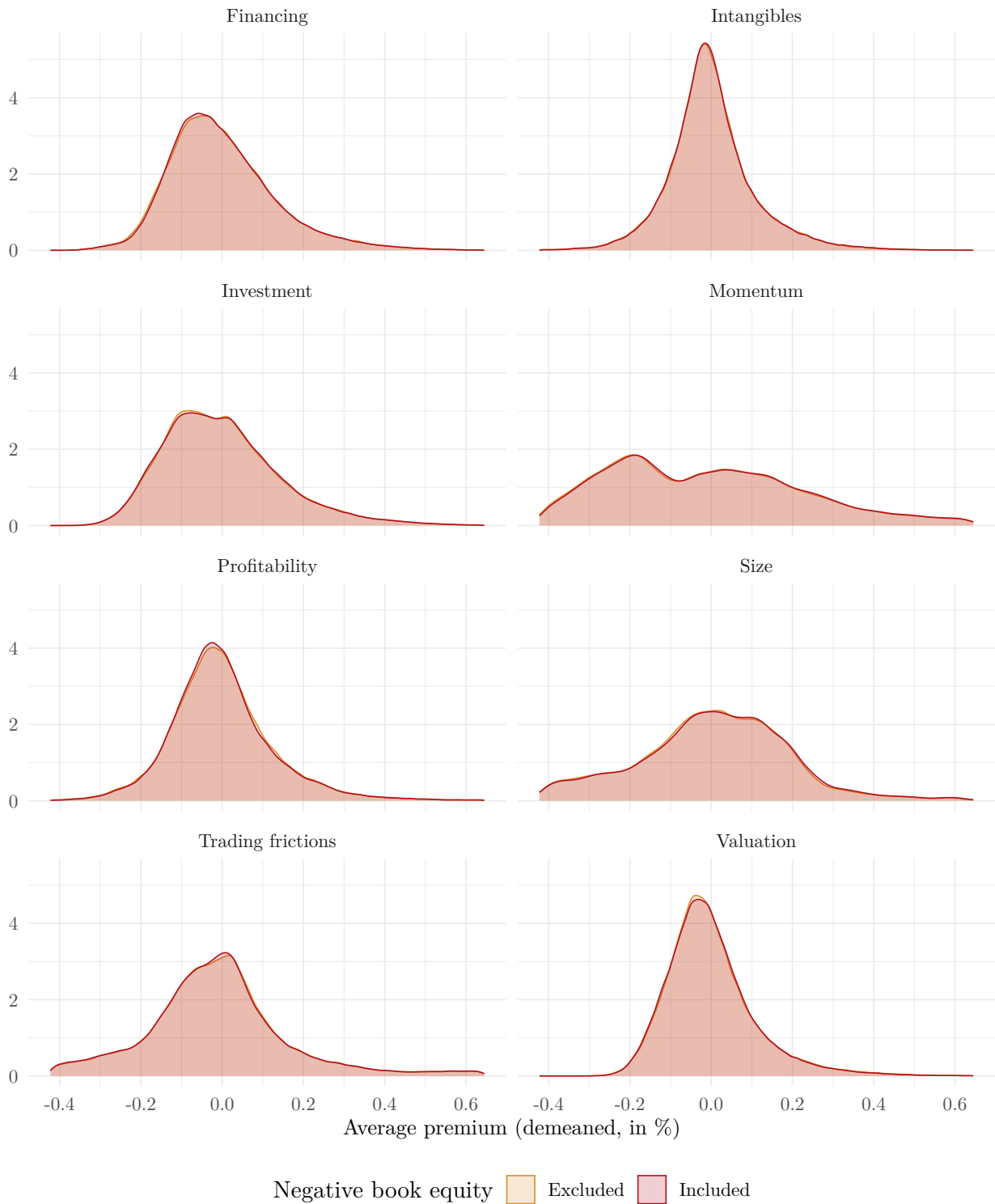
Figure V.5: Fixing choices of the decision fork: Exclusion of negative earnings.
This figure shows the distribution of premia when fixing choices of the fork "exclusion of negative earnings". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

Figure V.6: Fixing choices of the decision fork: Stock-age exclusion.

This figure shows the distribution of premia when fixing choices of the fork "stock-age exclusion". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
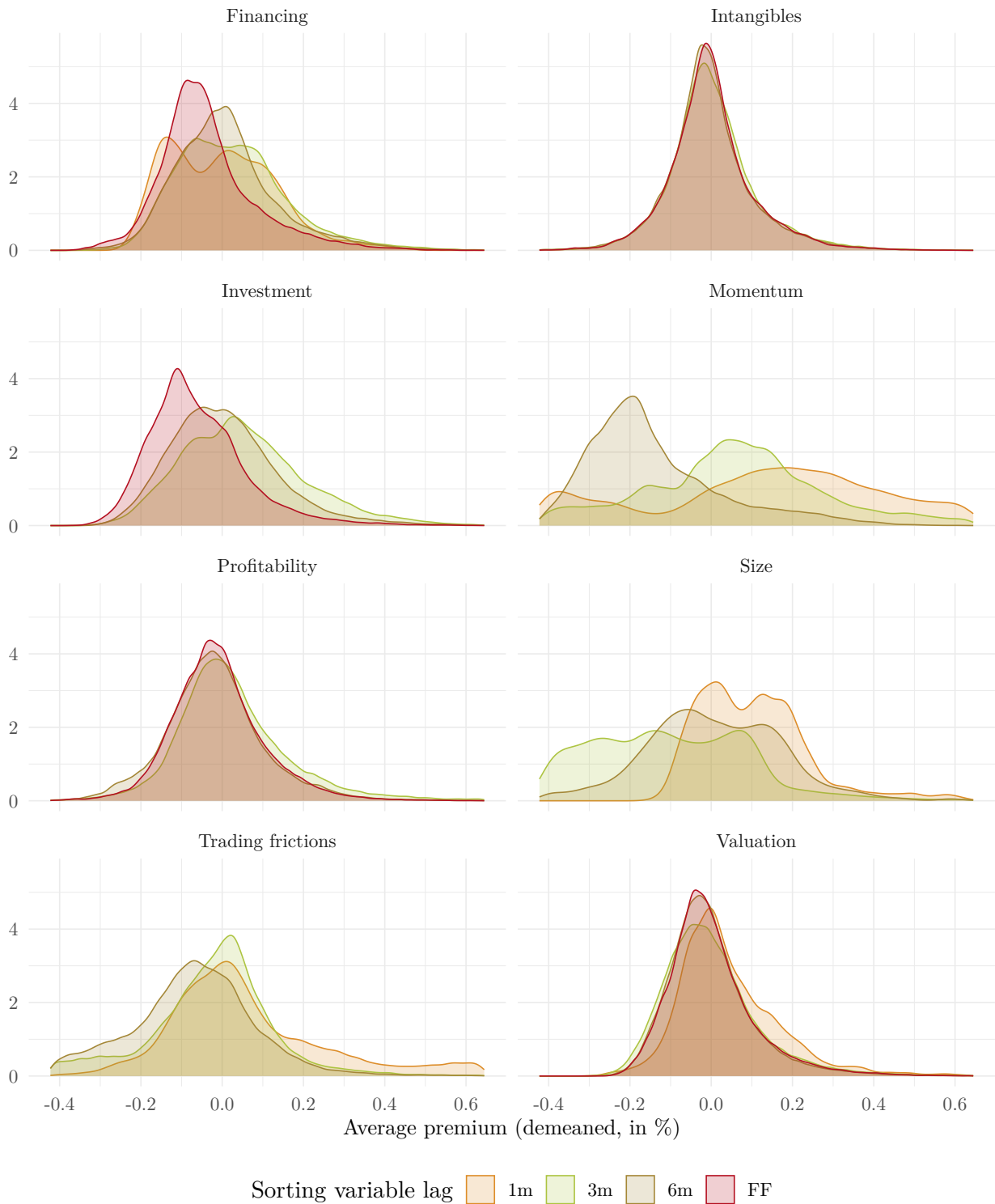
Figure V.7: Fixing choices of the decision fork: Price exclusion.
This figure shows the distribution of premia when fixing choices of the fork "price exclusion". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

Figure V.8: Fixing choices of the decision fork: Sorting variable lag.
This figure shows the distribution of premia when fixing choices of the fork "sorting variable lag". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
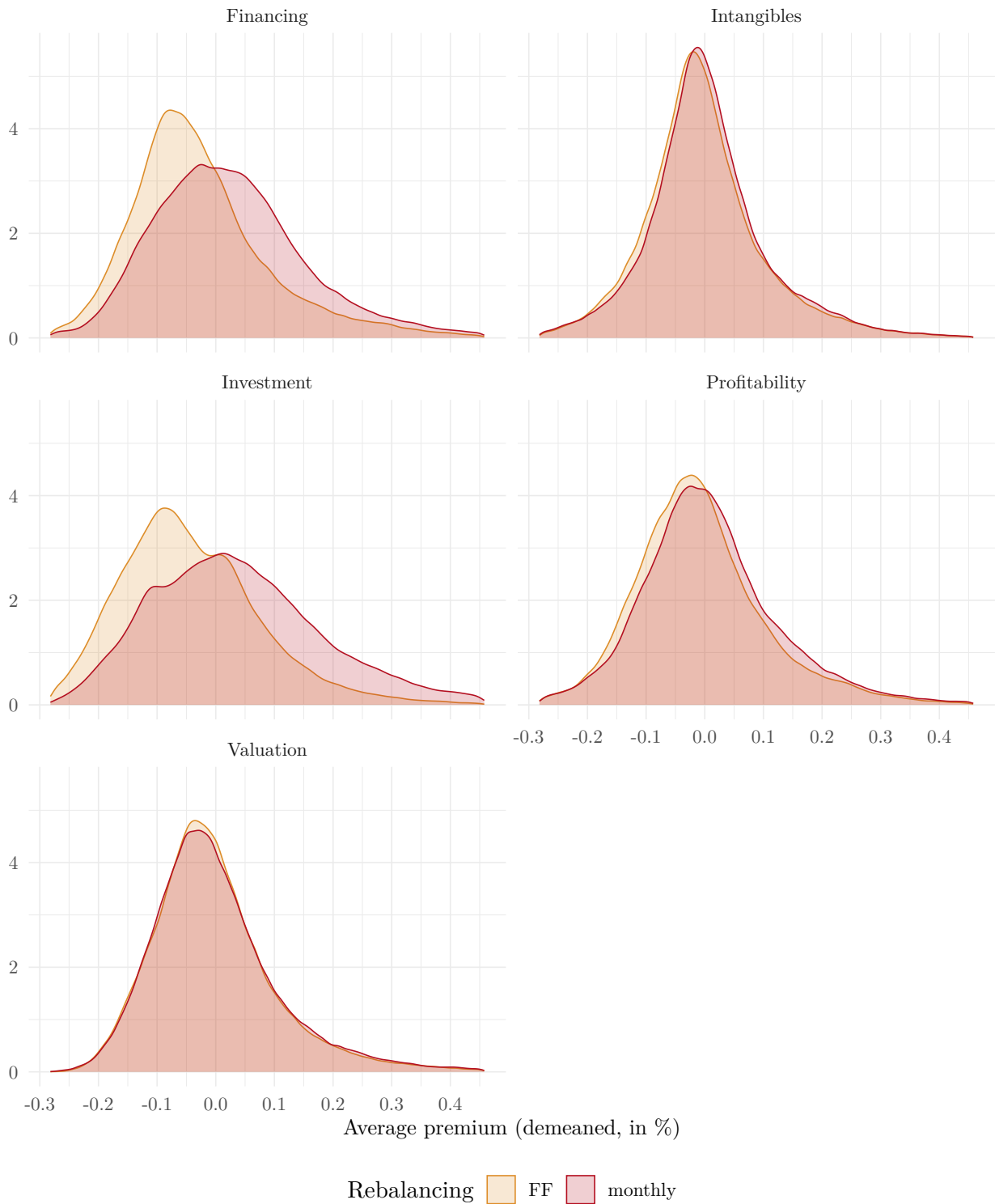
Figure V.9: Fixing choices of the decision fork: Rebalancing.
This figure shows the distribution of premia when fixing choices of the fork "rebalancing". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

Figure V.10: Fixing choices of the decision fork: Breakpoints: Quantiles (main).

