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 68 sorting variables used in the paper. The number of observations (Obs.) is in 1,000s. All variables are winsorized at the 1%-level on either tail for illustrative purposes in this table.

Group	SV	Mean	SD	Minimum	Median	Maximum	Obs.
Fin.	CDI	0.47	1.42	-3.90	0.36	5.29	222.81
Fin.	CSI	0.10	0.46	-0.79	0.00	2.19	1828.21
Fin.	DBE	0.15	0.84	-1.63	0.02	6.27	398.68
Fin.	DCOL	0.06	0.26	-0.48	0.01	2.00	344.17
Fin.	DFNL	0.06	0.36	-1.02	0.00	2.48	401.40
Fin.	NDF	0.03	0.17	-0.37	0.00	1.03	350.23
Fin.	NEF	0.08	0.32	-0.26	0.00	1.98	341.80
Fin.	NXF	0.12	0.42	-0.40	0.00	2.56	325.37
Int.	ADM	0.06	0.12	0.00	0.02	0.83	89.77
Int.	EPRD	18.84	126.13	0.01	0.50	1153.57	160.89
Int.	HR	0.04	0.30	-1.04	0.02	1.24	322.51
Int.	KZI	-10.11	36.04	-277.64	-0.86	13.64	203.07
Int.	LFE	0.15	0.61	-0.86	0.05	4.42	310.99
Int.	OL	1.16	1.28	0.02	0.87	8.57	350.12
Int.	RDM	0.07	0.12	0.00	0.03	0.73	105.17
Int.	RER	-0.00	0.17	-0.36	-0.01	0.51	114.94
Int.	TAN	0.66	0.23	0.03	0.67	1.49	380.76
Int.	WW	-0.88	0.11	-1.15	-0.87	-0.64	123.15
Inv.	ACI	0.07	0.78	-0.95	-0.09	4.18	218.71
Inv.	AG	0.27	0.99	-0.75	0.07	7.42	399.93
Inv.	DINV	0.01	0.06	-0.21	0.00	0.26	390.22
Inv.	DNOA	0.10	0.47	-1.06	0.02	3.20	396.67
Inv.	DPIA	0.09	0.27	-0.62	0.04	1.71	354.20
Inv.	DWC	0.01	0.23	-1.29	0.00	1.04	337.00
Inv.	IG	0.72	2.74	-1.00	0.06	20.16	344.68
Inv.	NOA	0.49	0.67	-3.40	0.60	2.79	397.43
Inv.	OA	-0.12	0.50	-4.01	-0.05	0.73	369.86
Inv.	PTA	0.62	4.39	-14.93	0.30	28.13	390.23
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	735.84
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	336.84
Pro.	BL	3.90	5.24	1.01	2.08	35.02	392.31
Pro.	CBOP	-0.02	0.60	-4.60	0.09	0.60	350.10
Pro.	CTO	1.10	1.13	0.00	0.82	6.23	398.31
Pro.	GPA	0.27	0.34	-1.02	0.22	1.45	433.91
Pro.	O	-3.37	9.86	-62.82	-2.96	45.61	321.04
Pro.	OPE	0.05	0.72	-4.64	0.18	1.71	389.68
Pro.	TBI	3.93	13.81	0.00	0.32	108.33	281.03
Pro.	Z	4.50	6.82	-12.59	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

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Table I.1: Summary statistics for sorting variables.

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	236.30
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	177.81
Val.	DM	0.97	1.84	0.00	0.36	12.51	207.53
Val.	EBM	0.74	0.53	0.01	0.69	3.07	220.53
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	149.41
Val.	NPY	0.05	0.05	0.00	0.03	0.35	92.49
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	235.33

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

In this section, we present the distributions of adjusted premia and then non-standard error summary statistics for these adjusted returns. 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*).

First, we present alphas relative to the models of Fama and French (2015) (in Figure II.1) and Hou et al. (2021) (abbreviated *Q5*, in Figure II.2). The result for the unadjusted returns and the CAPM are shown in the main paper. Then, we show the summary statistics for returns adjusted relative to the CAPM in Table II.1, the Fama and French (2015)-model in Table II.2), and the Hou et al. (2021)-model in Table II.3.

Figure II.1: 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 decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

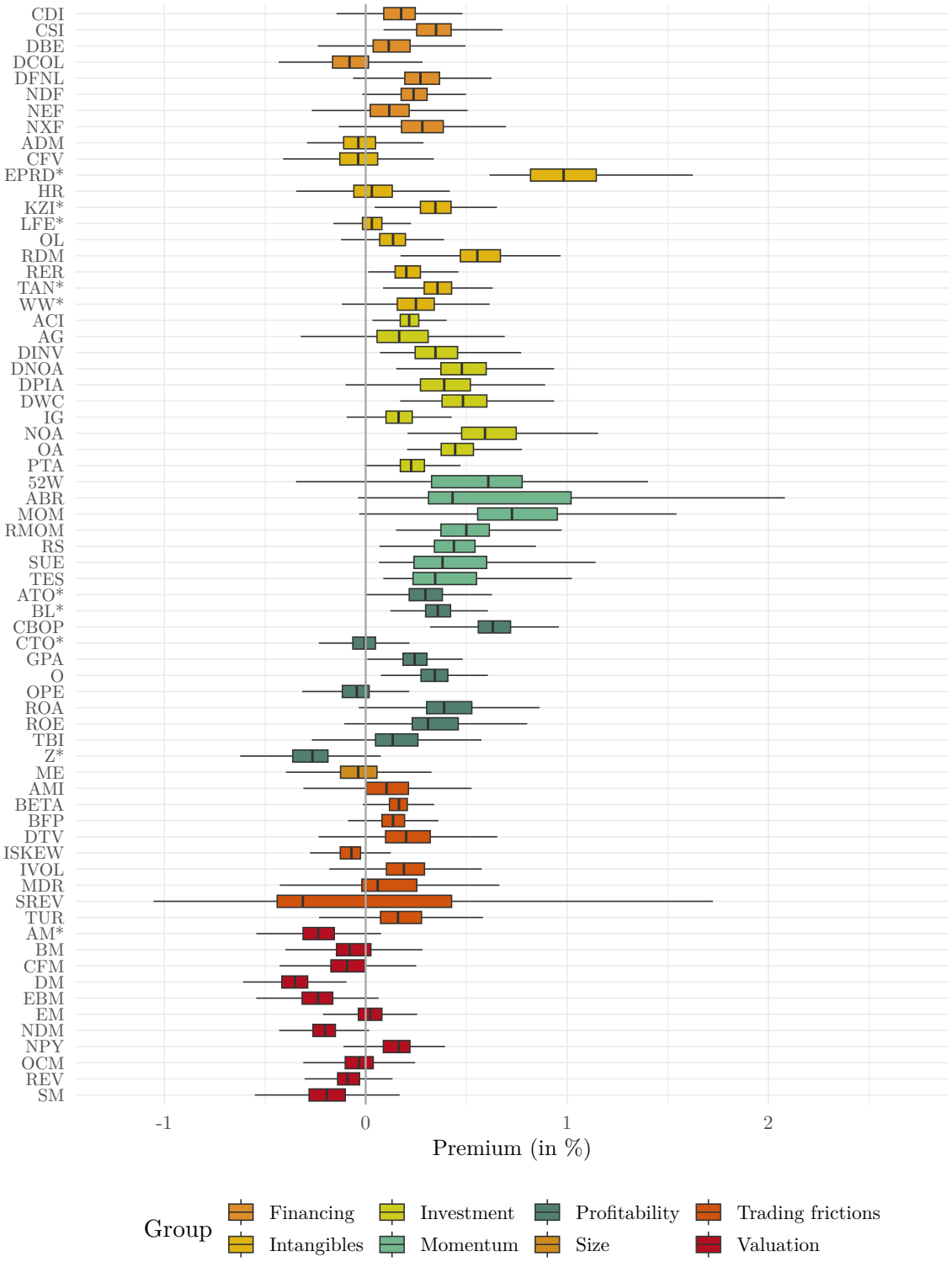

Figure II.2: Q5 alphas: Non-standard errors across sorting variables.
This figure shows the estimated average premia (in %) adjusted for the Hou et al. (2021)-model in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

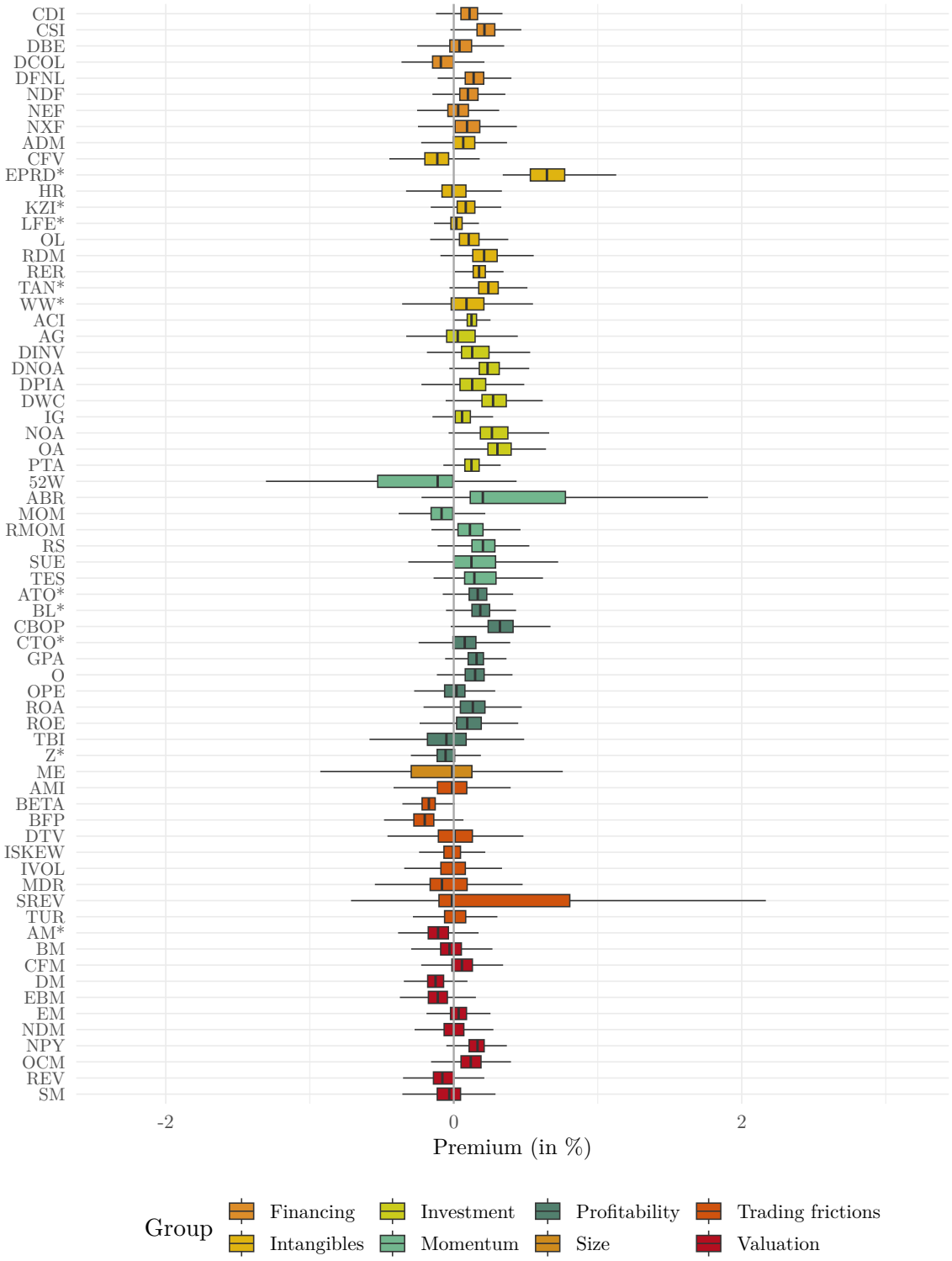

Table II.1: Non-standard errors in CAPM-adjusted premia.