This figure shows the distribution of premia when fixing choices of the fork "breakpoints: quantiles (main)". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.
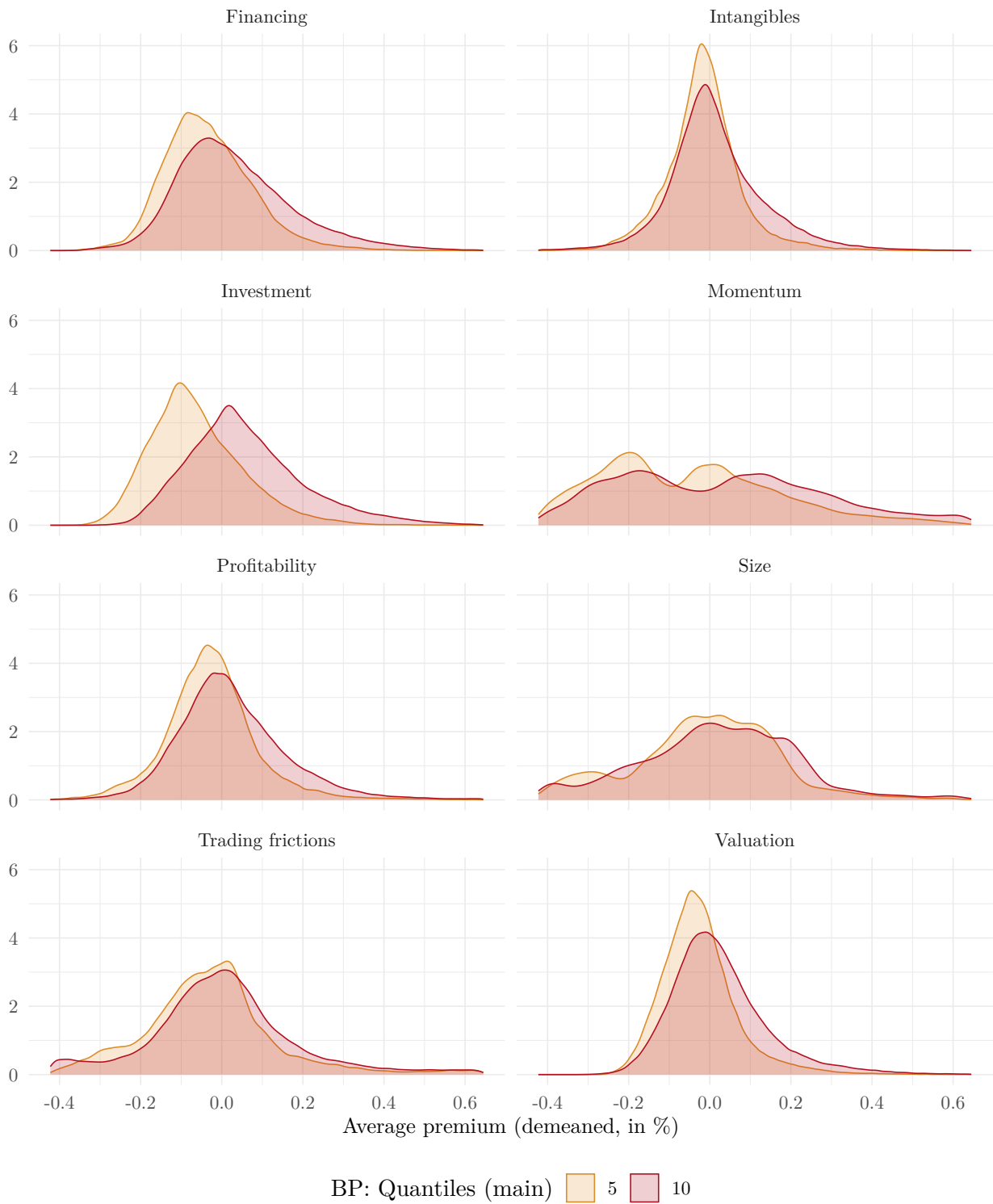
Figure V.11: Fixing choices of the decision fork: Double sort.
This figure shows the distribution of premia when fixing choices of the fork "double sort". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

Figure V.12: Fixing choices of the decision fork: Breakpoints: Quantiles (second).

This figure shows the distribution of premia when fixing choices of the fork "breakpoints: quantiles (second)". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

Figure V.13: Fixing choices of the decision fork: Breakpoints: Exchanges.

This figure shows the distribution of premia when fixing choices of the fork "breakpoints: exchanges". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

BP: Exchanges   All   NYSE

Figure V.14: Fixing choices of the decision fork: Weighting scheme.
This figure shows the distribution of premia when fixing choices of the fork "weighting scheme". In separate panels, we show the distribution of demeaned premia (in %) for the different groups.

VI Fixing choices of decision forks: Factor alphas

This section shows non-standard errors and summary statistics for CAPM, FF5, and Q5 alphas conditional on fixing choices of decision forks.

Table VI.1: Impact of fixing specific choices: CAPM alphas.

This table shows summary statistics holding the individual choices of the panel's decision fork constant. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the CAPM-adjusted premia. We also show the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of CAPM-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive CAPM-adjusted premia and t-statistics larger than 1.96.

Panel A: Size exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.42	0.26	(0.06, 0.09)	1.38	0.55	3.31	0.91	0.69
0.2	0.34	0.18	(0.02, 0.03)	0.93	0.34	3.12	0.89	0.61

Panel B: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.38	0.21	(0.04, 0.06)	1.18	0.70	3.97	0.91	0.64
Included	0.37	0.20	(0.04, 0.06)	1.15	0.69	3.98	0.90	0.65

Panel C: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.38	0.21	(0.04, 0.06)	1.17	0.71	4.03	0.90	0.65
Included	0.37	0.21	(0.04, 0.06)	1.17	0.72	4.04	0.90	0.65

Panel D: Negative book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.37	0.21	(0.04, 0.06)	1.18	0.69	3.96	0.90	0.65
Included	0.37	0.21	(0.04, 0.06)	1.18	0.71	4.01	0.90	0.65

Panel E: Negative earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.34	0.19	(0.03, 0.06)	1.09	0.55	3.53	0.89	0.63
Included	0.40	0.22	(0.03, 0.06)	1.13	0.66	3.87	0.91	0.67

Panel F: Stock-age exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.36	0.22	(0.04, 0.07)	1.22	0.66	3.89	0.88	0.63
2	0.34	0.20	(0.04, 0.07)	1.18	0.74	4.14	0.90	0.62

Panel G: Price exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.38	0.22	(0.04, 0.07)	1.23	0.77	4.11	0.90	0.65
1	0.38	0.21	(0.04, 0.07)	1.19	0.66	3.68	0.90	0.65
5	0.37	0.20	(0.04, 0.06)	1.11	0.49	3.37	0.90	0.64

Panel H: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.53	0.19	(0.03, 0.05)	1.08	0.69	4.72	0.96	0.77
3m	0.37	0.18	(0.04, 0.04)	1.01	0.62	4.02	0.89	0.63

Continued on next page

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Table VI.1: Impact of fixing specific choices: CAPM alphas.

6m	0.35	0.17	(0.02, 0.03)	0.93	0.58	3.84	0.88	0.63
FF	0.31	0.16	(0.01, 0.04)	0.92	0.67	3.76	0.89	0.60

Panel I: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.31	0.16	(0.02, 0.04)	0.93	0.66	3.83	0.89	0.59
monthly	0.37	0.19	(0.04, 0.05)	1.06	0.65	3.92	0.90	0.64

Panel J: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
10	0.42	0.23	(0.03, 0.06)	1.11	0.62	3.77	0.90	0.65
5	0.33	0.17	(0.03, 0.06)	1.06	0.68	3.73	0.90	0.65

Panel K: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.37	0.20	(0.04, 0.06)	1.19	0.76	3.94	0.90	0.67
Independent	0.38	0.21	(0.04, 0.06)	1.14	0.68	3.72	0.90	0.65
Single	0.37	0.22	(0.03, 0.08)	1.17	0.79	4.18	0.90	0.59

Panel L: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.38	0.21	(0.04, 0.06)	1.16	0.71	3.84	0.90	0.66
5	0.38	0.21	(0.05, 0.06)	1.17	0.70	3.73	0.90	0.67

Panel M: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.41	0.23	(0.05, 0.07)	1.22	0.58	3.57	0.90	0.66
NYSE	0.34	0.18	(0.03, 0.05)	1.01	0.57	3.82	0.90	0.63

Panel N: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.40	0.22	(0.05, 0.07)	1.23	0.72	3.77	0.90	0.68
VW	0.35	0.19	(0.03, 0.05)	1.07	0.66	3.97	0.90	0.61

Table VI.2: Impact of fixing specific choices: FF5 alphas.

This table shows summary statistics holding the individual choices of the panel's decision fork constant. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the FF5-adjusted premia. We also show the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of FF5-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive FF5-adjusted premia and t-statistics larger than 1.96.

Panel A: Size exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.26	0.24	(0.08, 0.11)	1.58	0.31	3.30	0.78	0.55
0.2	0.16	0.17	(0.03, 0.04)	1.07	0.00	3.09	0.71	0.45

Panel B: Financials

Table VI.2: Impact of fixing specific choices: FF5 alphas.

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.20	0.20	(0.05, 0.08)	1.38	0.51	4.05	0.72	0.48
Included	0.21	0.18	(0.05, 0.08)	1.36	0.57	4.07	0.76	0.50

Panel C: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.20	0.20	(0.05, 0.08)	1.37	0.53	4.12	0.74	0.49
Included	0.20	0.19	(0.05, 0.08)	1.37	0.57	4.20	0.74	0.48

Panel D: Negative book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.20	0.19	(0.05, 0.08)	1.39	0.51	4.02	0.74	0.49
Included	0.20	0.19	(0.05, 0.09)	1.39	0.52	4.03	0.74	0.49

Panel E: Negative earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.20	0.19	(0.05, 0.08)	1.35	0.39	3.60	0.75	0.49
Included	0.20	0.19	(0.05, 0.08)	1.37	0.57	4.19	0.73	0.48

Panel F: Stock-age exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.20	0.20	(0.06, 0.09)	1.46	0.53	3.98	0.74	0.50
2	0.19	0.19	(0.05, 0.09)	1.41	0.54	4.11	0.74	0.49

Panel G: Price exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.21	0.20	(0.06, 0.09)	1.47	0.59	4.11	0.74	0.49
1	0.20	0.20	(0.05, 0.09)	1.40	0.47	3.62	0.74	0.49
5	0.19	0.19	(0.05, 0.07)	1.27	0.24	3.31	0.74	0.48

Panel H: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.18	0.15	(0.03, 0.07)	1.15	0.73	5.37	0.78	0.32
3m	0.18	0.16	(0.05, 0.06)	1.24	0.38	4.00	0.72	0.45
6m	0.16	0.15	(0.05, 0.06)	1.18	0.32	3.85	0.71	0.44
FF	0.16	0.15	(0.04, 0.07)	1.25	0.42	3.65	0.71	0.47

Panel I: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.16	0.15	(0.05, 0.06)	1.24	0.41	3.70	0.71	0.48
monthly	0.18	0.18	(0.05, 0.08)	1.31	0.44	3.93	0.72	0.46

Panel J: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
10	0.23	0.21	(0.03, 0.08)	1.30	0.50	3.96	0.75	0.48
5	0.18	0.16	(0.04, 0.08)	1.33	0.53	3.76	0.73	0.50

Panel K: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.21	0.18	(0.05, 0.08)	1.33	0.59	3.80	0.75	0.51
Independent	0.20	0.19	(0.05, 0.08)	1.31	0.53	3.63	0.74	0.49
Single	0.19	0.23	(0.06, 0.11)	1.54	0.66	4.12	0.72	0.46

Table VI.2: Impact of fixing specific choices: FF5 alphas.

Panel L: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.20	0.19	(0.05, 0.08)	1.35	0.56	3.74	0.75	0.49
5	0.20	0.19	(0.05, 0.08)	1.30	0.53	3.61	0.75	0.50

Panel M: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.22	0.22	(0.06, 0.09)	1.44	0.42	3.62	0.75	0.50
NYSE	0.18	0.17	(0.04, 0.07)	1.23	0.43	3.92	0.72	0.47

Panel N: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.23	0.20	(0.05, 0.09)	1.39	0.66	3.87	0.77	0.53
VW	0.18	0.18	(0.04, 0.07)	1.23	0.39	3.84	0.71	0.44

Table VI.3: Impact of fixing specific choices: Q5 alphas.

This table shows summary statistics holding the individual choices of the panel's decision fork constant. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the Q5-adjusted premia. We also show the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of Q5-adjusted premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive Q5-adjusted premia and t-statistics larger than 1.96.

Panel A: Size exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.13	0.22	(0.04, 0.07)	1.24	0.30	3.71	0.73	0.29
0.2	0.04	0.15	(0.02, 0.02)	0.82	-0.11	3.34	0.59	0.15

Panel B: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.07	0.17	(0.02, 0.06)	1.08	0.48	4.72	0.63	0.18
Included	0.09	0.16	(0.02, 0.05)	1.04	0.51	4.67	0.68	0.22

Panel C: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.08	0.18	(0.02, 0.06)	1.09	0.47	4.65	0.65	0.20
Included	0.08	0.17	(0.02, 0.06)	1.07	0.49	4.71	0.66	0.20

Panel D: Negative book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.08	0.17	(0.02, 0.06)	1.08	0.47	4.64	0.65	0.20
Included	0.08	0.18	(0.02, 0.06)	1.09	0.47	4.63	0.65	0.20

Panel E: Negative earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.08	0.16	(0.02, 0.06)	1.03	0.42	3.96	0.67	0.20
Included	0.08	0.18	(0.02, 0.05)	1.09	0.53	4.76	0.63	0.20

Table VI.3: Impact of fixing specific choices: Q5 alphas.

Panel F: Stock-age exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.08	0.18	(0.02, 0.06)	1.12	0.48	4.55	0.66	0.20
2	0.08	0.17	(0.02, 0.06)	1.11	0.52	4.77	0.69	0.20

Panel G: Price exclusion

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.08	0.18	(0.02, 0.07)	1.16	0.56	4.74	0.66	0.21
1	0.08	0.18	(0.02, 0.06)	1.10	0.42	4.05	0.66	0.21
5	0.07	0.16	(0.02, 0.04)	0.97	0.12	3.55	0.64	0.19

Panel H: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.09	0.15	(0.01, 0.04)	0.92	0.53	6.25	0.54	0.17
3m	0.09	0.15	(0.02, 0.04)	0.96	0.35	4.70	0.66	0.22
6m	0.06	0.13	(0.01, 0.04)	0.90	0.31	4.63	0.62	0.18
FF	0.09	0.13	(0.01, 0.04)	0.94	0.50	4.33	0.70	0.20

Panel I: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.10	0.13	(0.01, 0.03)	0.92	0.47	4.42	0.72	0.20
monthly	0.08	0.16	(0.02, 0.05)	1.00	0.45	4.65	0.65	0.21

Panel J: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
10	0.09	0.19	(0.02, 0.06)	1.04	0.48	4.55	0.66	0.20
5	0.07	0.15	(0.02, 0.06)	1.05	0.42	4.32	0.65	0.20

Panel K: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.08	0.16	(0.02, 0.05)	1.02	0.58	4.15	0.66	0.20
Independent	0.08	0.17	(0.02, 0.05)	1.00	0.51	3.91	0.65	0.20
Single	0.08	0.20	(0.03, 0.07)	1.23	0.57	4.31	0.64	0.20

Panel L: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.08	0.17	(0.02, 0.05)	1.03	0.49	3.99	0.66	0.20
5	0.08	0.16	(0.02, 0.05)	0.99	0.52	3.93	0.65	0.21

Panel M: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.10	0.19	(0.03, 0.06)	1.14	0.38	4.18	0.67	0.23
NYSE	0.06	0.15	(0.02, 0.04)	0.96	0.42	4.63	0.63	0.17

Panel N: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.10	0.17	(0.02, 0.06)	1.10	0.67	4.57	0.69	0.24
VW	0.06	0.17	(0.02, 0.04)	0.99	0.27	4.03	0.62	0.16

VII Non-standard errors conditional on fixing size-related choices

We present the variation from portfolio sorts conditional on fixing size-related choices in favor of stocks with large market capitalizations as suggested by Hou et al. (2020) or Soebhag et al. (2023). Relative to the main paper, we sort portfolios conditional only deciles, NYSE breakpoints, and value-weighted returns from single sorts to fix the choices suggested by Hou et al. (2020). In a separate analysis, we also fix the choice to exclude the 20% smallest stocks as suggested by Soebhag et al. (2023). Moreover, we depict the non-standard errors conditional on fixing the choices suggested by Hou et al. (2020) in Figure VII.1. Additionally, we show the variation in t-statistics in Figure VII.2. Lastly, we fix specific choices for sorting variables where the underlying model restricts the set of choices. For instance, Xing (2008) notes that Q-theory might not apply to financial firms and therefore excludes these stocks when sorting portfolios based on the sorting variable "asset growth" (AG).

Table VII.1: Non-standard errors conditional on fixing size-related forks.

This table shows summary statistics across paths conditional on fixing size-related choices. We fix the following choices suggested by Hou et al. (2020) and denote all corresponding summary statistics with "HXZ": deciles, NYSE breakpoints, value-weighted returns, and single sorts. Moreover, we follow Soebhag et al. (2023) and fix on top of these choices also the exclusion of stocks that are smaller than the 20% market capitalization of all NYSE listed stocks. We denote all corresponding summary statistics with "SVV". We group sorting variables into panels that contain the mean (Mean, in %) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). The overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
CDI	-0.04	0.07	(0.00, 0.00)	-0.05	0.07	(0.00, 0.00)
CSI	0.50	0.11	(0.00, 0.00)	0.48	0.11	(0.00, 0.00)
DBE	0.32	0.09	(0.00, 0.00)	0.32	0.08	(0.00, 0.00)
DCOL	0.01	0.07	(0.00, 0.00)	0.02	0.07	(0.00, 0.00)
DFNL	0.21	0.07	(0.00, 0.00)	0.21	0.06	(0.00, 0.00)
NDF	0.32	0.09	(0.00, 0.00)	0.32	0.09	(0.00, 0.00)
NEF	0.14	0.12	(0.00, 0.00)	0.11	0.08	(0.00, 0.00)
NXF	0.23	0.12	(0.00, 0.00)	0.21	0.10	(0.00, 0.00)
Mean	0.21	0.09	(0.00, 0.00)	0.20	0.08	(0.00, 0.00)

Panel B: Intangibles

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
ADM	0.36	0.11	(0.00, 0.00)	0.30	0.09	(0.00, 0.00)
CFV	0.22	0.10	(0.00, 0.00)	0.20	0.09	(0.00, 0.00)
EPRD*	0.90	0.08	(0.00, 0.00)	0.90	0.07	(0.00, 0.00)
HR	0.16	0.11	(0.00, 0.00)	0.14	0.10	(0.00, 0.00)
KZI*	-0.07	0.08	(0.00, 0.00)	-0.07	0.08	(0.00, 0.00)
LFE*	0.03	0.13	(0.00, 0.00)	0.03	0.12	(0.00, 0.00)
OL	0.26	0.08	(0.00, 0.00)	0.24	0.07	(0.00, 0.00)
RDM	0.18	0.06	(0.00, 0.00)	0.15	0.05	(0.00, 0.00)
RER	0.27	0.07	(0.00, 0.00)	0.29	0.07	(0.00, 0.00)
TAN*	0.01	0.05	(0.00, 0.00)	0.02	0.05	(0.00, 0.00)
WW*	0.17	0.06	(0.00, 0.00)	0.15	0.05	(0.00, 0.00)
Mean	0.23	0.08	(0.00, 0.00)	0.21	0.08	(0.00, 0.00)

Panel C: Investment

Table VII.1: Non-standard errors across sorting variables for 10 forks.

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
ACI	0.29	0.07	(0.00, 0.00)	0.29	0.08	(0.00, 0.00)
AG	0.33	0.11	(0.00, 0.00)	0.31	0.12	(0.00, 0.00)
DINV	0.50	0.12	(0.00, 0.12)	0.48	0.12	(0.00, 0.15)
DNOA	0.49	0.11	(0.00, 0.00)	0.49	0.11	(0.00, 0.00)
DPIA	0.33	0.11	(0.00, 0.00)	0.30	0.10	(0.00, 0.00)
DWC	0.53	0.15	(0.00, 0.00)	0.52	0.16	(0.00, 0.00)
IG	0.32	0.10	(0.00, 0.00)	0.31	0.10	(0.00, 0.00)
NOA	0.47	0.12	(0.00, 0.01)	0.46	0.11	(0.00, 0.00)
OA	0.31	0.13	(0.00, 0.13)	0.30	0.12	(0.00, 0.11)
PTA	0.30	0.07	(0.00, 0.00)	0.28	0.06	(0.00, 0.00)
Mean	0.39	0.11	(0.00, 0.03)	0.37	0.11	(0.00, 0.03)

Panel D: Momentum

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
52W	0.37	0.51	(0.04, 0.00)	0.34	0.51	(0.06, 0.00)
ABR	0.55	1.15	(0.00, 0.33)	0.53	1.20	(0.00, 0.33)
MOM	0.65	0.45	(0.00, 0.00)	0.62	0.44	(0.00, 0.00)
RMOM	0.44	0.09	(0.00, 0.00)	0.43	0.09	(0.00, 0.00)
RS	0.25	0.05	(0.00, 0.00)	0.24	0.04	(0.00, 0.00)
SUE	0.19	0.18	(0.00, 0.00)	0.18	0.15	(0.00, 0.00)
TES	0.23	0.15	(0.00, 0.00)	0.22	0.12	(0.00, 0.00)
Mean	0.38	0.37	(0.01, 0.05)	0.37	0.37	(0.01, 0.05)

Panel E: Profitability

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
ATO*	0.37	0.12	(0.00, 0.00)	0.37	0.12	(0.00, 0.00)
BL*	0.03	0.05	(0.00, 0.00)	0.03	0.04	(0.00, 0.00)
CBOP	0.43	0.14	(0.00, 0.01)	0.40	0.12	(0.00, 0.00)
CTO*	0.18	0.09	(0.00, 0.00)	0.18	0.08	(0.00, 0.00)
GPA	0.26	0.11	(0.00, 0.00)	0.26	0.11	(0.00, 0.00)
O	-0.01	0.06	(0.00, 0.00)	-0.02	0.05	(0.00, 0.00)
OPE	0.23	0.08	(0.00, 0.00)	0.21	0.07	(0.00, 0.00)
ROA	0.32	0.10	(0.00, 0.00)	0.28	0.08	(0.00, 0.00)
ROE	0.36	0.10	(0.00, 0.00)	0.34	0.10	(0.00, 0.00)
TBI	0.11	0.09	(0.00, 0.00)	0.09	0.06	(0.00, 0.00)
Z*	-0.03	0.07	(0.00, 0.00)	-0.03	0.06	(0.00, 0.00)
Mean	0.21	0.09	(0.00, 0.00)	0.19	0.08	(0.00, 0.00)

Panel F: Size

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
ME	0.21	0.10	(0.00, 0.00)	0.23	0.09	(0.00, 0.00)

Panel G: Trading frictions

SV	Mean$_{HXZ}$	NSE$_{HXZ}$	Left-right$_{HXZ}$	Mean$_{SVV}$	NSE$_{SVV}$	Left-right$_{SVV}$
AMI	0.27	0.06	(0.00, 0.00)	0.25	0.04	(0.00, 0.00)
BETA	-0.03	0.12	(0.00, 0.00)	-0.01	0.11	(0.00, 0.00)
BFP	0.04	0.09	(0.00, 0.00)	0.04	0.10	(0.00, 0.00)
DTV	0.30	0.08	(0.00, 0.00)	0.28	0.06	(0.00, 0.00)
ISKEW	-0.02	0.37	(0.33, 0.00)	-0.02	0.38	(0.33, 0.00)
IVOL	0.17	0.24	(0.00, 0.00)	0.14	0.22	(0.00, 0.00)
MDR	0.09	0.20	(0.00, 0.00)	0.08	0.16	(0.00, 0.00)
SREV	-0.09	0.62	(0.00, 0.33)	-0.08	0.59	(0.00, 0.33)
TUR	-0.01	0.09	(0.00, 0.00)	-0.04	0.08	(0.00, 0.00)
Mean	0.08	0.21	(0.04, 0.04)	0.07	0.19	(0.04, 0.04)

Panel H: Valuation

Table VII.1: Non-standard errors across sorting variables for 10 forks.

SV	Mean$_{\text{HXZ}}$	NSE$_{\text{HXZ}}$	Left-right$_{\text{HXZ}}$	Mean$_{\text{SVV}}$	NSE$_{\text{SVV}}$	Left-right$_{\text{SVV}}$
AM*	0.11	0.12	(0.00, 0.00)	0.10	0.11	(0.00, 0.00)
BM	0.24	0.08	(0.00, 0.00)	0.21	0.07	(0.00, 0.00)
CFM	0.24	0.07	(0.00, 0.00)	0.24	0.07	(0.00, 0.00)
DM	0.11	0.07	(0.00, 0.00)	0.09	0.05	(0.00, 0.00)
EBM	0.15	0.06	(0.00, 0.00)	0.12	0.06	(0.00, 0.00)
EM	0.31	0.09	(0.00, 0.00)	0.30	0.10	(0.00, 0.00)
NDM	0.09	0.09	(0.00, 0.00)	0.09	0.09	(0.00, 0.00)
NPY	0.32	0.10	(0.00, 0.00)	0.31	0.09	(0.00, 0.00)
OCM	0.43	0.09	(0.00, 0.00)	0.41	0.07	(0.00, 0.00)
REV	0.02	0.10	(0.00, 0.00)	0.02	0.11	(0.00, 0.00)
SM	0.30	0.06	(0.00, 0.00)	0.27	0.04	(0.00, 0.00)
Mean	0.21	0.08	(0.00, 0.00)	0.19	0.08	(0.00, 0.00)

Panel I: Overall

SV	Mean$_{\text{HXZ}}$	NSE$_{\text{HXZ}}$	Left-right$_{\text{HXZ}}$	Mean$_{\text{SVV}}$	NSE$_{\text{SVV}}$	Left-right$_{\text{SVV}}$
All	0.24	0.14	(0.01, 0.01)	0.23	0.13	(0.01, 0.01)
Orig. Sig.	0.25	0.14	(0.01, 0.02)	0.24	0.14	(0.01, 0.02)
Orig. Insig.	0.17	0.08	(0.00, 0.00)	0.17	0.08	(0.00, 0.00)

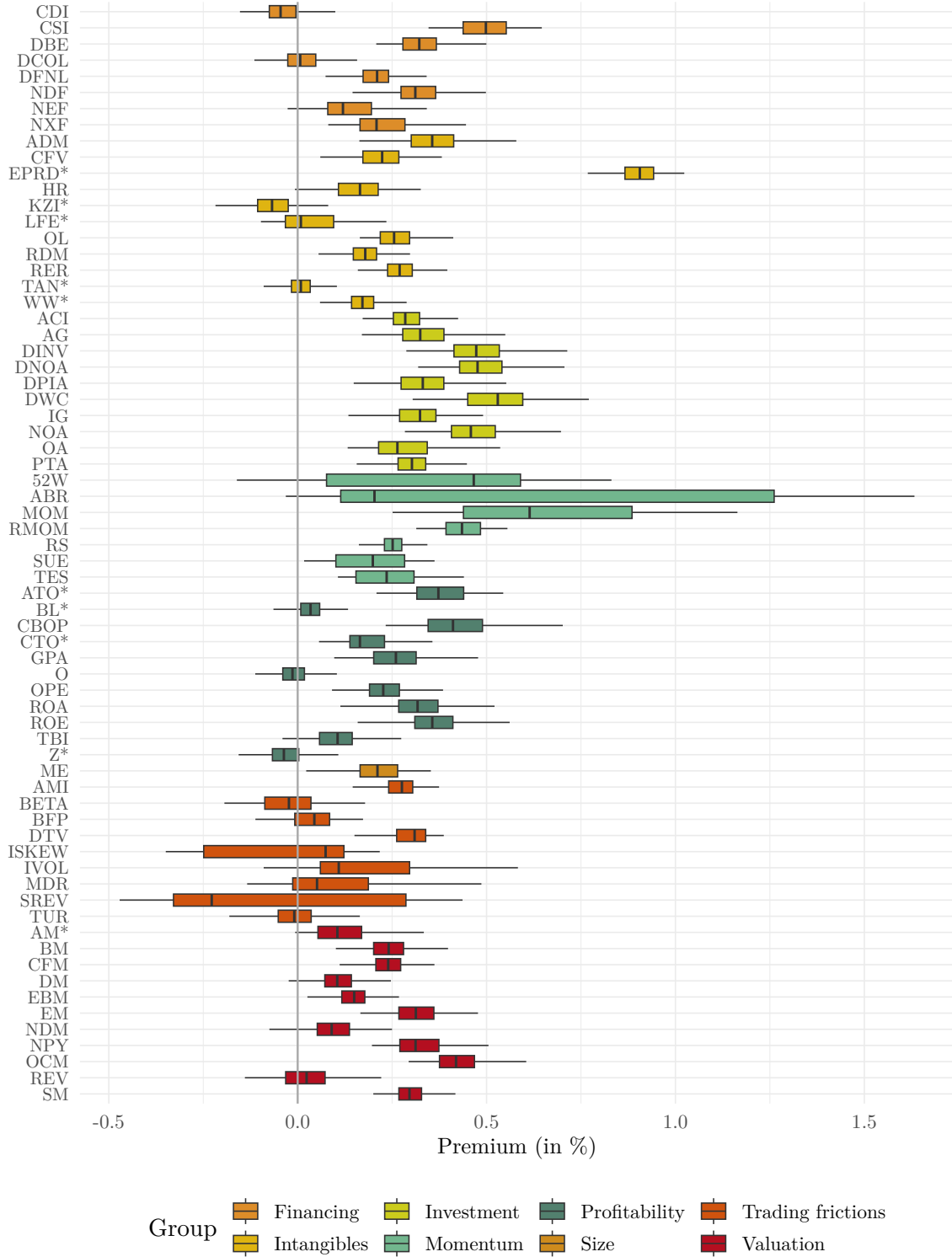# Figure VII.1: Non-standard errors conditional on fixing size-related forks based on Hou et al. (2020).