This table shows summary statistics across all specifications 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	0.11	(0.01, 0.07)	1.25	0.13	4.61	0.97	0.73
CSI	0.70	0.21	(0.03, 0.04)	1.14	0.63	3.15	1.00	1.00
DBE	0.55	0.23	(0.03, 0.05)	1.18	0.66	2.96	1.00	1.00
DCOL	0.29	0.17	(0.01, 0.09)	1.24	1.07	4.34	1.00	0.71
DFNL	0.36	0.16	(0.03, 0.14)	1.50	0.69	3.25	1.00	0.98
NDF	0.34	0.14	(0.07, 0.11)	1.44	0.62	3.20	1.00	0.99
NEF	0.59	0.22	(0.02, 0.05)	1.18	0.97	3.82	1.00	0.99
NXF	0.67	0.24	(0.08, 0.07)	1.42	0.80	3.47	1.00	1.00
Mean	0.46	0.19	(0.04, 0.08)	1.29	0.69	3.60	1.00	0.93

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.32	0.12	(0.00, 0.00)	0.51	0.89	3.80	1.00	0.36
CFV	0.57	0.24	(0.01, 0.00)	0.85	0.66	3.27	1.00	0.93
EPRD*	0.98	0.33	(0.11, 0.09)	1.43	0.44	2.43	1.00	1.00
HR	0.40	0.18	(0.02, 0.06)	1.16	0.69	3.72	1.00	0.90
KZI*	0.08	0.09	(0.00, 0.01)	0.60	0.46	5.17	0.86	0.02
LFE*	-0.06	0.08	(0.01, 0.01)	0.87	0.92	5.87	0.15	0.00
OL	0.28	0.19	(0.00, 0.02)	0.91	0.67	2.86	1.00	0.47
RDM	0.20	0.10	(0.00, 0.00)	0.50	1.44	7.33	0.99	0.03
RER	0.17	0.06	(0.00, 0.01)	0.79	0.88	3.92	1.00	0.84
TAN*	0.18	0.09	(0.00, 0.01)	0.67	0.63	5.18	0.98	0.13
WW*	-0.25	0.19	(0.01, 0.02)	0.80	-0.27	5.00	0.06	0.00
Mean	0.26	0.15	(0.01, 0.02)	0.83	0.67	4.41	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)	0.98	0.40	2.75	1.00	0.93
AG	0.63	0.25	(0.05, 0.09)	1.40	0.81	3.56	1.00	1.00
DINV	0.52	0.23	(0.12, 0.16)	1.76	0.70	3.01	1.00	1.00
DNOA	0.67	0.24	(0.10, 0.13)	1.67	0.75	3.45	1.00	1.00
DPIA	0.61	0.25	(0.11, 0.13)	1.70	0.68	3.54	1.00	0.99
DWC	0.52	0.24	(0.16, 0.15)	1.86	0.54	3.03	1.00	1.00
IG	0.42	0.15	(0.03, 0.03)	1.14	0.79	3.72	1.00	1.00
NOA	0.55	0.21	(0.05, 0.06)	1.27	0.65	3.41	1.00	1.00
OA	0.40	0.24	(0.05, 0.16)	1.61	0.63	3.17	1.00	0.84
PTA	0.42	0.18	(0.13, 0.05)	1.33	0.09	2.35	1.00	1.00
Mean	0.50	0.21	(0.08, 0.10)	1.47	0.61	3.20	1.00	0.98

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.81	0.41	(0.13, 0.10)	1.62	0.07	2.97	1.00	0.94
ABR	0.61	0.69	(0.22, 0.36)	4.43	0.94	2.62	0.99	0.92
MOM	0.64	0.51	(0.08, 0.14)	1.60	0.52	2.65	1.00	0.71
RMOM	0.47	0.28	(0.14, 0.04)	1.35	0.07	2.36	1.00	0.86
RS	0.41	0.23	(0.04, 0.16)	1.61	0.93	3.83	1.00	0.88
SUE	0.52	0.40	(0.19, 0.27)	2.88	1.01	3.76	1.00	0.88
TES	0.39	0.32	(0.12, 0.25)	2.44	0.98	3.25	1.00	0.82
Mean	0.55	0.40	(0.13, 0.19)	2.28	0.65	3.06	1.00	0.86

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

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.11	0.17	(0.00, 0.02)	0.89	0.49	2.90	0.80	0.09
BL*	-0.05	0.09	(0.00, 0.00)	0.45	0.08	3.86	0.24	0.00
CBOP	0.67	0.31	(0.08, 0.16)	1.81	0.81	3.50	1.00	0.99
CTO*	0.03	0.15	(0.00, 0.01)	0.82	0.69	3.86	0.57	0.01
GPA	0.32	0.27	(0.00, 0.08)	1.27	0.64	2.77	1.00	0.54
O	0.08	0.13	(0.00, 0.02)	0.70	0.62	3.29	0.82	0.09
OPE	0.39	0.23	(0.06, 0.00)	0.99	0.52	3.16	1.00	0.83
ROA	0.57	0.34	(0.13, 0.14)	1.74	0.86	3.65	1.00	0.91
ROE	0.56	0.30	(0.14, 0.14)	1.72	0.87	3.64	1.00	0.97
TBI	-0.20	0.23	(0.00, 0.04)	0.93	0.63	3.85	0.14	0.00
Z*	0.11	0.14	(0.00, 0.00)	0.66	0.55	3.58	0.85	0.02
Mean	0.23	0.21	(0.04, 0.06)	1.09	0.61	3.46	0.76	0.41

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	0.04	0.21	(0.06, 0.06)	1.48	1.46	11.37	0.58	0.08

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.26	0.19	(0.01, 0.06)	1.09	0.69	6.66	0.93	0.44
BETA	0.57	0.11	(0.00, 0.00)	0.38	0.30	2.67	1.00	0.99
BFP	0.68	0.15	(0.00, 0.00)	0.49	0.46	2.64	1.00	1.00
DTV	0.59	0.29	(0.06, 0.04)	1.13	0.59	3.44	1.00	0.88
ISKEW	-0.00	0.10	(0.12, 0.05)	1.42	0.02	4.21	0.53	0.05
IVOL	0.69	0.26	(0.03, 0.06)	1.23	0.81	4.33	1.00	0.98
MDR	0.60	0.31	(0.01, 0.15)	1.43	1.01	3.82	1.00	0.96
SREV	-0.06	0.86	(0.09, 0.32)	3.55	1.05	3.47	0.33	0.29
TUR	0.67	0.23	(0.01, 0.03)	0.99	0.77	3.93	1.00	0.98
Mean	0.45	0.28	(0.04, 0.08)	1.30	0.63	3.91	0.87	0.73

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	0.33	0.22	(0.00, 0.01)	0.79	0.67	3.53	0.98	0.21
BM	0.46	0.22	(0.00, 0.03)	0.89	0.96	4.04	1.00	0.60
CFM	0.49	0.20	(0.00, 0.00)	0.69	0.45	2.77	1.00	0.80
DM	0.14	0.10	(0.00, 0.00)	0.42	0.30	3.31	0.96	0.00
EBM	0.33	0.19	(0.00, 0.02)	0.72	1.05	4.60	1.00	0.22
EM	0.47	0.11	(0.00, 0.00)	0.53	0.84	3.86	1.00	0.95
NDM	0.04	0.09	(0.00, 0.00)	0.46	0.08	3.44	0.73	0.00
NPY	0.39	0.07	(0.00, 0.00)	0.44	0.44	3.59	1.00	0.98
OCM	0.52	0.16	(0.00, 0.00)	0.58	0.31	2.68	1.00	0.96
REV	0.22	0.12	(0.00, 0.01)	0.68	1.41	7.45	0.99	0.18
SM	0.47	0.23	(0.00, 0.01)	0.85	1.02	3.82	1.00	0.56
Mean	0.35	0.16	(0.00, 0.01)	0.64	0.69	3.92	0.97	0.50

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.38	0.22	(0.04, 0.07)	1.21	0.66	3.80	0.90	0.65
Orig. Sig.	0.42	0.23	(0.05, 0.08)	1.28	0.70	3.74	0.95	0.74
Orig. Insig.	0.15	0.16	(0.01, 0.02)	0.80	0.47	4.14	0.65	0.15

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

This table shows summary statistics across all specifications 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	0.16	0.16	(0.12, 0.10)	1.79	-0.54	3.79	0.88	0.62
CSI	0.35	0.17	(0.08, 0.07)	1.31	0.39	2.74	1.00	0.97
DBE	0.14	0.18	(0.10, 0.12)	1.71	0.90	4.84	0.84	0.33
DCOL	-0.07	0.18	(0.09, 0.19)	2.07	0.68	4.25	0.28	0.09
DFNL	0.28	0.17	(0.09, 0.17)	1.81	0.41	3.12	0.99	0.87
NDF	0.25	0.13	(0.04, 0.10)	1.33	0.46	3.13	1.00	0.85
NEF	0.12	0.19	(0.10, 0.12)	1.58	0.29	2.91	0.80	0.36
NXF	0.29	0.21	(0.13, 0.14)	1.71	0.19	2.83	0.98	0.78
Mean	0.19	0.17	(0.09, 0.13)	1.66	0.35	3.45	0.85	0.61

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	-0.02	0.16	(0.00, 0.01)	0.81	0.61	3.11	0.39	0.00
CFV	-0.03	0.19	(0.04, 0.04)	1.07	0.16	2.65	0.39	0.01
EPRD*	0.99	0.33	(0.14, 0.10)	1.58	0.27	2.06	1.00	1.00
HR	0.04	0.19	(0.15, 0.17)	2.10	0.54	3.97	0.59	0.23
KZI*	0.35	0.15	(0.00, 0.01)	0.85	0.20	2.96	1.00	0.79
LFE*	0.04	0.10	(0.01, 0.00)	0.87	0.61	4.24	0.67	0.01
OL	0.13	0.13	(0.01, 0.00)	0.75	-0.06	3.03	0.90	0.06
RDM	0.59	0.20	(0.00, 0.04)	1.03	1.25	5.30	1.00	0.99
RER	0.21	0.13	(0.09, 0.03)	1.29	0.52	2.84	1.00	0.93
TAN*	0.35	0.14	(0.04, 0.02)	0.95	-0.22	4.49	0.98	0.78
WW*	0.26	0.18	(0.05, 0.03)	1.15	0.06	5.43	0.96	0.52
Mean	0.26	0.17	(0.05, 0.04)	1.13	0.36	3.64	0.81	0.48

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.22	0.09	(0.01, 0.02)	0.82	0.41	3.00	1.00	0.87
AG	0.20	0.25	(0.21, 0.21)	2.52	0.91	4.42	0.86	0.55
DINV	0.37	0.21	(0.16, 0.16)	1.84	0.78	3.27	1.00	0.98
DNOA	0.50	0.23	(0.15, 0.15)	1.89	0.82	3.66	1.00	1.00
DPIA	0.40	0.25	(0.19, 0.17)	2.21	0.40	3.42	0.98	0.90
DWC	0.50	0.22	(0.18, 0.15)	1.90	0.48	2.81	1.00	1.00
IG	0.17	0.13	(0.05, 0.07)	1.35	0.41	3.87	0.95	0.61
NOA	0.63	0.27	(0.07, 0.13)	1.65	0.74	3.29	1.00	1.00
OA	0.47	0.16	(0.04, 0.12)	1.39	0.94	3.78	1.00	1.00
PTA	0.23	0.12	(0.01, 0.08)	1.15	0.27	3.11	1.00	0.83
Mean	0.37	0.19	(0.11, 0.13)	1.67	0.62	3.46	0.98	0.87