This figure shows the estimated premia (in %) in box plots for all sorting variables conditional on deciles, NYSE breakpoints, and value-weighted returns from single sorts. The boxes cover the interquartile range and thus correspond to the definition of non-standard errors from Equation (2). Moreover, the lines at the ends of each box indicate the maximum and minimum premium of each distribution. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group.

Figure VII.2: Variation in *t*-statistics conditional on fixing size-related forks based on Hou et al. (2020).
This figure shows the estimated *t*-statistics in box plots for all sorting variables conditional on deciles, NYSE breakpoints, and value-weighted returns from single sorts. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective group. A *t*-value of 1.96 is indicated by the vertical dashed line.
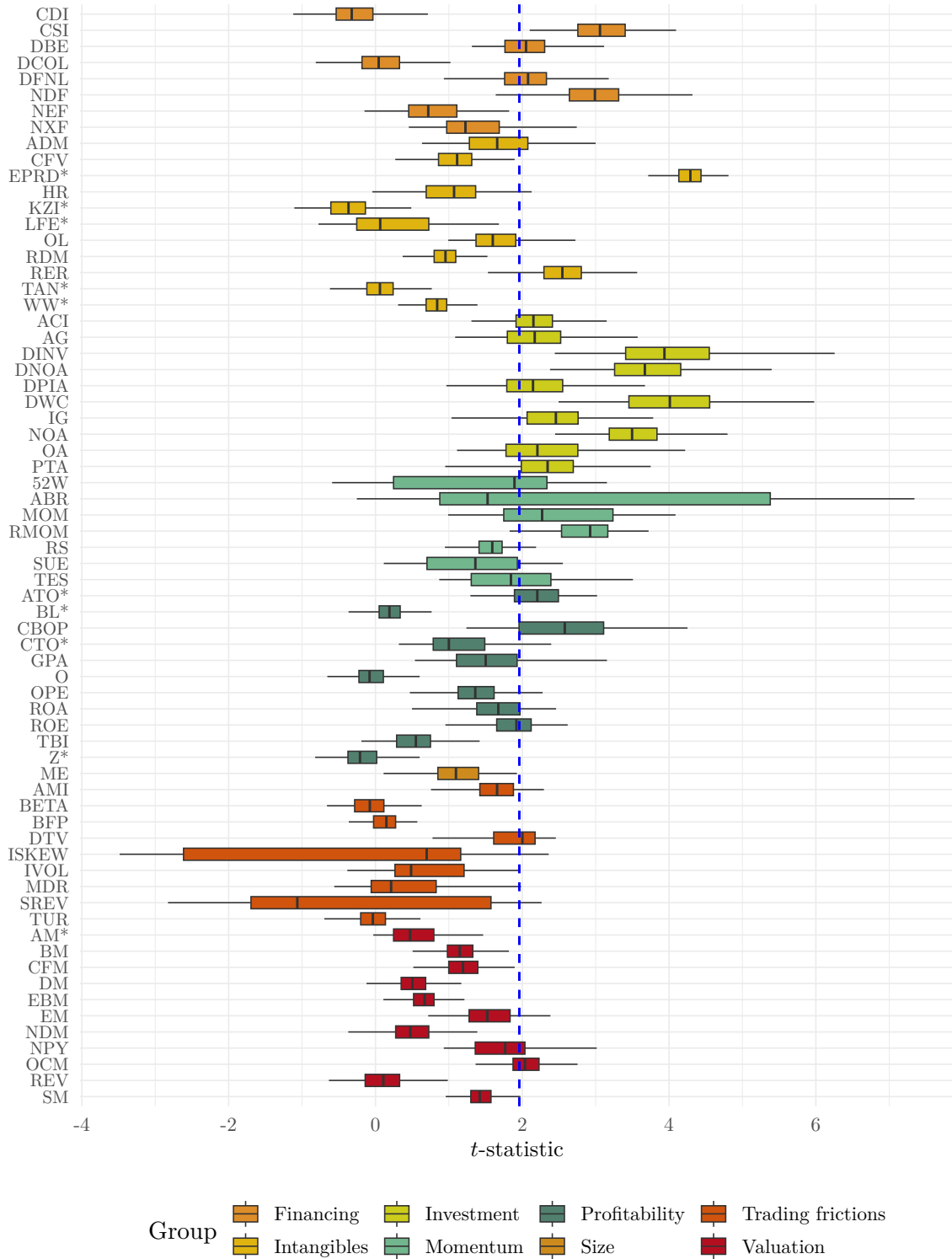
Table VII.2: Non-standard errors conditional on fixing model-specific choices.

This table shows summary statistics across paths for all 68 sorting variables. Whenever the paper that first recorded the premium provides an economic rationale for taking a specific choice that builds upon the paper's proposed economic mechanism, we keep the respective choice constant in line with the original paper's choice. For instance, Xing (2008) notes that Q-theory might not apply to financial firms and therefore excludes these stocks when sorting portfolios based on the sorting variable "asset growth" (AG). We group sorting variables into panels that contain the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia across all paths. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the fraction of monotonically increasing portfolio sorts following the test of Patton and Timmermann (2010) that evaluates monotonicity based on all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper. All statistics correspond to equally weighted paths except for NSE_w which denotes the non-standard errors of premia that are weighted by the frequency with which choices were made in published articles.

Panel A: Financing

SV	Mean	NSE	NSE_w	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
CDI	0.12	0.10	0.19	(0.01, 0.05)	1.13	0.07	5.01	0.93	0.41	0.62
CSI	0.46	0.19	0.19	(0.00, 0.01)	0.89	0.56	3.04	1.00	0.99	0.53
DBE	0.40	0.21	0.33	(0.00, 0.06)	1.12	0.93	3.77	1.00	0.85	0.36
DCOL	0.16	0.16	0.31	(0.00, 0.09)	1.28	1.13	4.92	0.92	0.29	0.06
DFNL	0.31	0.17	0.24	(0.01, 0.14)	1.49	0.82	3.41	1.00	0.94	0.49
NDF	0.30	0.14	0.18	(0.04, 0.10)	1.38	0.81	3.67	1.00	0.99	0.82
NEF	0.31	0.18	0.28	(0.00, 0.03)	1.00	0.84	3.98	0.99	0.50	0.35
NXF	0.44	0.21	0.33	(0.02, 0.06)	1.22	0.82	3.81	1.00	0.90	0.58
Mean	0.31	0.17	0.26	(0.01, 0.07)	1.19	0.75	3.95	0.98	0.73	0.47

Panel B: Intangibles

SV	Mean	NSE	NSE_w	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ADM	0.27	0.12	0.15	(0.00, 0.00)	0.54	0.72	3.46	1.00	0.20	0.40
CFV	0.31	0.16	0.19	(0.00, 0.00)	0.63	0.77	3.88	1.00	0.23	0.46
EPRD*	0.77	0.27	0.30	(0.02, 0.02)	1.05	0.42	2.40	1.00	1.00	0.93
HR	0.27	0.17	0.30	(0.02, 0.08)	1.25	0.74	4.34	0.99	0.65	0.32
KZI*	-0.01	0.09	0.10	(0.00, 0.00)	0.55	-0.14	4.99	0.46	0.00	0.02
LFE*	-0.04	0.07	0.08	(0.00, 0.00)	0.78	0.96	6.27	0.18	0.00	0.00
OL	0.28	0.11	0.14	(0.00, 0.00)	0.63	0.91	3.64	1.00	0.45	0.63
RDM	0.32	0.11	0.26	(0.00, 0.00)	0.61	1.51	7.44	1.00	0.25	0.02
RER	0.16	0.06	0.06	(0.00, 0.01)	0.84	0.96	4.11	1.00	0.83	0.52
TAN*	0.15	0.08	0.24	(0.00, 0.01)	0.71	0.63	5.50	0.95	0.11	0.46
WW*	-0.05	0.21	0.34	(0.01, 0.01)	0.79	-0.65	5.33	0.39	0.00	0.03
Mean	0.22	0.13	0.20	(0.00, 0.01)	0.76	0.62	4.67	0.82	0.34	0.35

Panel C: Investment

SV	Mean	NSE	NSE_w	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ACI	0.24	0.11	0.13	(0.04, 0.03)	0.98	0.43	2.84	1.00	0.94	0.65
AG	0.46	0.26	0.41	(0.03, 0.11)	1.48	1.00	4.24	1.00	0.90	0.59
DINV	0.40	0.22	0.25	(0.08, 0.16)	1.68	0.84	3.26	1.00	1.00	0.84
DNOA	0.59	0.22	0.31	(0.05, 0.13)	1.57	1.03	4.12	1.00	1.00	0.89
DPIA	0.48	0.23	0.35	(0.08, 0.12)	1.58	0.84	3.96	1.00	0.95	0.73
DWC	0.44	0.22	0.20	(0.15, 0.13)	1.73	0.57	2.94	1.00	1.00	0.68
IG	0.34	0.15	0.21	(0.02, 0.05)	1.19	0.87	4.04	1.00	0.96	0.82
NOA	0.51	0.18	0.24	(0.05, 0.03)	1.14	0.75	3.78	1.00	1.00	0.57
OA	0.37	0.18	0.15	(0.01, 0.13)	1.39	0.85	3.52	1.00	0.90	0.46

Table VII.2: Non-standard errors conditional on fixing model-specific choices.

PTA	0.30	0.15	0.18	(0.04, 0.04)	1.11	0.31	2.61	1.00	0.91	0.68
Mean	0.41	0.19	0.24	(0.05, 0.09)	1.38	0.75	3.53	1.00	0.96	0.69

Panel D: Momentum

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
52W	0.44	0.50	0.46	(0.16, 0.03)	1.43	-0.32	2.59	0.88	0.62	0.48
ABR	0.57	0.61	0.84	(0.19, 0.36)	4.02	0.99	2.74	0.99	0.92	0.73
MOM	0.56	0.43	0.46	(0.03, 0.06)	1.30	0.45	2.70	0.99	0.64	0.70
RMOM	0.42	0.25	0.20	(0.10, 0.02)	1.20	0.06	2.39	1.00	0.80	0.66
RS	0.37	0.21	0.30	(0.02, 0.11)	1.48	1.13	4.56	1.00	0.86	0.69
SUE	0.47	0.36	0.62	(0.14, 0.22)	2.56	1.25	4.59	1.00	0.86	0.90
TES	0.43	0.30	0.47	(0.10, 0.19)	2.20	1.17	4.01	1.00	0.95	0.73
Mean	0.47	0.38	0.48	(0.11, 0.14)	2.03	0.68	3.37	0.98	0.81	0.70

Panel E: Profitability

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ATO*	0.21	0.15	0.16	(0.00, 0.01)	0.79	0.56	3.07	0.99	0.24	0.23
BL*	-0.04	0.08	0.12	(0.00, 0.00)	0.40	0.10	3.48	0.23	0.00	0.00
CBOP	0.59	0.24	0.28	(0.04, 0.11)	1.49	0.78	3.86	1.00	0.97	0.99
CTO*	0.12	0.10	0.10	(0.00, 0.00)	0.58	0.73	3.86	0.96	0.03	0.07
GPA	0.33	0.19	0.20	(0.00, 0.03)	0.94	0.72	3.04	1.00	0.61	0.75
O	0.04	0.09	0.11	(0.00, 0.00)	0.49	0.36	3.71	0.75	0.00	0.00
OPE	0.32	0.14	0.18	(0.02, 0.00)	0.77	0.71	4.58	1.00	0.73	0.64
ROA	0.46	0.28	0.39	(0.04, 0.11)	1.48	1.11	4.27	1.00	0.82	0.71
ROE	0.49	0.26	0.38	(0.06, 0.11)	1.55	1.20	4.62	1.00	0.91	0.84
TBI	-0.10	0.26	0.30	(0.00, 0.03)	0.93	0.15	3.49	0.30	0.01	0.02
Z*	0.07	0.11	0.20	(0.00, 0.01)	0.61	1.41	6.32	0.75	0.01	0.00
Mean	0.23	0.17	0.22	(0.02, 0.04)	0.91	0.71	4.03	0.82	0.39	0.39

Panel F: Size

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ME	0.09	0.25	0.39	(0.11, 0.05)	1.51	0.92	9.08	0.70	0.09	0.15

Panel G: Trading frictions

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AMI	0.15	0.18	0.23	(0.00, 0.03)	1.03	0.83	8.62	0.86	0.17	0.23
BETA	0.01	0.09	0.09	(0.00, 0.00)	0.27	0.05	2.93	0.55	0.00	0.00
BFP	0.11	0.10	0.12	(0.00, 0.00)	0.27	0.15	3.49	0.94	0.00	0.00
DTV	0.29	0.16	0.24	(0.00, 0.02)	0.80	1.10	7.01	0.98	0.32	0.33
ISKEW	-0.02	0.12	0.24	(0.15, 0.04)	1.45	-0.07	3.65	0.48	0.04	0.16
IVOL	0.29	0.21	0.36	(0.00, 0.03)	0.88	0.86	5.06	0.97	0.20	0.02
MDR	0.22	0.30	0.40	(0.00, 0.12)	1.13	1.04	3.83	0.92	0.24	0.08
SREV	0.04	0.97	1.22	(0.06, 0.33)	3.89	1.06	3.25	0.33	0.31	0.30
TUR	0.22	0.16	0.34	(0.00, 0.02)	0.69	0.80	5.13	0.94	0.08	0.07
Mean	0.15	0.25	0.36	(0.02, 0.07)	1.16	0.65	4.78	0.78	0.15	0.13

Panel H: Valuation

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AM*	0.23	0.16	0.31	(0.00, 0.01)	0.66	1.29	5.09	1.00	0.08	0.14
BM	0.33	0.19	0.39	(0.00, 0.04)	0.87	1.39	5.58	1.00	0.30	0.50
CFM	0.38	0.16	0.22	(0.00, 0.01)	0.66	0.84	3.77	1.00	0.54	0.83
DM	0.11	0.10	0.13	(0.00, 0.00)	0.42	0.59	3.35	0.95	0.00	0.06
EBM	0.22	0.13	0.27	(0.00, 0.01)	0.61	1.47	6.75	0.99	0.08	0.50
EM	0.36	0.10	0.12	(0.00, 0.01)	0.53	1.01	4.72	1.00	0.73	0.74
NDM	0.07	0.08	0.12	(0.00, 0.00)	0.44	0.67	4.19	0.87	0.00	0.10

Table VII.2: Non-standard errors conditional on fixing model-specific choices.

NPY	0.25	0.07	0.08	(0.00, 0.00)	0.43	0.47	3.58	1.00	0.64	0.74
OCM	0.42	0.14	0.16	(0.00, 0.00)	0.59	0.51	3.19	1.00	0.78	0.69
REV	0.18	0.13	0.26	(0.00, 0.02)	0.76	1.46	7.34	0.98	0.13	0.43
SM	0.41	0.18	0.34	(0.00, 0.01)	0.75	1.24	4.63	1.00	0.49	0.89
Mean	0.27	0.13	0.22	(0.00, 0.01)	0.61	1.00	4.75	0.98	0.34	0.51

Panel I: Overall

SV	Mean	NSE	NSE_{w}	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
All	0.28	0.20	0.27	(0.03, 0.06)	1.10	0.74	4.27	0.90	0.51	0.45
Orig. Sig.	0.31	0.21	0.28	(0.03, 0.06)	1.17	0.78	4.21	0.93	0.57	0.50
Orig. Insig.	0.14	0.13	0.20	(0.00, 0.01)	0.69	0.53	4.63	0.69	0.15	0.19

VIII Impact of decision forks: Factor alphas

In Tables VIII.1 to VIII.3, we present the impact of decision forks on CAPM-adjusted, Fama and French (2015)-adjusted (FF5), and Hou et al. (2021)-adjusted (Q5) premia in terms of mean absolute differences and correlations.

Table VIII.1: CAPM-adjusted returns: Mean absolute differences and correlations.

This table shows mean absolute differences (Panel A, in %) and correlations (Panel B) of the CAPM-adjusted time series of return differentials across decision forks. For each decision fork, we compare time-series pairs that differ only in the specific fork. Then, we take the mean for each fork-sorting variable combination. The two panels show means across all categories (All) and individual categories separately. By construction, some entries do not produce variation and are left empty.

Panel A: Mean absolute differences

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	1.06	0.90	1.11	0.95	1.03	1.08	1.38	1.30	1.01
Weighting scheme	0.98	0.95	1.03	0.95	0.99	0.99	0.62	0.91	1.05
Negative earnings	0.94	0.82	0.96	0.82	0.77	1.23	1.31	1.04	0.84
Size exclusion	0.85	0.67	0.85	0.69	0.78	0.89	1.93	1.14	0.79
Sorting variable lag	0.84	0.56	0.53	0.64	1.68	0.64	1.84	1.52	0.57
BP: Exchanges	0.82	0.68	0.84	0.66	0.65	0.87	1.53	1.11	0.77
Financials	0.74	0.46	0.75	0.56	0.60	1.06	0.77	0.75	0.86
Double sort	0.69	0.42	0.66	0.45	0.51	0.73	2.85	1.30	0.52
BP: Quantiles (second)	0.68	0.53	0.68	0.53	0.59	0.70	1.82	1.04	0.60
Rebalancing	0.59	0.59	0.59	0.63		0.60			0.55
Utilities	0.49	0.37	0.37	0.33	0.42	0.67	0.60	0.65	0.55
Stock-age exclusion	0.43	0.46	0.40	0.43	0.33	0.48	0.66	0.52	0.35
Price exclusion	0.35	0.29	0.36	0.30	0.30	0.38	0.70	0.44	0.32
Negative book equity	0.22	0.20	0.23	0.19	0.18	0.27	0.30	0.23	0.21

Panel B: Correlations

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
Weighting scheme	0.87	0.81	0.85	0.81	0.88	0.89	0.97	0.92	0.90
Negative earnings	0.88	0.86	0.88	0.84	0.93	0.81	0.84	0.91	0.94
Sorting variable lag	0.88	0.92	0.95	0.90	0.71	0.95	0.63	0.74	0.96
BP: Quantiles (main)	0.90	0.87	0.88	0.86	0.92	0.92	0.87	0.90	0.94
Size exclusion	0.91	0.90	0.91	0.90	0.93	0.92	0.74	0.90	0.95
Financials	0.92	0.95	0.91	0.93	0.96	0.85	0.93	0.95	0.93
Rebalancing	0.92	0.89	0.93	0.89		0.95			0.96
BP: Exchanges	0.93	0.92	0.92	0.92	0.95	0.93	0.81	0.91	0.96
BP: Quantiles (second)	0.94	0.93	0.94	0.94	0.95	0.95	0.72	0.91	0.97
Double sort	0.94	0.96	0.94	0.95	0.97	0.94	0.63	0.87	0.98
Utilities	0.97	0.97	0.98	0.98	0.98	0.94	0.95	0.97	0.97
Stock-age exclusion	0.97	0.95	0.97	0.96	0.98	0.97	0.94	0.97	0.99
Price exclusion	0.98	0.97	0.97	0.97	0.98	0.98	0.94	0.97	0.98
Negative book equity	0.99	0.99	0.99	0.99	0.99	0.99	0.98	0.99	1.00

Table VIII.2: FF5-adjusted returns: Mean absolute differences and correlations.

This table shows mean absolute differences (Panel A, in %) and correlations (Panel B) of the Fama and French (2015)-adjusted time series of return differentials across decision forks. For each decision fork, we compare time-series pairs that differ only in the specific fork. Then, we take the mean for each fork-sorting variable combination. The two panels show means across all categories (All) and individual categories separately. By construction, some entries do not produce variation and are left empty.

Panel A: Mean absolute differences

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	1.02	0.87	1.07	0.93	1.01	1.02	1.33	1.25	0.93
Weighting scheme	0.95	0.93	1.01	0.93	0.99	0.95	0.57	0.89	1.00
Negative earnings	0.87	0.75	0.90	0.77	0.74	1.04	1.30	0.97	0.80
Sorting variable lag	0.84	0.56	0.53	0.63	1.67	0.64	1.86	1.52	0.57
Size exclusion	0.83	0.66	0.83	0.68	0.76	0.86	1.92	1.12	0.77
BP: Exchanges	0.79	0.65	0.82	0.65	0.64	0.83	1.53	1.08	0.72
Financials	0.71	0.45	0.71	0.52	0.60	0.98	0.77	0.74	0.84
Double sort	0.67	0.42	0.65	0.45	0.51	0.72	2.16	1.27	0.51
BP: Quantiles (second)	0.66	0.52	0.66	0.52	0.58	0.65	1.70	0.98	0.57
Rebalancing	0.60	0.60	0.60	0.64		0.61			0.56
Utilities	0.48	0.37	0.37	0.33	0.42	0.65	0.60	0.63	0.54
Stock-age exclusion	0.42	0.43	0.39	0.42	0.33	0.47	0.66	0.52	0.34
Price exclusion	0.34	0.29	0.36	0.29	0.30	0.37	0.70	0.44	0.32
Negative book equity	0.22	0.20	0.23	0.19	0.18	0.27	0.31	0.23	0.21

Panel B: Correlations

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
Weighting scheme	0.80	0.72	0.80	0.75	0.86	0.81	0.92	0.88	0.77
Sorting variable lag	0.84	0.88	0.93	0.86	0.68	0.91	0.38	0.68	0.91
Negative earnings	0.84	0.81	0.85	0.81	0.92	0.79	0.73	0.89	0.85
BP: Quantiles (main)	0.85	0.81	0.85	0.82	0.91	0.87	0.78	0.88	0.86
Size exclusion	0.86	0.85	0.87	0.86	0.92	0.86	0.48	0.85	0.86
Rebalancing	0.88	0.84	0.90	0.84		0.91			0.89
Financials	0.89	0.93	0.90	0.92	0.95	0.80	0.88	0.94	0.83
BP: Exchanges	0.89	0.87	0.89	0.88	0.95	0.89	0.69	0.88	0.89
Double sort	0.91	0.94	0.92	0.94	0.96	0.91	0.43	0.85	0.94
BP: Quantiles (second)	0.91	0.90	0.92	0.91	0.95	0.92	0.64	0.91	0.92
Utilities	0.95	0.95	0.96	0.97	0.97	0.91	0.91	0.96	0.93
Stock-age exclusion	0.96	0.93	0.97	0.94	0.98	0.96	0.90	0.96	0.97
Price exclusion	0.96	0.96	0.96	0.96	0.98	0.96	0.90	0.97	0.96
Negative book equity	0.99	0.98	0.99	0.99	0.99	0.98	0.97	0.99	0.99

Table VIII.3: Q5-adjusted returns: Mean absolute differences and correlations.
This table shows mean absolute differences (Panel A, in %) and correlations (Panel B) of the Hou et al. (2021)-adjusted time series of return differentials across decision forks. For each decision fork, we compare time-series pairs that differ only in the specific fork. Then, we take the mean for each fork-sorting variable combination. The two panels show means across all categories (All) and individual categories separately. By construction, some entries do not produce variation and are left empty.

Panel A: Mean absolute differences

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	1.03	0.88	1.08	0.93	0.99	1.04	1.34	1.26	0.97
Weighting scheme	0.96	0.94	1.02	0.93	0.99	0.96	0.57	0.88	1.01
Negative earnings	0.92	0.79	0.93	0.79	0.76	1.17	1.32	1.02	0.83
Sorting variable lag	0.84	0.56	0.53	0.63	1.66	0.63	1.85	1.52	0.57
Size exclusion	0.83	0.66	0.84	0.68	0.76	0.87	1.92	1.12	0.78
BP: Exchanges	0.80	0.66	0.83	0.65	0.65	0.86	1.54	1.09	0.74
Financials	0.73	0.46	0.74	0.54	0.60	1.03	0.77	0.75	0.85
Double sort	0.67	0.42	0.65	0.45	0.51	0.72	2.18	1.27	0.51
BP: Quantiles (second)	0.66	0.52	0.66	0.52	0.58	0.66	1.70	0.98	0.58
Rebalancing	0.60	0.60	0.60	0.63		0.61			0.56
Utilities	0.48	0.37	0.37	0.33	0.42	0.65	0.60	0.64	0.54
Stock-age exclusion	0.43	0.45	0.40	0.43	0.33	0.48	0.67	0.53	0.34
Price exclusion	0.35	0.29	0.36	0.29	0.30	0.37	0.70	0.44	0.32
Negative book equity	0.22	0.20	0.23	0.19	0.18	0.27	0.31	0.23	0.21

Panel B: Correlations

Fork	All	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
Weighting scheme	0.82	0.74	0.81	0.75	0.84	0.84	0.93	0.89	0.86
Negative earnings	0.84	0.81	0.86	0.80	0.90	0.75	0.72	0.89	0.92
Sorting variable lag	0.84	0.89	0.94	0.86	0.62	0.91	0.40	0.69	0.95
BP: Quantiles (main)	0.87	0.83	0.86	0.82	0.89	0.88	0.80	0.88	0.92
Size exclusion	0.88	0.86	0.89	0.86	0.91	0.88	0.51	0.86	0.92
Rebalancing	0.90	0.85	0.91	0.84		0.93			0.95
Financials	0.90	0.94	0.90	0.91	0.94	0.82	0.89	0.94	0.91
BP: Exchanges	0.90	0.89	0.90	0.89	0.94	0.90	0.70	0.89	0.94
Double sort	0.92	0.95	0.93	0.94	0.96	0.92	0.45	0.85	0.96
BP: Quantiles (second)	0.92	0.91	0.93	0.91	0.94	0.93	0.64	0.91	0.95
Utilities	0.96	0.96	0.97	0.97	0.97	0.92	0.92	0.96	0.96
Stock-age exclusion	0.96	0.93	0.97	0.94	0.98	0.96	0.90	0.97	0.99
Price exclusion	0.97	0.96	0.97	0.96	0.98	0.97	0.90	0.97	0.98
Negative book equity	0.99	0.98	0.99	0.99	0.99	0.98	0.97	0.99	0.99