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	0.57	0.45	(0.08, 0.02)	1.27	-0.37	3.15	0.99	0.66
ABR	0.67	0.71	(0.19, 0.35)	4.20	0.99	2.68	1.00	0.96
MOM	0.77	0.40	(0.04, 0.02)	1.18	0.38	2.95	1.00	0.96
RMOM	0.50	0.24	(0.05, 0.02)	1.10	0.24	2.43	1.00	0.97
RS	0.45	0.20	(0.10, 0.13)	1.62	0.71	3.61	1.00	0.99
SUE	0.46	0.36	(0.14, 0.27)	2.86	1.18	4.05	1.00	0.90
TES	0.42	0.32	(0.05, 0.26)	2.33	0.97	3.11	1.00	0.93
Mean	0.55	0.38	(0.09, 0.16)	2.08	0.59	3.14	1.00	0.91

Continued on next page

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

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.30	0.16	(0.02, 0.01)	0.94	0.25	2.63	1.00	0.71
BL*	0.36	0.12	(0.01, 0.00)	0.74	0.31	2.85	1.00	0.97
CBOP	0.65	0.16	(0.03, 0.07)	1.20	0.68	3.52	1.00	1.00
CTO*	-0.01	0.11	(0.00, 0.01)	0.74	0.07	3.69	0.47	0.01
GPA	0.25	0.12	(0.00, 0.00)	0.76	0.05	2.79	1.00	0.66
O	0.34	0.13	(0.02, 0.00)	0.85	0.06	2.67	1.00	0.93
OPE	-0.05	0.13	(0.06, 0.10)	1.37	-0.38	3.46	0.31	0.04
ROA	0.43	0.22	(0.07, 0.19)	1.94	0.92	3.95	1.00	0.92
ROE	0.37	0.23	(0.03, 0.21)	1.96	1.18	4.14	1.00	0.86
TBI	0.17	0.21	(0.06, 0.05)	1.21	0.67	3.82	0.86	0.20
Z*	-0.26	0.17	(0.00, 0.04)	1.12	0.81	5.23	0.03	0.00
Mean	0.23	0.16	(0.03, 0.06)	1.16	0.42	3.52	0.79	0.57

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	-0.01	0.18	(0.04, 0.11)	1.98	1.92	13.20	0.37	0.09

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AMI	0.11	0.21	(0.04, 0.05)	1.23	0.42	6.53	0.76	0.16
BETA	0.16	0.09	(0.00, 0.00)	0.41	-0.29	3.52	0.98	0.02
BFP	0.14	0.11	(0.00, 0.01)	0.53	0.50	4.86	0.94	0.03
DTV	0.22	0.22	(0.06, 0.04)	1.03	0.61	5.40	0.91	0.30
ISKEW	-0.07	0.10	(0.09, 0.05)	1.29	0.10	3.53	0.15	0.01
IVOL	0.21	0.19	(0.04, 0.09)	1.41	0.74	5.03	0.93	0.38
MDR	0.13	0.27	(0.01, 0.22)	1.77	1.03	3.67	0.69	0.27
SREV	-0.07	0.87	(0.02, 0.32)	2.97	1.14	3.76	0.33	0.27
TUR	0.18	0.20	(0.03, 0.07)	1.26	0.63	4.08	0.88	0.24
Mean	0.11	0.25	(0.03, 0.09)	1.32	0.54	4.49	0.73	0.18

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.23	0.15	(0.01, 0.05)	1.10	0.31	3.42	0.04	0.00
BM	-0.05	0.17	(0.02, 0.16)	1.62	1.03	4.63	0.29	0.07
CFM	-0.08	0.17	(0.01, 0.10)	1.27	0.36	3.26	0.24	0.03
DM	-0.36	0.13	(0.00, 0.02)	0.87	-0.30	3.19	0.00	0.00
EBM	-0.23	0.15	(0.04, 0.10)	1.42	0.50	4.57	0.05	0.01
EM	0.02	0.12	(0.01, 0.04)	1.08	0.00	3.94	0.61	0.07
NDM	-0.21	0.11	(0.00, 0.01)	0.86	-0.27	2.60	0.00	0.00
NPY	0.15	0.13	(0.05, 0.01)	1.15	-0.67	3.22	0.92	0.54
OCM	-0.03	0.14	(0.01, 0.05)	1.04	0.19	3.14	0.38	0.03
REV	-0.08	0.11	(0.00, 0.04)	0.94	1.33	8.86	0.18	0.02
SM	-0.19	0.18	(0.01, 0.07)	1.13	0.45	3.24	0.09	0.00
Mean	-0.12	0.14	(0.02, 0.06)	1.13	0.27	4.01	0.25	0.07

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.21	0.20	(0.06, 0.09)	1.41	0.46	3.83	0.75	0.50
Orig. Sig.	0.21	0.21	(0.06, 0.10)	1.49	0.49	3.86	0.75	0.51
Orig. Insig.	0.22	0.16	(0.03, 0.03)	1.00	0.26	3.70	0.72	0.48

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

This table shows summary statistics across all specifications 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	0.12	(0.01, 0.04)	1.18	-0.40	4.52	0.87	0.32
CSI	0.23	0.12	(0.00, 0.00)	0.71	0.31	2.76	1.00	0.40
DBE	0.05	0.15	(0.03, 0.05)	1.12	0.88	5.92	0.65	0.08
DCOL	-0.06	0.14	(0.00, 0.14)	1.45	1.30	6.04	0.24	0.07
DFNL	0.15	0.13	(0.02, 0.09)	1.29	0.49	3.48	0.95	0.48
NDF	0.11	0.13	(0.02, 0.10)	1.30	0.50	3.34	0.88	0.35
NEF	0.03	0.14	(0.03, 0.01)	0.98	-0.31	3.81	0.62	0.02
NXF	0.09	0.17	(0.04, 0.08)	1.30	-0.14	3.30	0.77	0.23
Mean	0.09	0.14	(0.02, 0.06)	1.17	0.33	4.15	0.75	0.24

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ADM	0.08	0.15	(0.00, 0.01)	0.73	0.62	3.48	0.74	0.03
CFV	-0.12	0.16	(0.00, 0.00)	0.73	-0.21	2.89	0.17	0.00
EPRD*	0.66	0.24	(0.03, 0.06)	1.26	0.41	2.53	1.00	1.00
HR	0.01	0.17	(0.06, 0.13)	1.60	0.55	4.35	0.47	0.12
KZI*	0.09	0.12	(0.00, 0.00)	0.67	0.15	3.65	0.83	0.02
LFE*	0.02	0.08	(0.00, 0.00)	0.67	0.15	3.45	0.62	0.01
OL	0.11	0.14	(0.00, 0.00)	0.69	0.31	3.00	0.86	0.02
RDM	0.24	0.17	(0.00, 0.02)	0.86	1.45	6.32	0.99	0.12
RER	0.18	0.08	(0.03, 0.01)	0.92	0.04	2.88	1.00	0.77
TAN*	0.25	0.14	(0.01, 0.01)	0.84	0.51	4.22	0.98	0.36
WW*	0.10	0.23	(0.01, 0.03)	0.97	0.10	4.46	0.72	0.08
Mean	0.15	0.15	(0.01, 0.02)	0.90	0.37	3.75	0.76	0.23

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ACI	0.13	0.06	(0.00, 0.01)	0.61	0.64	4.43	1.00	0.23
AG	0.07	0.20	(0.05, 0.15)	1.77	1.38	6.26	0.58	0.18
DINV	0.16	0.19	(0.05, 0.17)	1.67	0.87	3.96	0.90	0.40
DNOA	0.26	0.14	(0.01, 0.10)	1.34	1.30	5.44	1.00	0.80
DPIA	0.14	0.18	(0.13, 0.12)	1.67	0.57	4.19	0.84	0.33
DWC	0.29	0.17	(0.08, 0.09)	1.36	0.57	3.07	1.00	0.86
IG	0.07	0.11	(0.00, 0.05)	1.08	0.78	5.37	0.79	0.14
NOA	0.29	0.19	(0.00, 0.04)	1.10	0.93	3.76	1.00	0.61
OA	0.33	0.16	(0.01, 0.09)	1.24	0.83	3.77	1.00	0.87
PTA	0.12	0.10	(0.04, 0.03)	1.05	-0.15	3.94	0.94	0.38
Mean	0.19	0.15	(0.04, 0.09)	1.29	0.77	4.42	0.91	0.48

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
52W	-0.24	0.52	(0.20, 0.01)	1.45	-0.80	3.29	0.24	0.00
ABR	0.44	0.66	(0.08, 0.32)	3.55	1.05	2.77	0.96	0.59
MOM	-0.09	0.15	(0.01, 0.00)	0.60	-0.83	7.17	0.23	0.00
RMOM	0.12	0.17	(0.00, 0.01)	0.86	0.50	2.88	0.83	0.09
RS	0.21	0.16	(0.02, 0.07)	1.18	0.56	4.20	0.97	0.47
SUE	0.18	0.29	(0.12, 0.24)	2.71	1.26	4.67	0.75	0.41
TES	0.21	0.22	(0.00, 0.20)	1.72	1.12	3.59	0.96	0.40
Mean	0.12	0.31	(0.06, 0.12)	1.73	0.41	4.08	0.71	0.28

Continued on next page

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

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ATO*	0.17	0.12	(0.00, 0.00)	0.59	0.21	2.74	0.99	0.11
BL*	0.19	0.12	(0.00, 0.00)	0.59	0.74	3.80	1.00	0.07
CBOP	0.33	0.17	(0.04, 0.05)	1.15	0.12	3.27	0.99	0.83
CTO*	0.07	0.16	(0.00, 0.00)	0.74	0.02	2.85	0.74	0.01
GPA	0.15	0.11	(0.00, 0.00)	0.61	-0.42	4.24	0.95	0.05
O	0.14	0.13	(0.02, 0.00)	0.69	-0.34	3.08	0.91	0.03
OPE	0.00	0.14	(0.01, 0.01)	0.82	-0.94	4.75	0.57	0.01
ROA	0.14	0.17	(0.06, 0.10)	1.47	0.37	4.51	0.85	0.26
ROE	0.12	0.17	(0.05, 0.15)	1.74	0.69	4.34	0.80	0.29
TBI	-0.05	0.27	(0.02, 0.08)	1.12	0.16	4.19	0.39	0.04
Z*	-0.05	0.12	(0.00, 0.01)	0.63	0.83	5.97	0.27	0.01
Mean	0.11	0.15	(0.02, 0.04)	0.92	0.13	3.98	0.77	0.16