IX   The time-series of mean absolute differences

In this section, we explore the time series of mean absolute differences from Equation (5) for all decision forks similar to Figure 5. The forks are arranged by the impact based on mean absolute differences
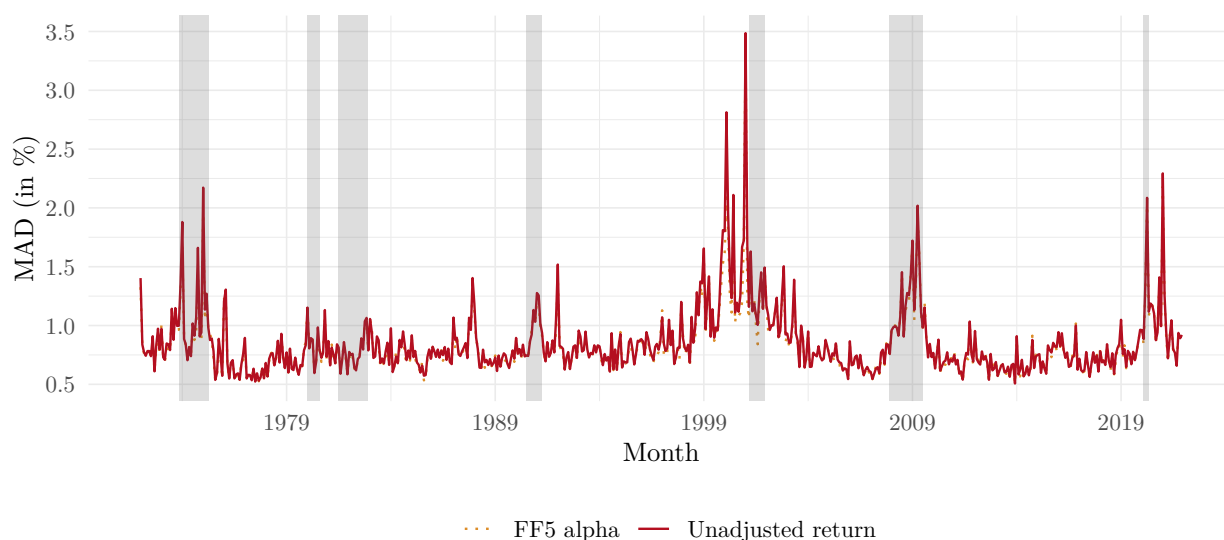
Figure IX.1: Mean absolute differences over time for the fork: Breakpoints: Quantiles (main).
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "breakpoints: quantiles (main)". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
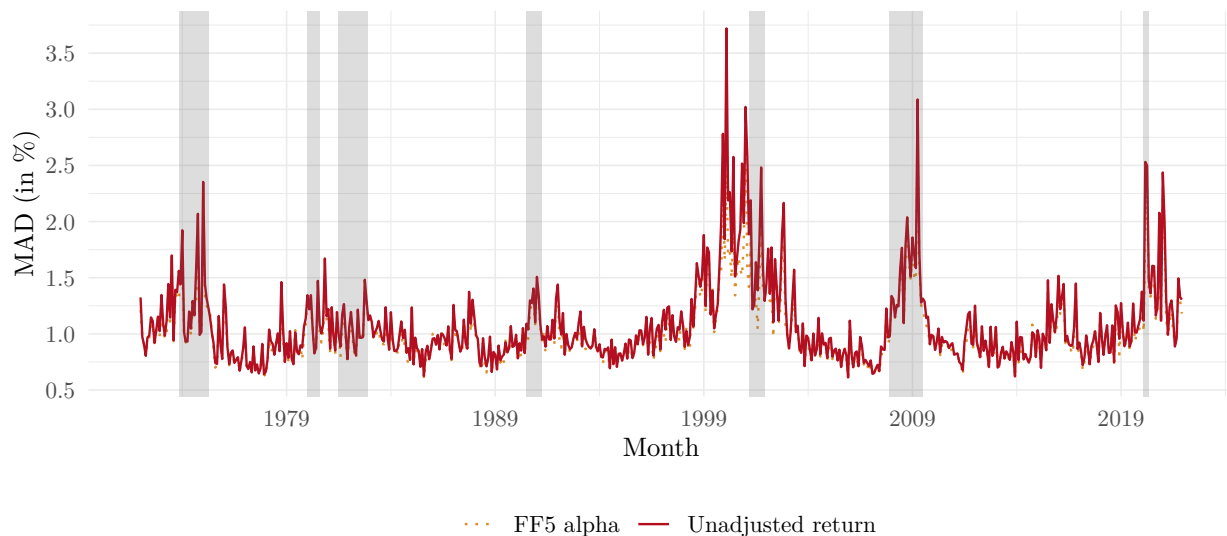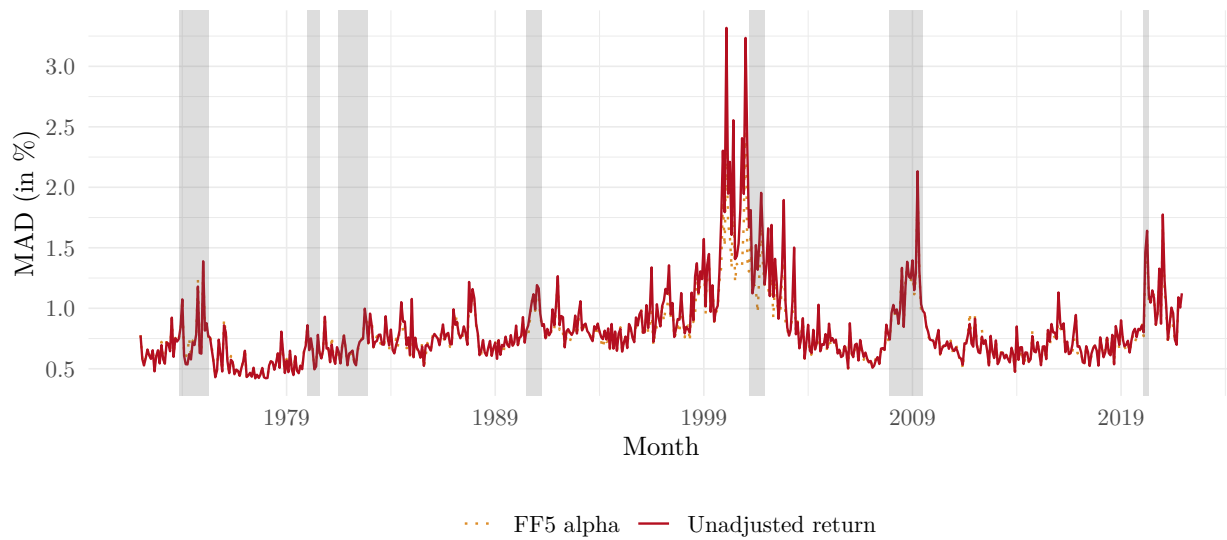

Figure IX.2: Mean absolute differences over time for the fork: Weighting scheme.
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "weighting scheme". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
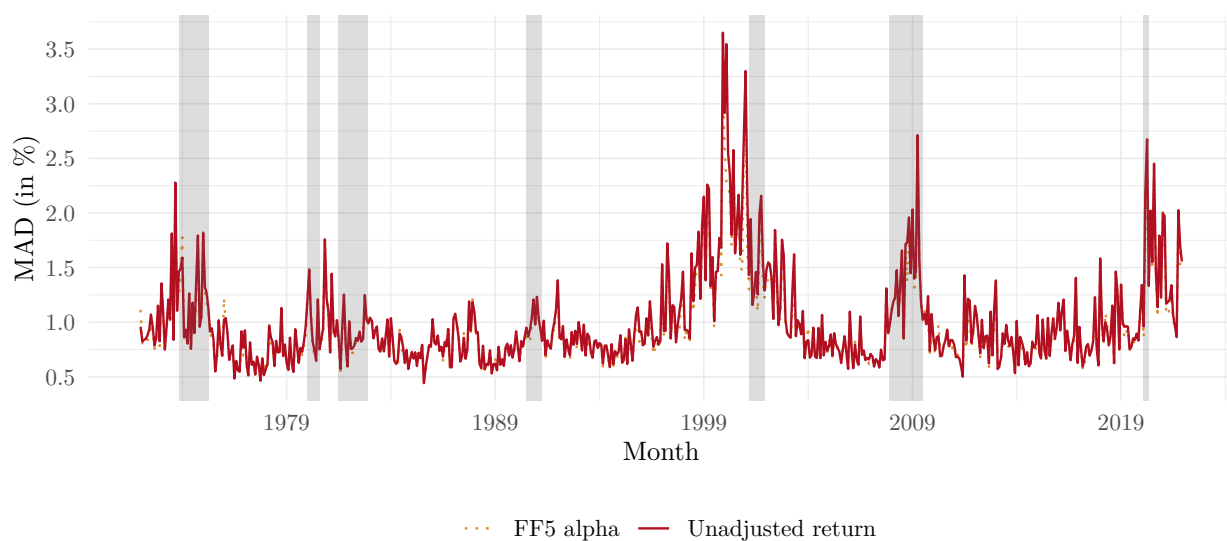
Figure IX.3: Mean absolute differences for the fork: Exclusion of negative earnings.

This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "exclusion of negative earnings". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
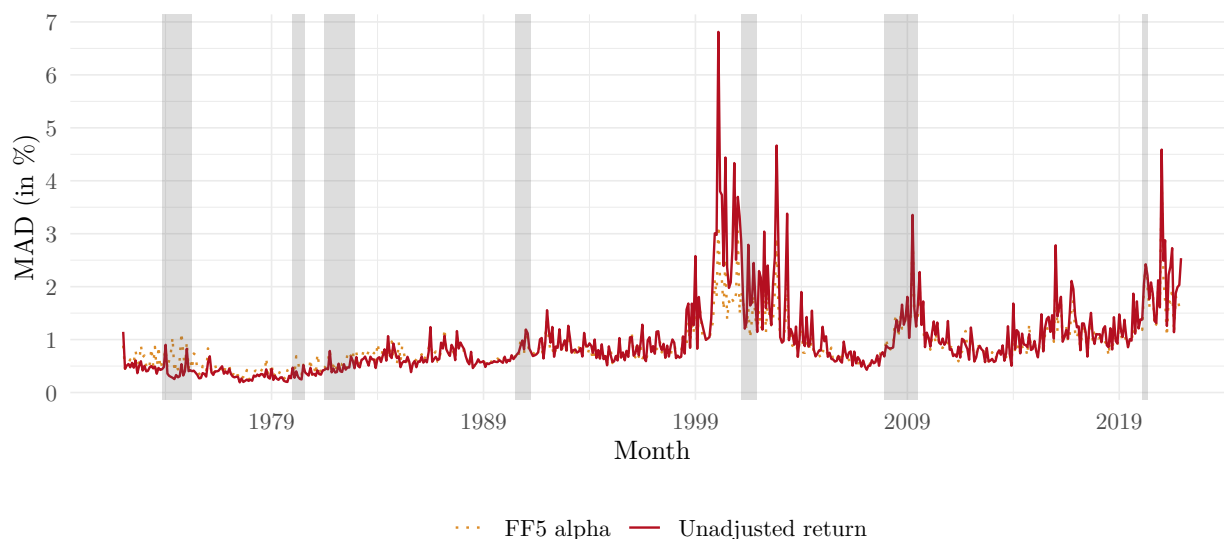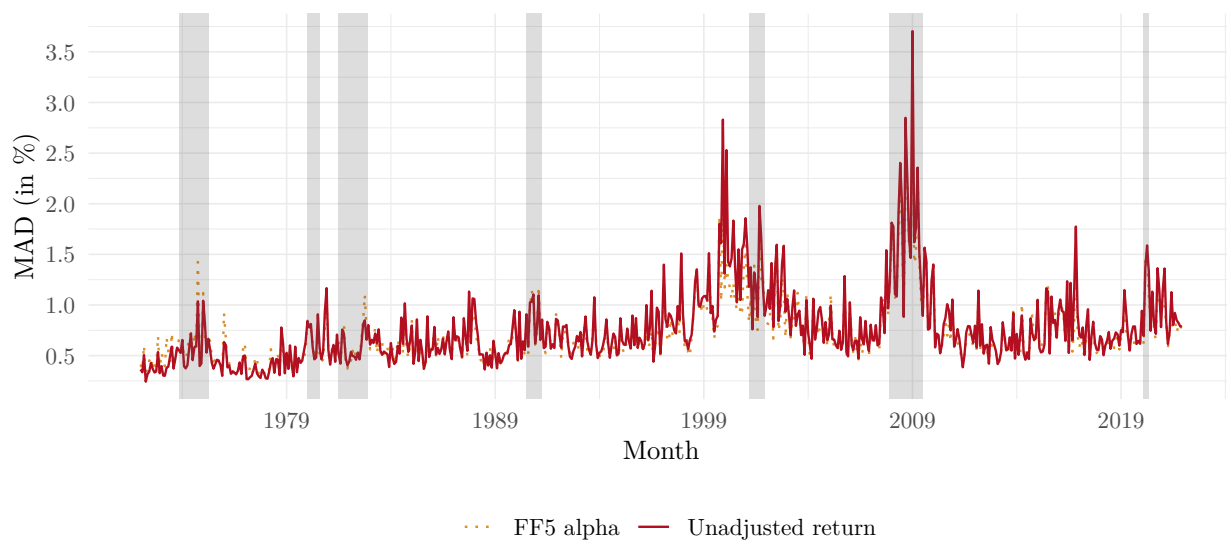

Figure IX.4: Mean absolute differences for the fork: Size exclusion.

This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "size exclusion". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.

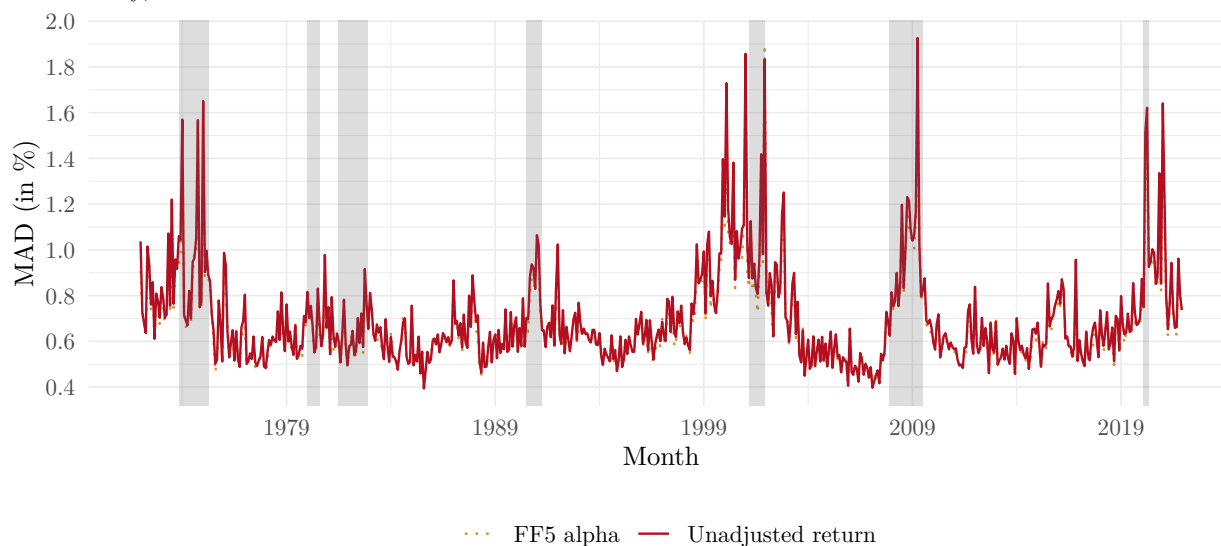**Figure IX.5: Mean absolute differences over time for the fork: Breakpoints: exchanges.**
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "breakpoints: exchanges". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.