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
ME	-0.04	0.42	(0.19, 0.18)	2.48	1.10	7.76	0.49	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)	1.12	0.42	8.39	0.47	0.10
BETA	-0.18	0.09	(0.00, 0.00)	0.38	-1.01	5.27	0.00	0.00
BFP	-0.22	0.14	(0.00, 0.00)	0.55	-0.58	4.12	0.02	0.00
DTV	0.01	0.24	(0.00, 0.10)	1.05	0.49	6.14	0.51	0.11
ISKEW	-0.01	0.12	(0.09, 0.03)	1.28	0.25	4.17	0.48	0.03
IVOL	-0.00	0.17	(0.01, 0.02)	0.95	-0.19	5.92	0.49	0.02
MDR	-0.03	0.26	(0.00, 0.14)	1.23	0.69	3.43	0.33	0.08
SREV	0.28	0.91	(0.00, 0.33)	2.77	1.15	3.67	0.47	0.33
TUR	0.03	0.15	(0.00, 0.03)	0.75	1.32	6.11	0.51	0.03
Mean	-0.02	0.25	(0.01, 0.08)	1.12	0.28	5.25	0.37	0.08

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
AM*	-0.10	0.14	(0.00, 0.01)	0.59	0.70	5.03	0.16	0.00
BM	-0.01	0.14	(0.00, 0.03)	0.82	1.43	6.74	0.39	0.03
CFM	0.06	0.14	(0.00, 0.01)	0.71	0.21	4.04	0.71	0.03
DM	-0.13	0.11	(0.00, 0.00)	0.49	-0.12	3.59	0.06	0.00
EBM	-0.11	0.13	(0.00, 0.02)	0.71	0.73	5.69	0.15	0.01
EM	0.03	0.11	(0.00, 0.00)	0.62	-0.05	4.26	0.66	0.01
NDM	0.00	0.14	(0.00, 0.00)	0.80	0.02	2.97	0.50	0.00
NPY	0.16	0.11	(0.01, 0.00)	0.82	-0.66	3.85	0.95	0.37
OCM	0.12	0.14	(0.00, 0.01)	0.65	0.41	3.38	0.89	0.05
REV	-0.06	0.14	(0.00, 0.05)	1.05	2.01	10.76	0.25	0.03
SM	-0.03	0.16	(0.00, 0.01)	0.73	0.29	3.51	0.39	0.01
Mean	-0.00	0.13	(0.00, 0.01)	0.73	0.45	4.89	0.47	0.05

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.09	0.18	(0.02, 0.06)	1.10	0.40	4.41	0.67	0.21
Orig. Sig.	0.08	0.19	(0.03, 0.07)	1.16	0.40	4.50	0.66	0.22
Orig. Insig.	0.14	0.15	(0.00, 0.01)	0.75	0.38	3.87	0.73	0.17

III Distributions of premia, t-statistics, and standard errors

Below, we show graphs similar to Figure 4 (for premia) and Figure 5 (for CAPM alphas). We show the distribution of the respective statistics in box plots to illustrate the overall spread across all sorting variables.

Second, we present the distributions of t-statistics of the intercepts from CAPM (see Figure III.1, FF5 (see Figure III.2, and Q5 (see Figure III.3. For the unadjusted premia, we show these distributions in Figure B.1 in the Appendix of the paper.

Finally, we show the distribution of Newey and West (1987) standard errors for all four models. In particular, Figure III.4 shows unadjusted return premia, Figures III.5 to III.7 show standard errors of the intercept relative to the CAPM, FF5-model, and Q5-model, respectively.

Figure III.1: 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 decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category. A t-value of 1.96 is indicated by the vertical dashed line.

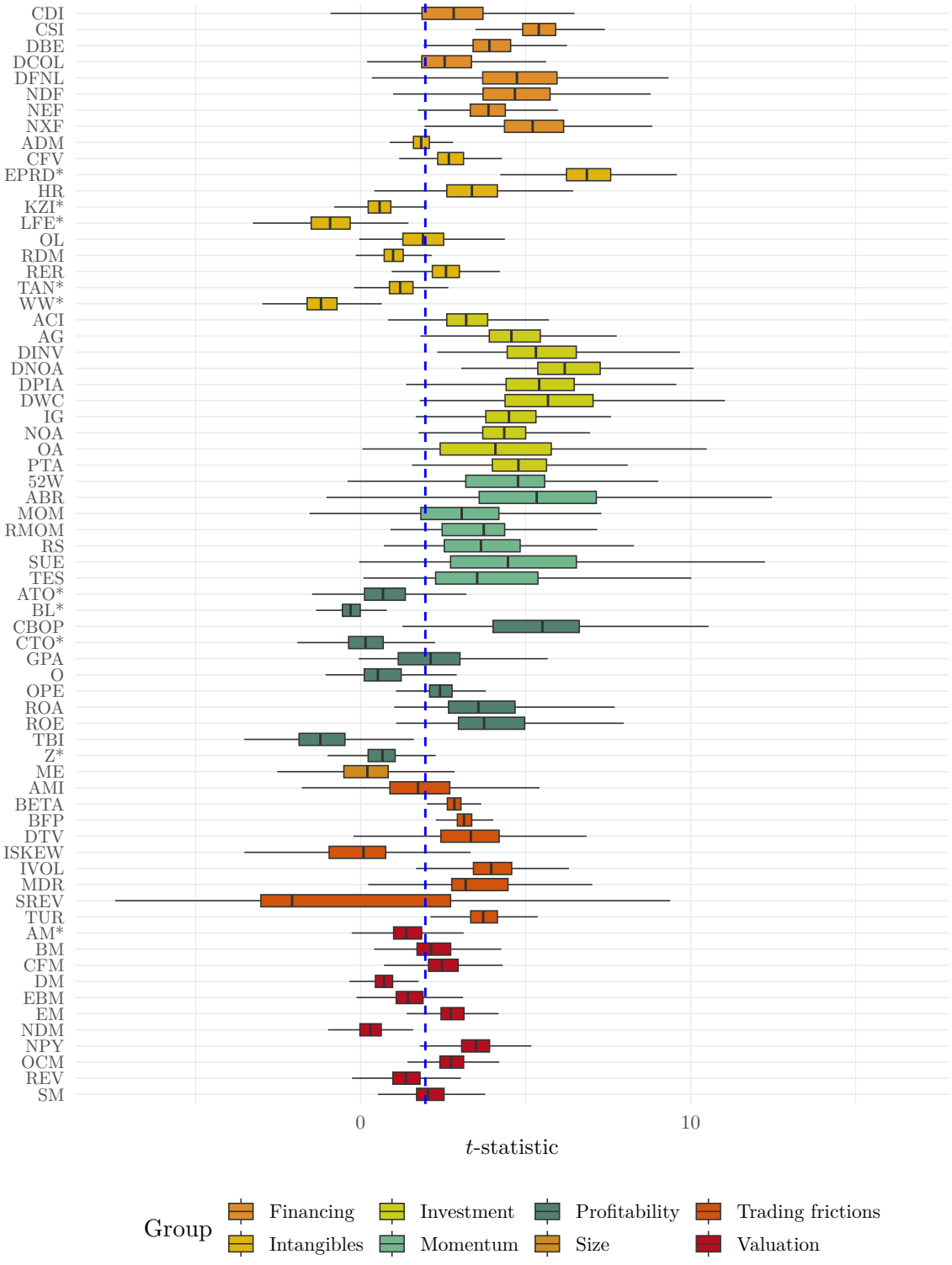


Figure III.2: Variation in FF5-adjusted t-statistics across sorting variables.
This figure shows the estimated t-statistics for Fama and French (2015)-adjusted returns in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category. A t-value of 1.96 is indicated by the vertical dashed line.

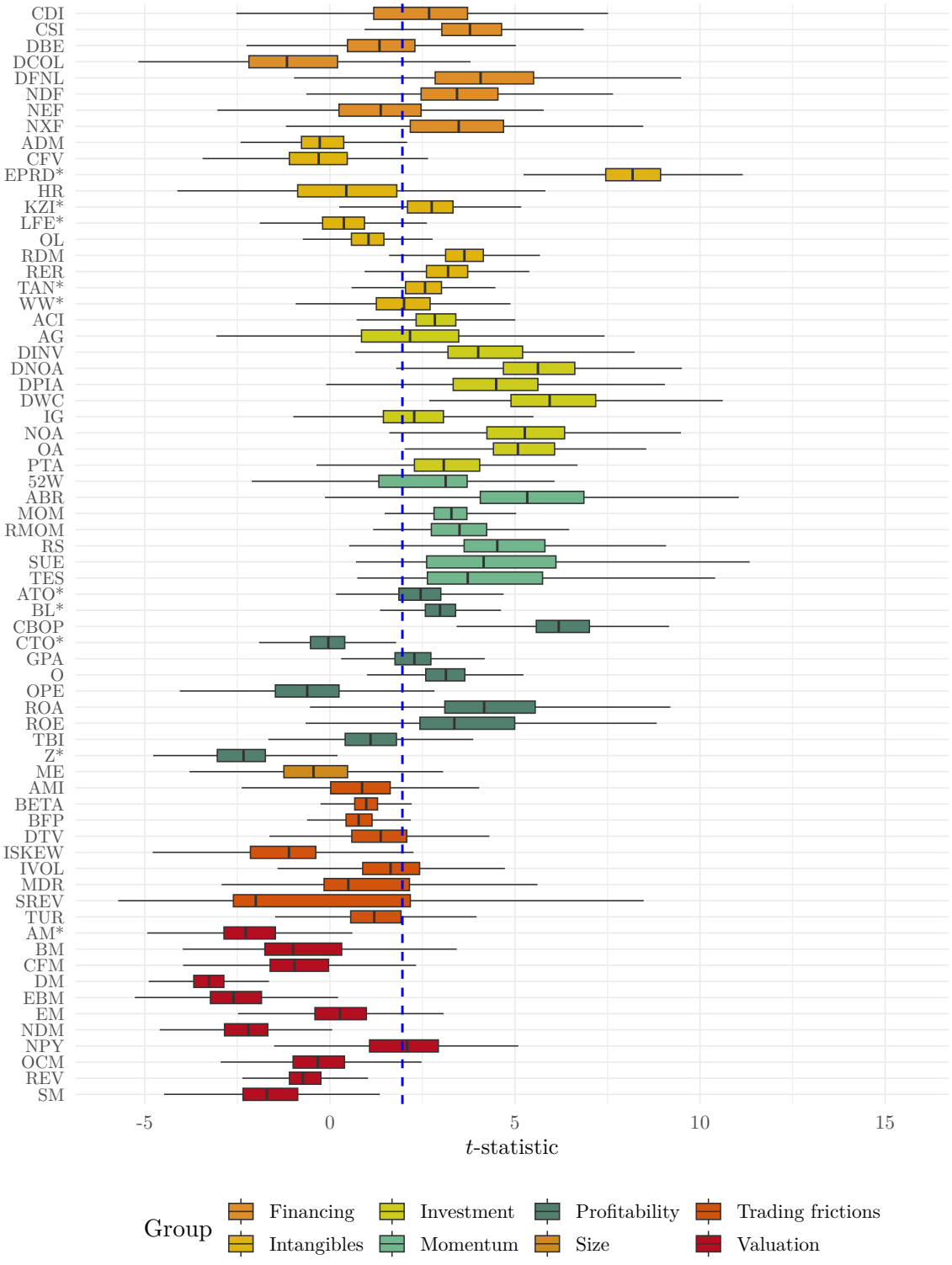


Figure III.3: Variation in Q5-adjusted t-statistics across sorting variables.
This figure shows the estimated t-statistics for Hou et al. (2021)-adjusted returns in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category. A t-value of 1.96 is indicated by the vertical dashed line.