Figure IX.6: Mean absolute differences for the fork: Exclusion of financials.
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "exclusion of financials". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
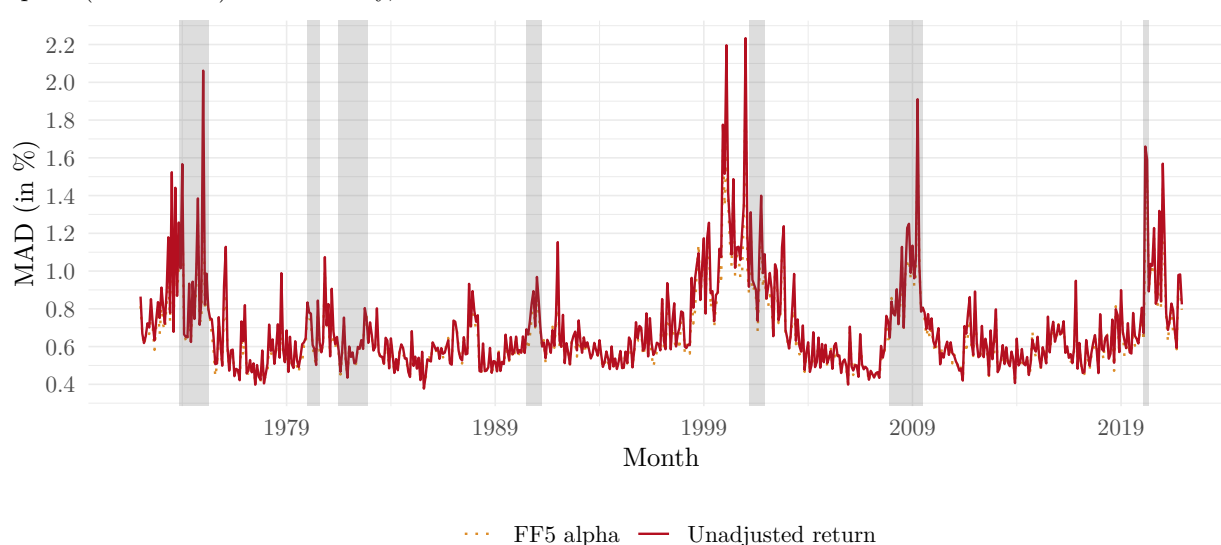
Figure IX.7: Mean absolute differences over time for the fork: Double sort.

This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "double sort". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.

Figure IX.8: Mean absolute differences over time for the fork: Breakpoints: Quantiles (secondary).

This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "breakpoints: quantiles (secondary)". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
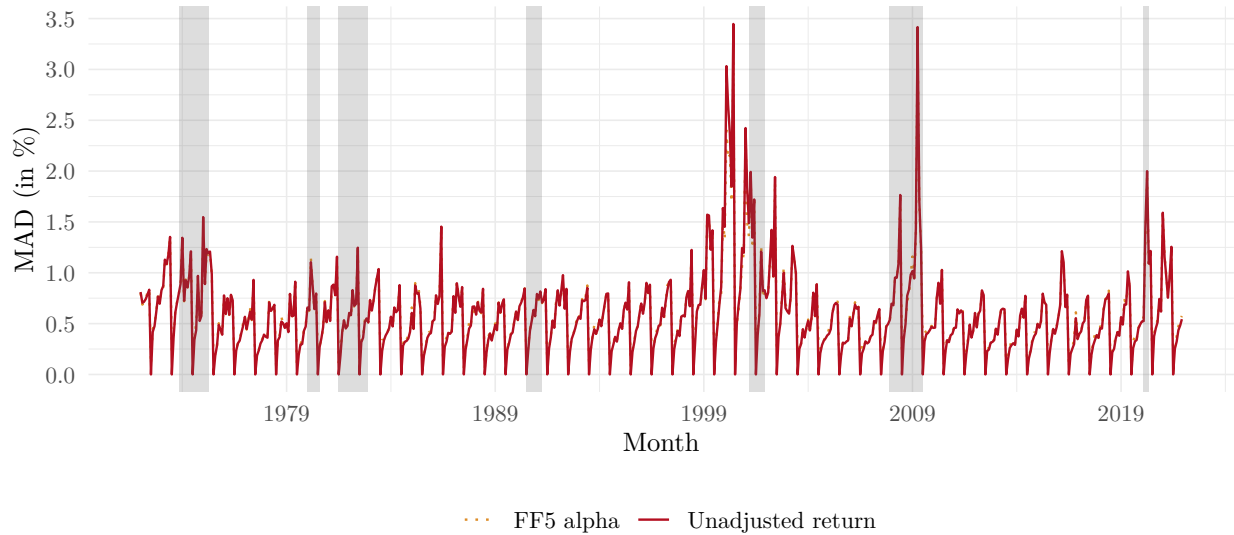
Figure IX.9: Mean absolute differences over time for the fork: Rebalancing.
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "rebalancing". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.

Figure IX.10: Mean absolute differences for the fork: Exclusion of utilities.
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork "exclusion of utilities". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
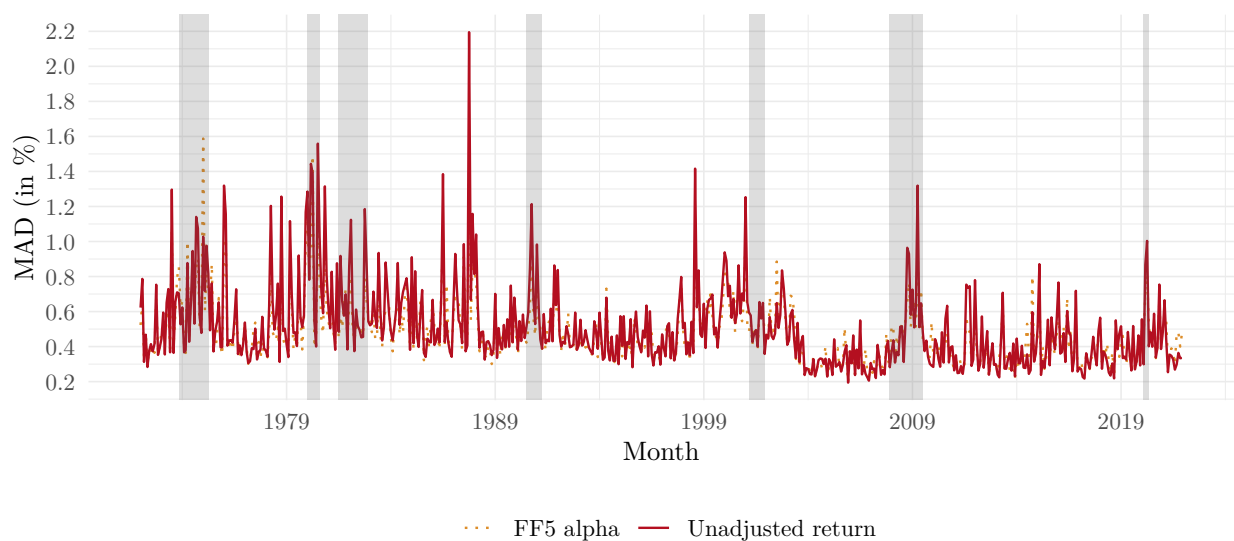
Figure IX.11: Mean absolute differences for the fork: Stock-age exclusion.
This figure shows the time series of mean absolute differences (in %) for the fork "stock-age exclusion".
We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally,
shaded areas indicate NBER recessions.

Figure IX.12: Mean absolute differences over time for the fork: Price exclusion.
This figure shows the time series of mean absolute differences from Equation (5) (in %) for the fork
"price exclusion". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted
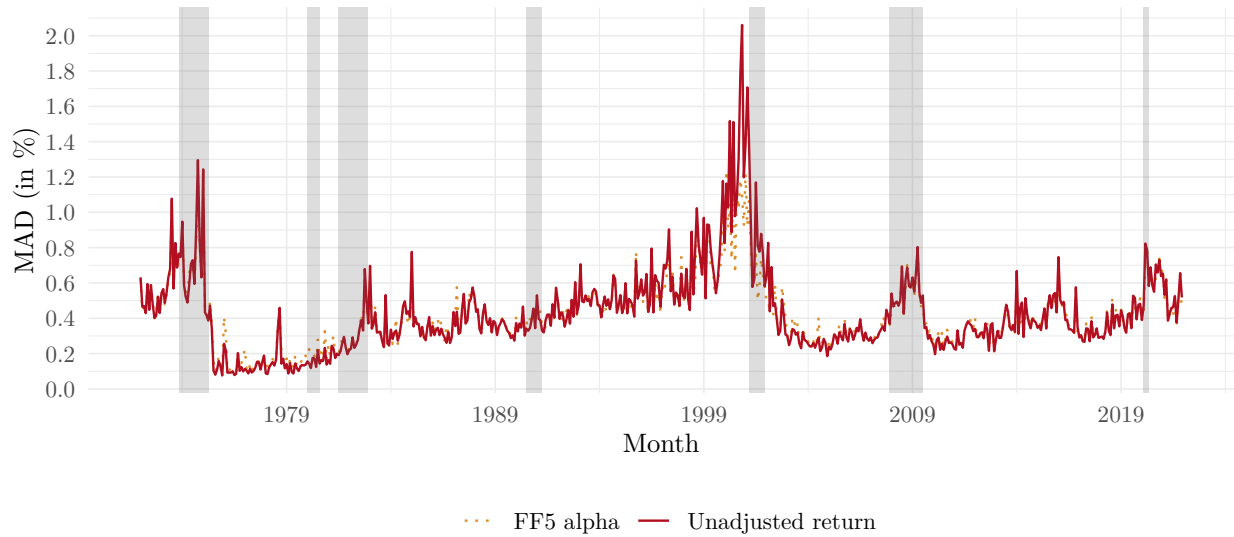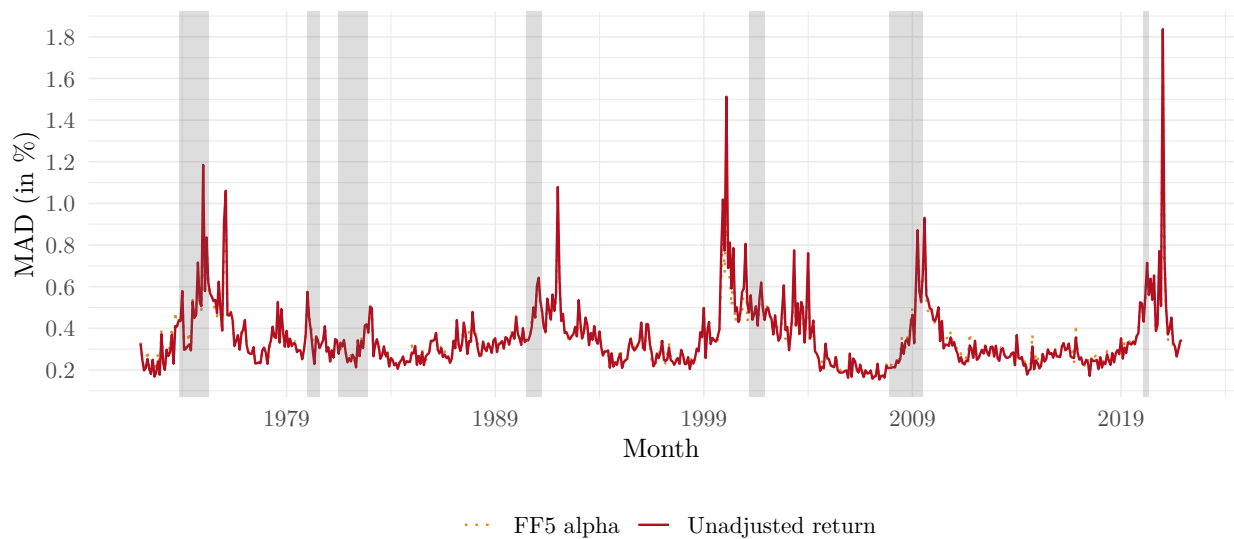line). Additionally, shaded areas indicate NBER recessions.

Figure IX.13: Mean absolute differences for the fork: Exclusion of negative book equity.
This figure shows the time series of mean absolute differences (in %) for the fork "exclusion of negative book equity". We plot the differences for unadjusted premia (solid line) and FF5 alphas (dotted line). Additionally, shaded areas indicate NBER recessions.
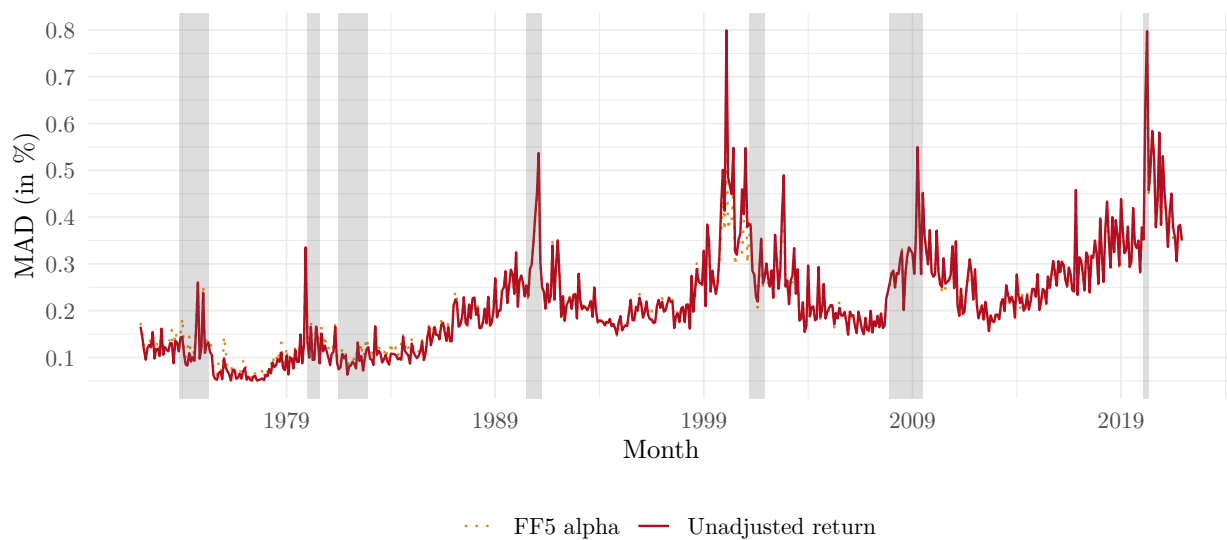
X Log returns

Table X.1: Non-standard errors across sorting variables (log-returns).
This table shows summary statistics across all paths for individual sorting variables in panels grouped by categories. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the premia. Furthermore, they contain the non-standard error (NSE, in %) and the relative number of significant deviations to the left and right of the median using a 5% significance level (Left-right). The table also shows the ratio of the dispersion of premia relative to the average time-series standard error (Ratio). Columns Pos. and Sig. show the relative number of positive premia and t-statistics larger than 1.96. The last column (Mon.) shows the relative number of monotonically increasing portfolio sorts following Patton and Timmermann (2010) and testing all possible matched paths at a 10% significance level. Finally, the overall means of the statistics across all sorting variables are reported in the last panel. An asterisk (*) next to the name of the sorting variable (SV) indicates that it is not significantly related to the cross-section of stock returns in the original reference paper.