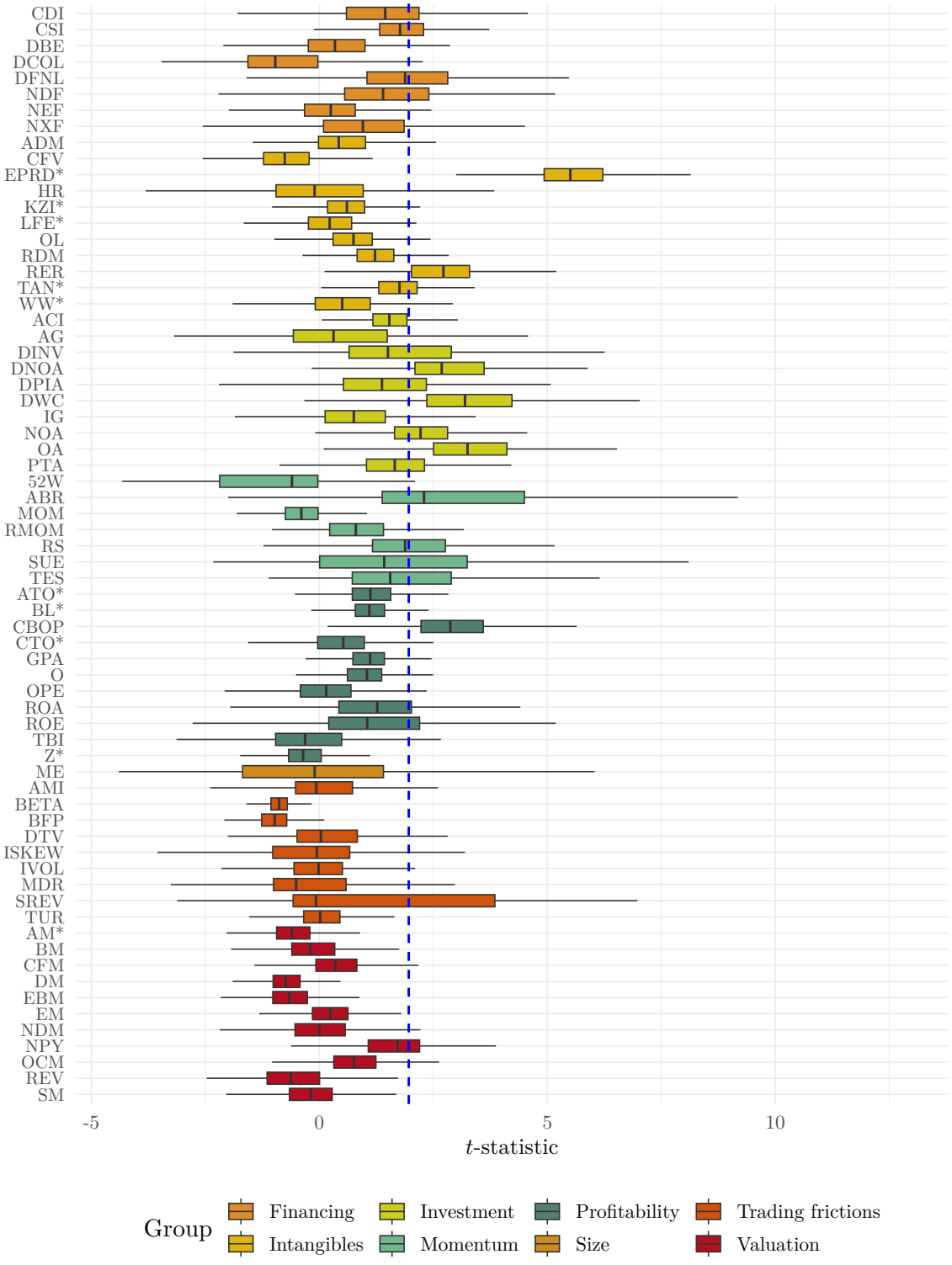


Figure III.4: Variation in standard errors across sorting variables.
This figure shows the estimated standard errors in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

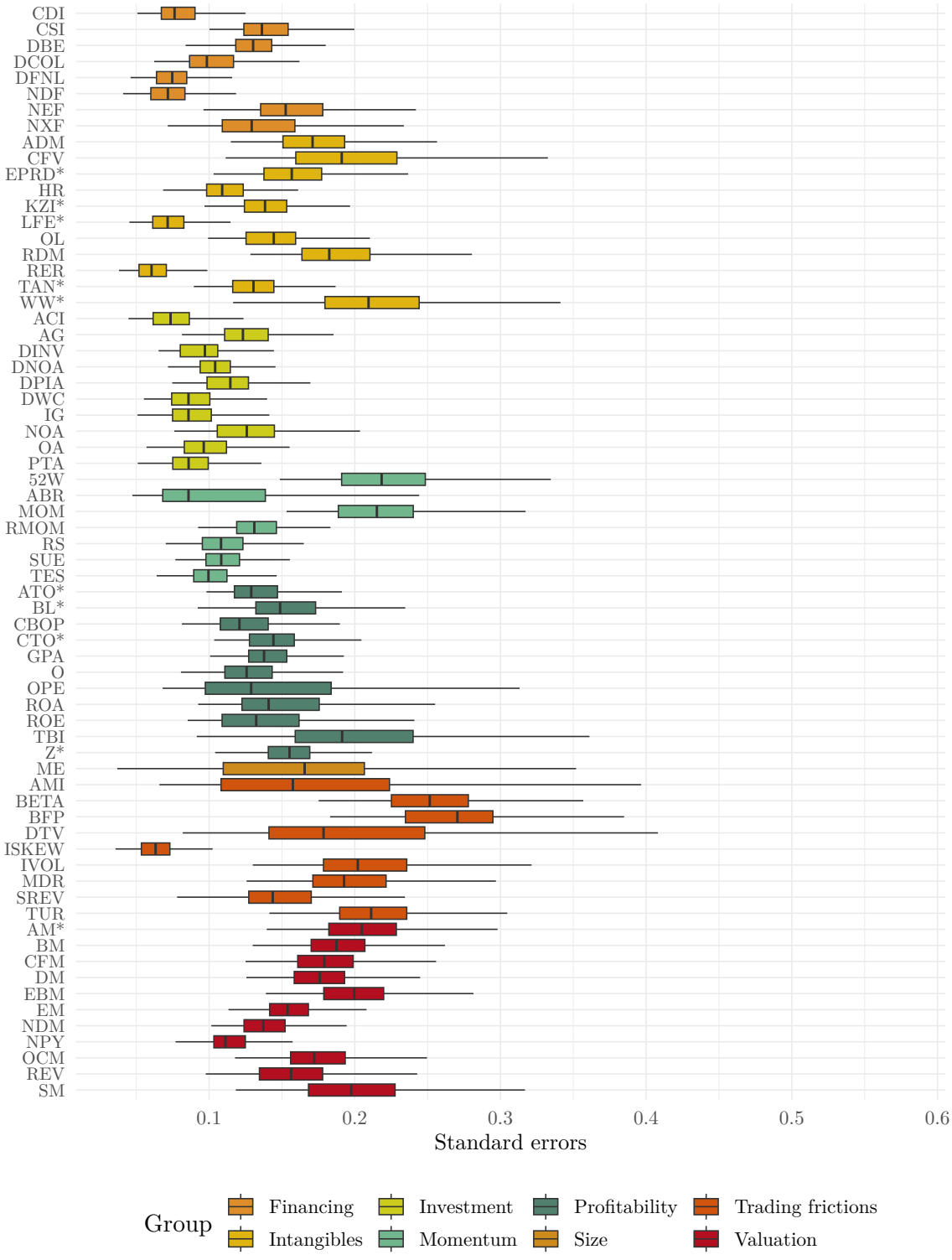


Figure III.5: Variation in CAPM-adjusted standard errors across sorting variables.
This figure shows the estimated standard errors for CAPM-adjusted returns in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

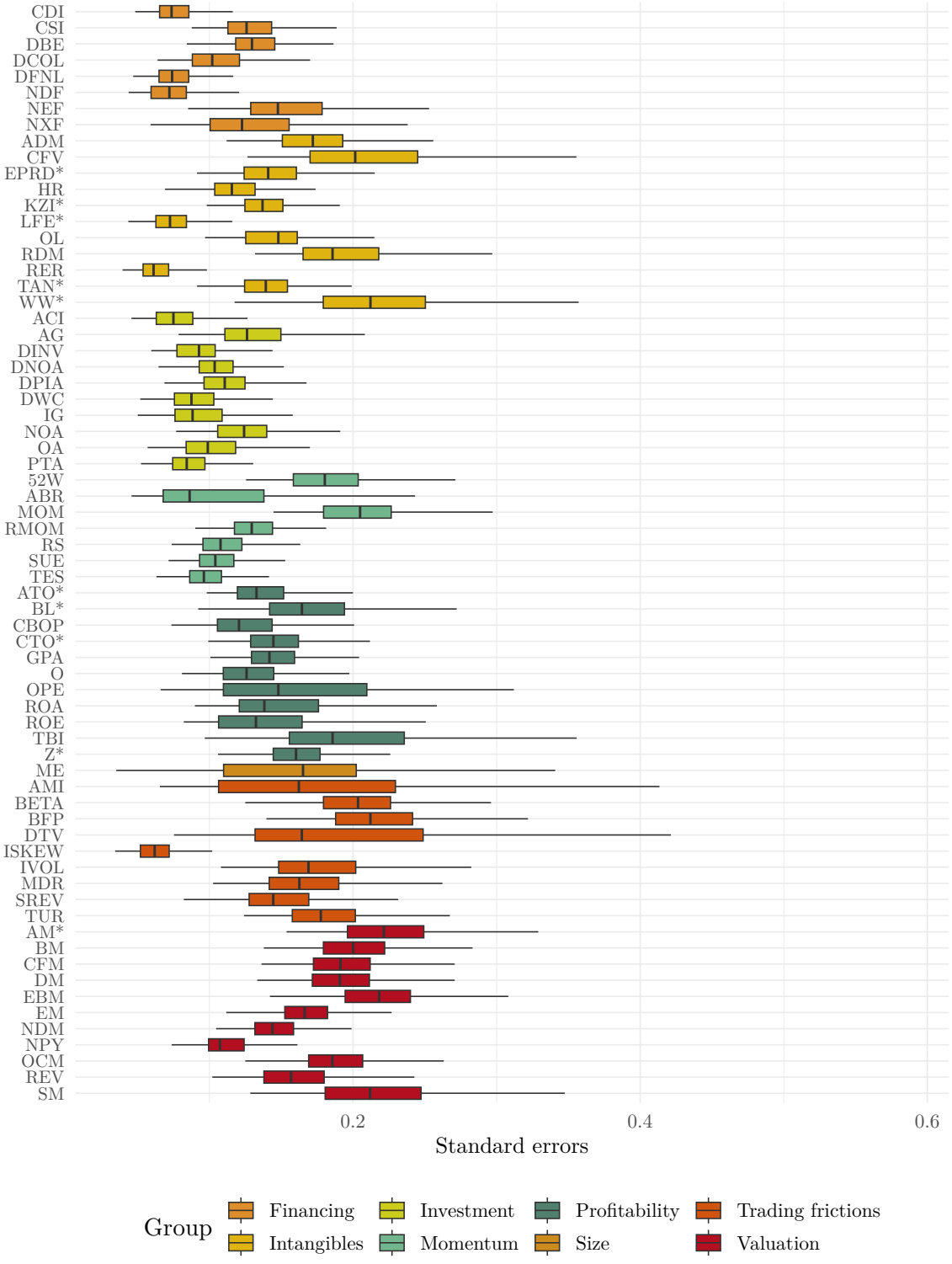


Figure III.6: Variation in FF5-adjusted standard errors across sorting variables.
This figure shows the estimated standard errors for Fama and French (2015)-adjusted returns in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