Panel A: Financing

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
CDI	0.15	0.10	0.20	(0.01, 0.06)	1.16	0.12	4.95	0.95	0.54
CSI	0.55	0.20	0.21	(0.00, 0.02)	0.98	0.70	3.48	1.00	1.00
DBE	0.45	0.22	0.29	(0.01, 0.05)	1.13	0.87	3.30	1.00	0.96
DCOL	0.21	0.17	0.29	(0.00, 0.08)	1.23	1.09	4.51	0.99	0.45
DFNL	0.33	0.16	0.23	(0.02, 0.14)	1.48	0.79	3.37	1.00	0.97
NDF	0.32	0.14	0.18	(0.05, 0.10)	1.39	0.77	3.55	1.00	0.99
NEF	0.44	0.21	0.33	(0.01, 0.04)	1.11	1.04	4.29	1.00	0.83
NXF	0.54	0.24	0.37	(0.04, 0.07)	1.33	0.92	3.95	1.00	0.95
Mean	0.38	0.18	0.26	(0.02, 0.07)	1.23	0.79	3.92	0.99	0.84

Panel B: Intangibles

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.27	0.11	0.14	(0.00, 0.00)	0.51	0.83	3.71	1.00	0.18
CFV	0.42	0.21	0.28	(0.00, 0.00)	0.81	0.88	3.81	1.00	0.57
EPRD*	0.85	0.29	0.34	(0.03, 0.03)	1.12	0.47	2.50	1.00	1.00
HR	0.32	0.18	0.29	(0.02, 0.07)	1.21	0.68	3.83	1.00	0.76
KZI*	0.04	0.08	0.10	(0.00, 0.00)	0.58	0.16	6.00	0.73	0.01
LFE*	-0.06	0.07	0.08	(0.00, 0.01)	0.80	0.89	6.00	0.14	0.00
OL	0.28	0.13	0.12	(0.00, 0.00)	0.70	1.00	3.57	1.00	0.43
RDM	0.26	0.10	0.21	(0.00, 0.00)	0.50	1.09	6.11	1.00	0.12
RER	0.16	0.06	0.06	(0.00, 0.01)	0.81	0.99	4.14	1.00	0.83
TAN*	0.15	0.08	0.24	(0.00, 0.01)	0.71	0.45	5.24	0.96	0.12
WW*	-0.14	0.19	0.27	(0.01, 0.01)	0.76	-0.62	5.52	0.16	0.00
Mean	0.23	0.14	0.19	(0.01, 0.01)	0.77	0.62	4.59	0.82	0.37

Panel C: Investment

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.24	0.11	0.12	(0.03, 0.02)	0.96	0.39	2.73	1.00	0.93
AG	0.53	0.26	0.39	(0.04, 0.10)	1.44	0.88	3.65	1.00	0.98
DINV	0.45	0.23	0.23	(0.08, 0.15)	1.66	0.79	3.12	1.00	1.00
DNOA	0.65	0.23	0.30	(0.07, 0.12)	1.56	0.94	3.80	1.00	1.00
DPIA	0.54	0.25	0.35	(0.09, 0.12)	1.60	0.75	3.66	1.00	0.97
DWC	0.48	0.23	0.19	(0.15, 0.13)	1.77	0.61	3.09	1.00	1.00
IG	0.37	0.15	0.20	(0.03, 0.05)	1.18	0.83	3.82	1.00	0.98
NOA	0.55	0.20	0.25	(0.06, 0.04)	1.19	0.64	3.43	1.00	1.00
OA	0.38	0.21	0.15	(0.02, 0.14)	1.49	0.77	3.48	1.00	0.87
PTA	0.35	0.16	0.19	(0.07, 0.04)	1.16	0.24	2.49	1.00	0.97
Mean	0.45	0.20	0.24	(0.06, 0.09)	1.40	0.69	3.33	1.00	0.97

Panel D: Momentum

Table X.1: Non-standard errors across sorting variables (log-returns).

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.65	0.43	0.49	(0.12, 0.05)	1.45	0.02	2.81	0.99	0.73
ABR	0.58	0.65	0.88	(0.19, 0.37)	4.29	0.96	2.67	0.99	0.91
MOM	0.61	0.47	0.46	(0.05, 0.10)	1.45	0.61	2.84	1.00	0.69
RMOM	0.44	0.25	0.21	(0.11, 0.03)	1.24	0.09	2.42	1.00	0.84
RS	0.39	0.21	0.33	(0.03, 0.12)	1.53	1.16	4.64	1.00	0.89
SUE	0.49	0.36	0.62	(0.18, 0.23)	2.67	1.21	4.51	1.00	0.88
TES	0.41	0.30	0.48	(0.15, 0.19)	2.31	1.16	3.99	1.00	0.90
Mean	0.51	0.38	0.50	(0.12, 0.16)	2.13	0.74	3.41	1.00	0.84

Panel E: Profitability

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.17	0.14	0.15	(0.00, 0.01)	0.75	0.60	3.17	0.98	0.14
BL*	-0.04	0.08	0.13	(0.00, 0.00)	0.45	-0.15	3.76	0.24	0.00
CBOP	0.63	0.27	0.34	(0.05, 0.12)	1.63	0.97	4.13	1.00	0.98
CTO*	0.10	0.11	0.11	(0.00, 0.00)	0.64	0.82	4.11	0.88	0.02
GPA	0.33	0.21	0.22	(0.00, 0.07)	1.07	0.94	3.38	1.00	0.57
O	0.07	0.08	0.13	(0.00, 0.01)	0.56	0.83	4.50	0.87	0.03
OPE	0.37	0.19	0.24	(0.04, 0.01)	1.00	0.90	4.14	1.00	0.86
ROA	0.53	0.32	0.45	(0.10, 0.11)	1.67	1.08	4.34	1.00	0.89
ROE	0.55	0.29	0.41	(0.13, 0.11)	1.70	1.13	4.60	1.00	0.95
TBI	-0.15	0.23	0.29	(0.00, 0.02)	0.88	0.51	3.60	0.18	0.00
Z*	0.07	0.12	0.17	(0.00, 0.00)	0.61	1.15	4.49	0.77	0.01
Mean	0.24	0.19	0.24	(0.03, 0.04)	0.99	0.80	4.02	0.81	0.41

Panel F: Size

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.01	0.21	0.37	(0.09, 0.05)	1.48	0.54	8.74	0.57	0.06

Panel G: Trading frictions

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.19	0.16	0.22	(0.01, 0.03)	1.04	0.38	6.99	0.91	0.24
BETA	0.27	0.11	0.09	(0.00, 0.00)	0.31	0.38	2.99	1.00	0.00
BFP	0.40	0.15	0.19	(0.00, 0.00)	0.40	0.53	3.05	1.00	0.05
DTV	0.45	0.27	0.42	(0.02, 0.03)	1.01	0.84	3.54	1.00	0.70
ISKEW	-0.01	0.10	0.22	(0.13, 0.04)	1.40	-0.00	4.17	0.52	0.05
IVOL	0.50	0.24	0.41	(0.00, 0.04)	0.99	1.09	4.95	1.00	0.69
MDR	0.41	0.31	0.43	(0.00, 0.10)	1.17	1.12	4.13	1.00	0.39
SREV	-0.01	0.90	1.14	(0.08, 0.33)	3.72	1.03	3.27	0.33	0.30
TUR	0.45	0.20	0.38	(0.00, 0.02)	0.81	0.82	4.45	1.00	0.56
Mean	0.29	0.27	0.39	(0.03, 0.07)	1.21	0.69	4.17	0.86	0.33

Panel H: Valuation

SV	Mean	NSE	NSE$_w$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	0.25	0.19	0.37	(0.00, 0.01)	0.75	1.03	4.20	0.98	0.12
BM	0.36	0.20	0.41	(0.00, 0.04)	0.87	1.31	5.08	1.00	0.33
CFM	0.41	0.18	0.24	(0.00, 0.01)	0.68	0.65	3.15	1.00	0.59
DM	0.10	0.10	0.14	(0.00, 0.00)	0.41	0.61	3.41	0.94	0.00
EBM	0.25	0.16	0.35	(0.00, 0.02)	0.69	1.38	5.74	1.00	0.11
EM	0.38	0.11	0.10	(0.00, 0.00)	0.52	0.92	4.29	1.00	0.81
NDM	0.02	0.07	0.11	(0.00, 0.00)	0.37	0.40	3.76	0.68	0.00
NPY	0.29	0.07	0.08	(0.00, 0.00)	0.43	0.48	3.57	1.00	0.86
OCM	0.45	0.15	0.17	(0.00, 0.00)	0.59	0.40	2.79	1.00	0.80
REV	0.18	0.12	0.23	(0.00, 0.01)	0.64	1.13	5.94	0.98	0.09
SM	0.42	0.21	0.39	(0.00, 0.02)	0.85	1.23	4.40	1.00	0.48
Mean	0.28	0.14	0.23	(0.00, 0.01)	0.62	0.87	4.21	0.96	0.38

Table X.1: Non-standard errors across sorting variables (log-returns).

Panel I: Overall

SV	Mean	NSE	NSE$_{\text{w}}$	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.32	0.20	0.28	(0.03, 0.06)	1.14	0.74	4.06	0.91	0.56
Orig. Sig.	0.36	0.22	0.30	(0.04, 0.07)	1.21	0.78	3.98	0.95	0.63
Orig. Insig.	0.14	0.14	0.20	(0.00, 0.01)	0.71	0.48	4.50	0.68	0.14

XI   Colophon

We use R (R Core Team, 2023) to generate this project's results. We report the packages with their package version in Table XI.1. All packages are shared across co-authors, with results being finally produced on a single machine. Some scripts make use of a cluster (indicated in the replication code). Thus, we include package versions used by the cluster in a separate column. Note that the base R versions, indicated by the package *base*, differ between the local machine and the cluster.

Table XI.1: Colophon.
This table shows the R packages and their respective versions used throughout the project. Local packages' versions are in the second column. In the third column, we report the package version used on the cluster. Citations are provided in the last column.

Package	Local	Cluster	Citation
base	4.3.1	4.1.0	R Core Team (2023)
broom	1.0.5		Robinson et al. (2023)
car	3.1-2		Fox and Weisberg (2019)
corrr	0.4.4	0.4.4	Kuhn et al. (2022)
datasets	4.3.1	4.1.0	R Core Team (2023)
DBI	1.1.3	1.1.3	R Special Interest Group on Databases (R-SIG-DB) et al. (2022)
dbplyr	2.3.4		Wickham et al. (2023b)
DescTools	0.99.50		Signorell (2023)
dplyr	1.1.3	1.1.0	Wickham et al. (2023a)
DT	0.30		Xie et al. (2023)
fixest	0.11.1		Bergé (2018)
forcats	1.0.0	1.0.0	Wickham (2023)
frenchdata	0.2.0		Areal (2021)
furrr	0.3.1		Vaughan and Dancho (2022)
ggplot2	3.4.4	3.4.1	Wickham (2016)
graphics	4.3.1	4.1.0	R Core Team (2023)
grDevices	4.3.1	4.1.0	R Core Team (2023)
gridExtra	2.3		Auguie (2017)
janitor	2.2.0		Firke (2023)
jsonlite	1.8.7		Ooms (2014)
knitr	1.44		Xie (2023)
kSamples	1.2-10		Scholz and Zhu (2023)
lmtest	0.9-40	0.9-40	Zeileis and Hothorn (2002)
lubridate	1.9.3	1.9.2	Grolemund and Wickham (2011)
methods	4.3.1	4.1.0	R Core Team (2023)
moments	0.14.1	0.14.1	Komsta and Novomestky (2022)
monotonicity	1.3.1	1.3.1	Köstlmeier (2019)
purrr	1.0.2	1.0.1	Wickham and Henry (2023)
readr	2.1.4	2.1.4	Wickham et al. (2023c)
readxl	1.4.3		Wickham and Bryan (2023)
renv	1.0.3		Ushey and Wickham (2023)
rmarkdown	2.25		Allaire et al. (2023)
RPostgres	1.4.5		Wickham et al. (2023d)
RSQLite	2.3.1	2.3.0	Müller et al. (2023)
sandwich	3.0-2	3.0-2	Zeileis et al. (2020)
scales	1.2.1		Wickham and Seidel (2022)
slider	0.3.0		Vaughan (2022)
stats	4.3.1	4.1.0	R Core Team (2023)
stringr	1.5.0	1.5.0	Wickham (2022)
tibble	3.2.1	3.1.8	Müller and Wickham (2023)
tidyr	1.3.0	1.3.0	Wickham et al. (2023e)
tidyverse	2.0.0	2.0.0	Wickham et al. (2019)
tikzDevice	0.12.5		Sharpsteen and Bracken (2023)
utils	4.3.1	4.1.0	R Core Team (2023)
wildrwolf	0.6.1		Fischer (2023)
xtable	1.8-4		Dahl et al. (2019)
zoo	1.8-12	1.8-11	Zeileis and Grothendieck (2005)