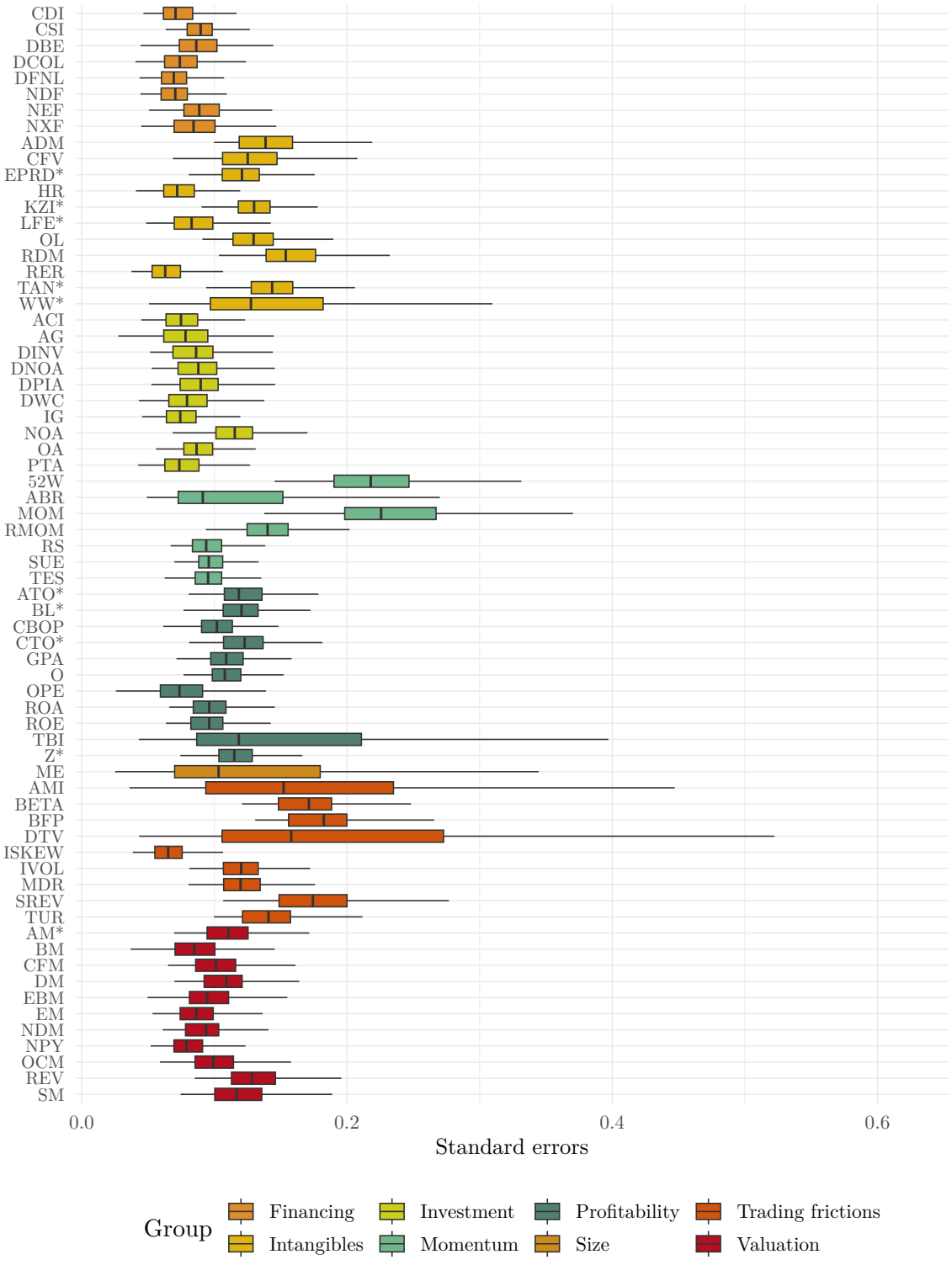
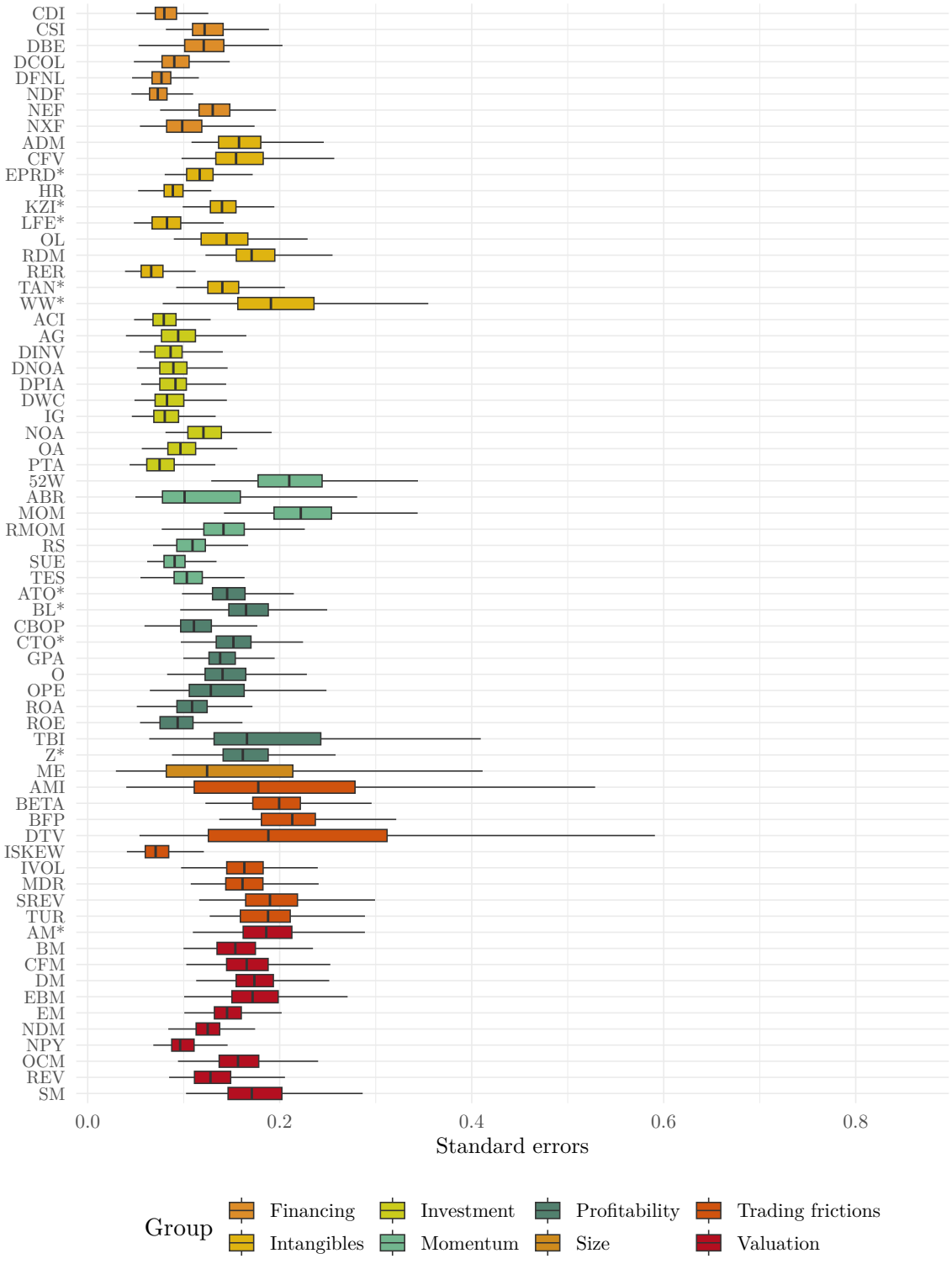


Figure III.7: Variation in Q5-adjusted standard errors across sorting variables.
This figure shows the estimated standard errors for Hou et al. (2021)-adjusted returns in box plots for all sorting variables across all decision nodes. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.



IV Non-standard errors across ten decision nodes

We present the variation from portfolio sorts across ten decision nodes. Relative to the main paper, we sort portfolios conditional only deciles, NYSE breakpoints, and value-weighted returns from single sorts. This means that we fix four decision nodes. The non-standard errors across these ten nodes are shown in Figure IV.1. Additionally, we show the variation in t-statistics in Figure IV.2.

Figure IV.1: Non-standard errors across ten nodes.
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 vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category.

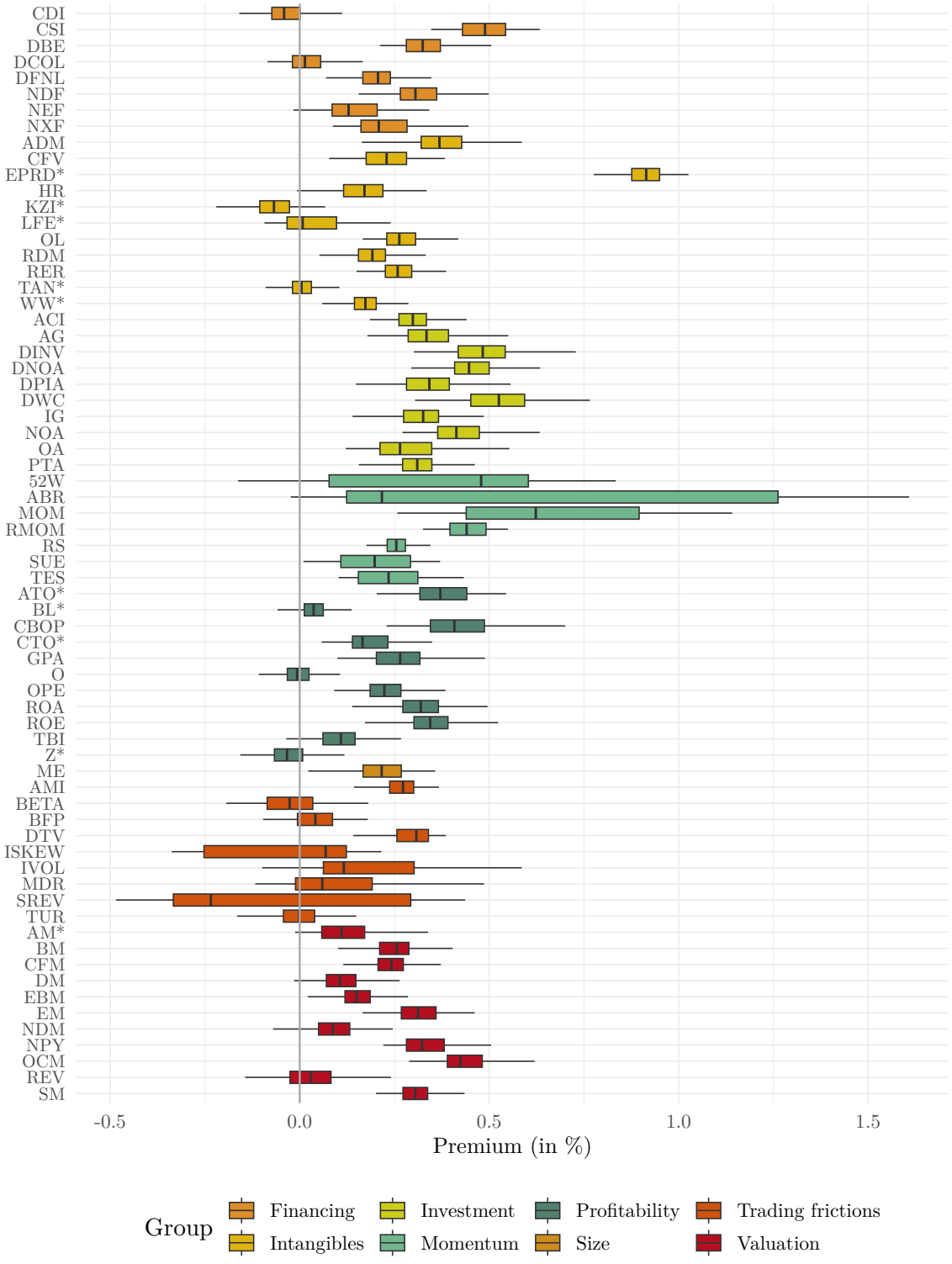


Figure IV.2: Variation in t-statistics across 10 nodes.
This figure shows the estimated t-statistics in box plots for all sorting variables conditional on deciles, NYSE breakpoints, and value-weighted returns from single sorts. The vertical axis shows the associated sorting variable, while the color scheme connects each sorting variable to the respective category. A t-value of 1.96 is indicated by the vertical dashed line.

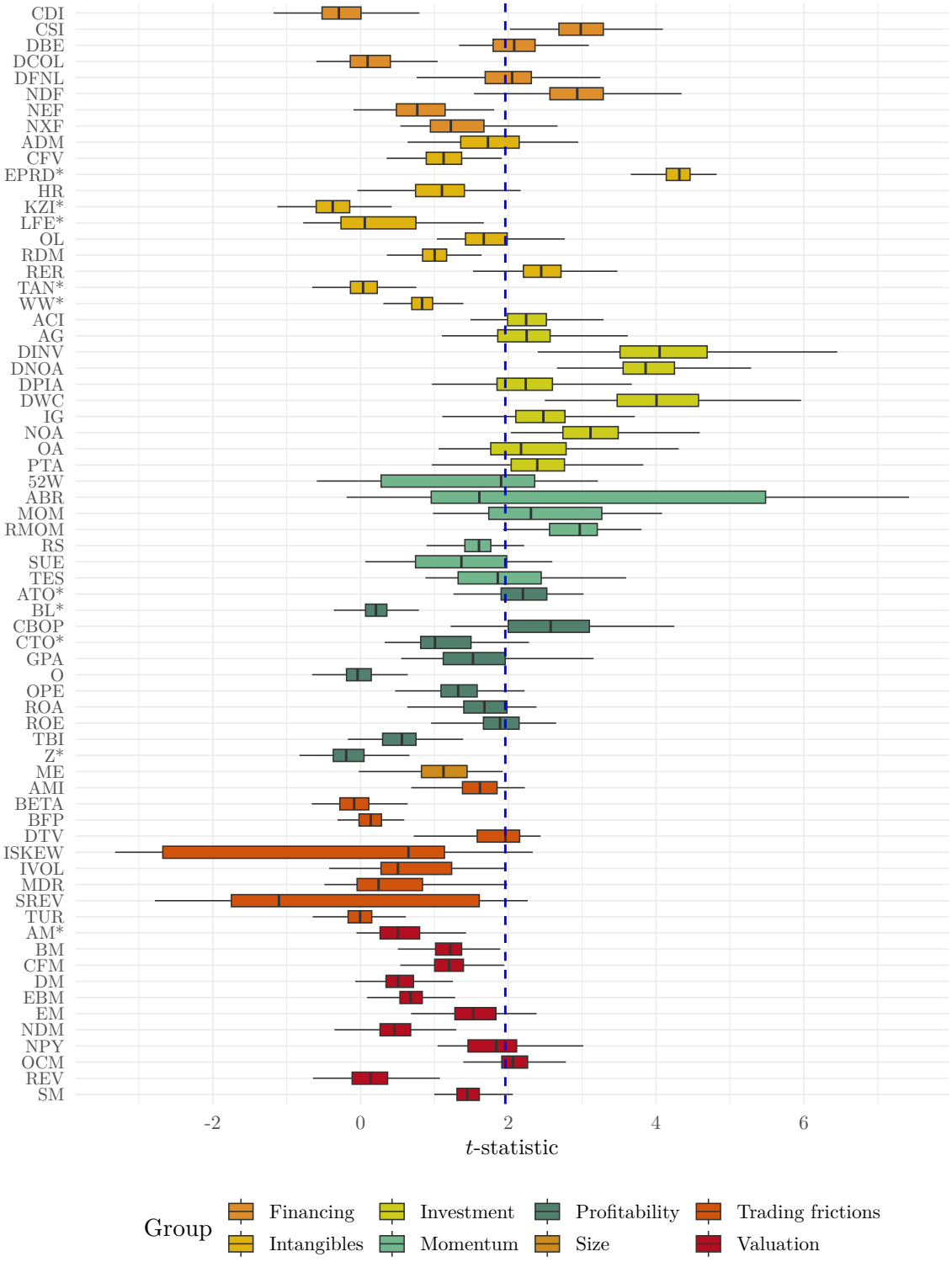


Table IV.1: Non-standard errors across sorting variables for 10 nodes.
This table shows summary statistics across specifications conditional on deciles, NYSE breakpoints, and value-weighted returns from single sorts for individual sorting variables in panels grouped by categories. Each panel contains 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 pairs at a 10% significance level. 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	-0.03	0.07	(0.00, 0.00)	0.39	0.70	3.08	0.26	0.00	0.04
CSI	0.49	0.11	(0.00, 0.00)	0.42	0.02	1.89	1.00	1.00	0.33
DBE	0.33	0.09	(0.00, 0.00)	0.40	0.43	2.61	1.00	0.60	0.33
DCOL	0.02	0.07	(0.00, 0.00)	0.36	0.49	2.59	0.60	0.00	0.25
DFNL	0.21	0.07	(0.00, 0.00)	0.59	0.20	2.76	1.00	0.57	0.34
NDF	0.32	0.10	(0.00, 0.00)	0.62	0.35	2.48	1.00	0.98	0.74
NEF	0.14	0.12	(0.00, 0.00)	0.42	0.36	2.26	0.99	0.00	0.21
NXF	0.23	0.12	(0.00, 0.00)	0.45	0.54	2.36	1.00	0.09	0.48
Mean	0.21	0.10	(0.00, 0.00)	0.46	0.39	2.50	0.86	0.41	0.34

Panel B: Intangibles

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ADM	0.37	0.11	(0.00, 0.00)	0.37	0.00	2.62	1.00	0.35	0.48
CFV	0.23	0.11	(0.00, 0.00)	0.35	-0.02	2.31	1.00	0.00	0.17
EPRD*	0.91	0.07	(0.00, 0.00)	0.23	-0.17	2.33	1.00	1.00	0.39
HR	0.17	0.10	(0.00, 0.00)	0.46	-0.10	2.42	1.00	0.01	0.14
KZI*	-0.07	0.08	(0.00, 0.00)	0.32	-0.04	2.52	0.13	0.00	0.12
LFE*	0.03	0.13	(0.00, 0.00)	0.59	0.52	2.09	0.53	0.00	0.03
OL	0.27	0.08	(0.00, 0.00)	0.33	0.42	2.82	1.00	0.27	0.66
RDM	0.19	0.07	(0.00, 0.00)	0.27	0.17	3.10	1.00	0.00	0.00
RER	0.26	0.07	(0.00, 0.00)	0.42	0.17	2.31	1.00	0.92	0.47
TAN*	0.01	0.05	(0.00, 0.00)	0.28	0.08	2.93	0.56	0.00	0.03
WW*	0.17	0.06	(0.00, 0.00)	0.21	0.11	2.81	1.00	0.00	0.30
Mean	0.23	0.08	(0.00, 0.00)	0.35	0.10	2.57	0.84	0.23	0.25

Panel C: Investment

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ACI	0.30	0.07	(0.00, 0.00)	0.37	0.38	2.84	1.00	0.78	0.03
AG	0.34	0.11	(0.00, 0.00)	0.50	0.40	2.82	1.00	0.70	0.38
DINV	0.50	0.12	(0.00, 0.13)	1.00	0.84	2.90	1.00	1.00	0.47
DNOA	0.46	0.09	(0.00, 0.00)	0.61	0.50	2.82	1.00	1.00	0.62
DPIA	0.34	0.11	(0.00, 0.00)	0.54	0.04	2.63	1.00	0.67	0.34
DWC	0.53	0.14	(0.00, 0.00)	0.74	0.17	2.35	1.00	1.00	0.39
IG	0.32	0.09	(0.00, 0.00)	0.51	-0.11	2.56	1.00	0.83	0.10
NOA	0.42	0.11	(0.00, 0.00)	0.60	0.61	3.04	1.00	1.00	0.76
OA	0.31	0.14	(0.00, 0.13)	1.09	1.22	3.32	1.00	0.62	0.41
PTA	0.31	0.08	(0.00, 0.00)	0.49	-0.10	3.54	1.00	0.78	0.47
Mean	0.38	0.11	(0.00, 0.03)	0.65	0.39	2.88	1.00	0.84	0.40

Panel D: Momentum

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
52W	0.38	0.53	(0.06, 0.00)	1.05	-0.43	1.73	0.84	0.47	0.35
ABR	0.56	1.14	(0.00, 0.33)	3.46	0.70	1.60	0.99	0.43	0.39
MOM	0.66	0.46	(0.00, 0.00)	0.92	0.25	1.85	1.00	0.67	0.42
RMOM	0.44	0.10	(0.00, 0.00)	0.36	-0.04	1.83	1.00	1.00	0.23
RS	0.25	0.05	(0.00, 0.00)	0.29	-0.80	3.81	1.00	0.10	0.21
SUE	0.20	0.18	(0.00, 0.00)	0.69	-0.11	1.78	1.00	0.26	0.46
TES	0.24	0.16	(0.00, 0.00)	0.70	0.24	1.80	1.00	0.46	0.69
Mean	0.39	0.37	(0.01, 0.05)	1.07	-0.03	2.06	0.98	0.48	0.39

Continued on next page

Table IV.1: Non-standard errors across sorting variables for 10 nodes.

Panel E: Profitability

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ATO*	0.37	0.12	(0.00, 0.00)	0.43	-0.07	1.98	1.00	0.69	0.35
BL*	0.04	0.05	(0.00, 0.00)	0.23	0.19	2.91	0.83	0.00	0.00
CBOP	0.43	0.14	(0.00, 0.01)	0.67	0.81	3.64	1.00	0.76	0.13
CTO*	0.19	0.09	(0.00, 0.00)	0.37	0.56	2.39	1.00	0.04	0.24
GPA	0.26	0.11	(0.00, 0.00)	0.44	0.19	2.68	1.00	0.25	0.41
O	-0.00	0.06	(0.00, 0.00)	0.24	0.25	2.63	0.44	0.00	0.08
OPE	0.23	0.08	(0.00, 0.00)	0.34	0.45	3.01	1.00	0.04	0.10
ROA	0.32	0.09	(0.00, 0.00)	0.42	-0.21	2.89	1.00	0.27	0.23
ROE	0.35	0.09	(0.00, 0.00)	0.45	0.29	3.07	1.00	0.42	0.41
TBI	0.11	0.08	(0.00, 0.00)	0.32	0.36	3.27	0.96	0.00	0.11
Z*	-0.02	0.07	(0.00, 0.00)	0.33	0.48	2.63	0.29	0.00	0.00
Mean	0.21	0.09	(0.00, 0.00)	0.39	0.30	2.83	0.86	0.22	0.19

Panel F: Size

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
ME	0.21	0.10	(0.00, 0.00)	0.38	-0.54	2.74	1.00	0.00	0.27

Panel G: Trading frictions

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AMI	0.27	0.06	(0.00, 0.00)	0.30	-0.67	3.33	1.00	0.12	0.29
BETA	-0.03	0.12	(0.00, 0.00)	0.24	0.18	2.33	0.38	0.00	0.00
BFP	0.04	0.09	(0.00, 0.00)	0.20	-0.07	2.30	0.71	0.00	0.00
DTV	0.30	0.08	(0.00, 0.00)	0.34	-0.68	2.84	1.00	0.50	0.53
ISKEW	-0.02	0.38	(0.33, 0.00)	1.78	-0.61	1.56	0.67	0.02	0.18
IVOL	0.17	0.24	(0.00, 0.00)	0.60	0.65	2.31	0.96	0.00	0.01
MDR	0.10	0.20	(0.00, 0.00)	0.59	0.76	2.58	0.71	0.00	0.05
SREV	-0.09	0.63	(0.00, 0.33)	1.56	0.59	1.57	0.33	0.08	0.21
TUR	-0.00	0.08	(0.00, 0.00)	0.25	-0.22	3.44	0.49	0.00	0.04
Mean	0.08	0.21	(0.04, 0.04)	0.65	-0.01	2.47	0.69	0.08	0.15

Panel H: Valuation

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
AM*	0.12	0.11	(0.00, 0.00)	0.30	0.30	2.17	0.99	0.00	0.02
BM	0.25	0.08	(0.00, 0.00)	0.27	0.00	2.75	1.00	0.00	0.24
CFM	0.24	0.07	(0.00, 0.00)	0.23	0.14	2.71	1.00	0.00	0.45
DM	0.11	0.08	(0.00, 0.00)	0.28	0.51	2.97	0.99	0.00	0.01
EBM	0.15	0.07	(0.00, 0.00)	0.26	0.51	3.92	1.00	0.00	0.38
EM	0.31	0.09	(0.00, 0.00)	0.29	0.07	2.27	1.00	0.13	0.37
NDM	0.09	0.08	(0.00, 0.00)	0.32	-0.11	2.87	0.92	0.00	0.06
NPY	0.33	0.10	(0.00, 0.00)	0.33	0.38	2.28	1.00	0.38	0.68
OCM	0.44	0.09	(0.00, 0.00)	0.33	0.74	3.17	1.00	0.67	0.50
REV	0.03	0.11	(0.00, 0.00)	0.39	0.53	3.18	0.64	0.00	0.11
SM	0.31	0.07	(0.00, 0.00)	0.27	1.06	4.48	1.00	0.04	0.68
Mean	0.22	0.09	(0.00, 0.00)	0.30	0.38	2.98	0.96	0.11	0.32

Panel I: Overall

SV	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
All	0.24	0.14	(0.01, 0.01)	0.52	0.22	2.65	0.89	0.32	0.28
Orig. Sig.	0.25	0.15	(0.01, 0.02)	0.55	0.22	2.68	0.91	0.35	0.31
Orig. Insig.	0.17	0.08	(0.00, 0.00)	0.33	0.20	2.48	0.73	0.17	0.15

V Impact of decision nodes: Figures

In Figures V.1 to V.14, we graphically investigate the effects of the decision nodes on the resulting premia. Therefore, we plot the distribution of premia holding the branches in the decision nodes constant. We then see the distribution of premia in the respective branches. Thereby, we can see the impact that taking one of the choices has on the resulting premia. To allow for a fair comparison, we demean the premia of each sorting variable and aggregate only after that. 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: Impact of decision node: Breakpoint quantiles (main).
This figure shows the non-standard errors when holding the main breakpoint quantiles constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

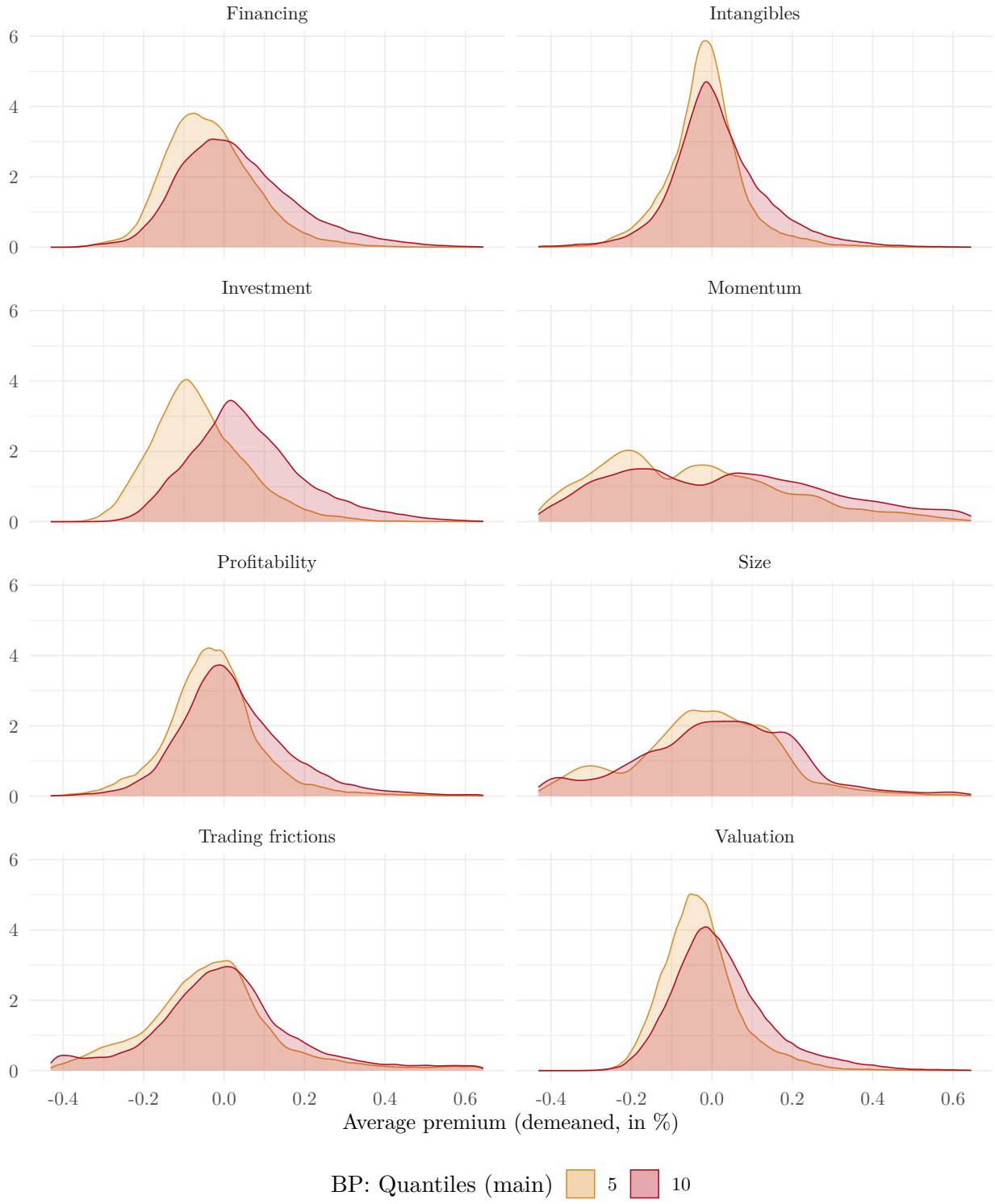


Figure V.2: Impact of decision node: Weighting scheme.
This figure shows the non-standard error produced when holding the weighting scheme constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

Figure V.3: Impact of decision node: Positive earnings.
This figure shows the non-standard errors when holding the positive earnings filter constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

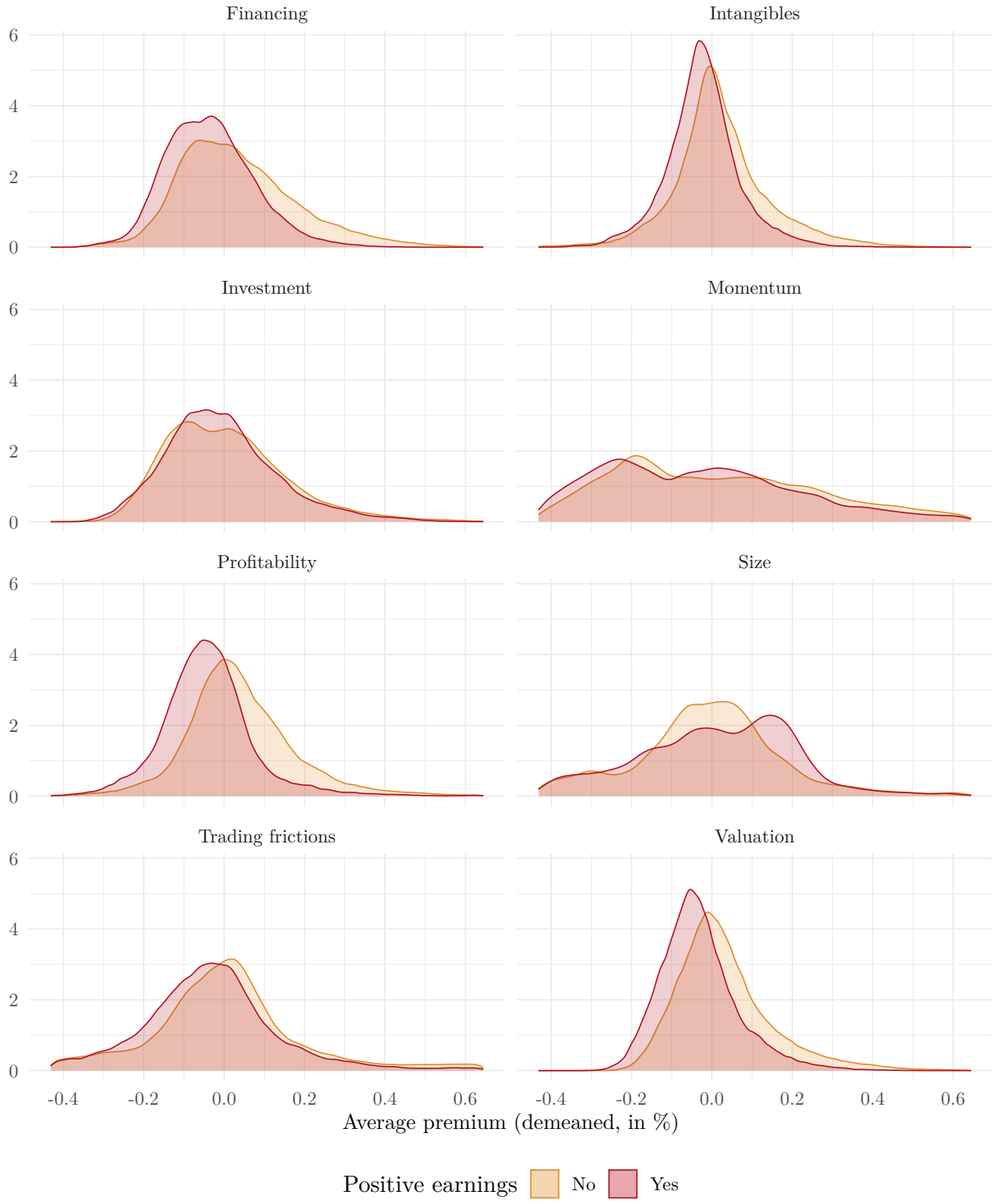


Figure V.4: Impact of decision node: Size restriction.
This figure shows the non-standard errors when holding the size restriction constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

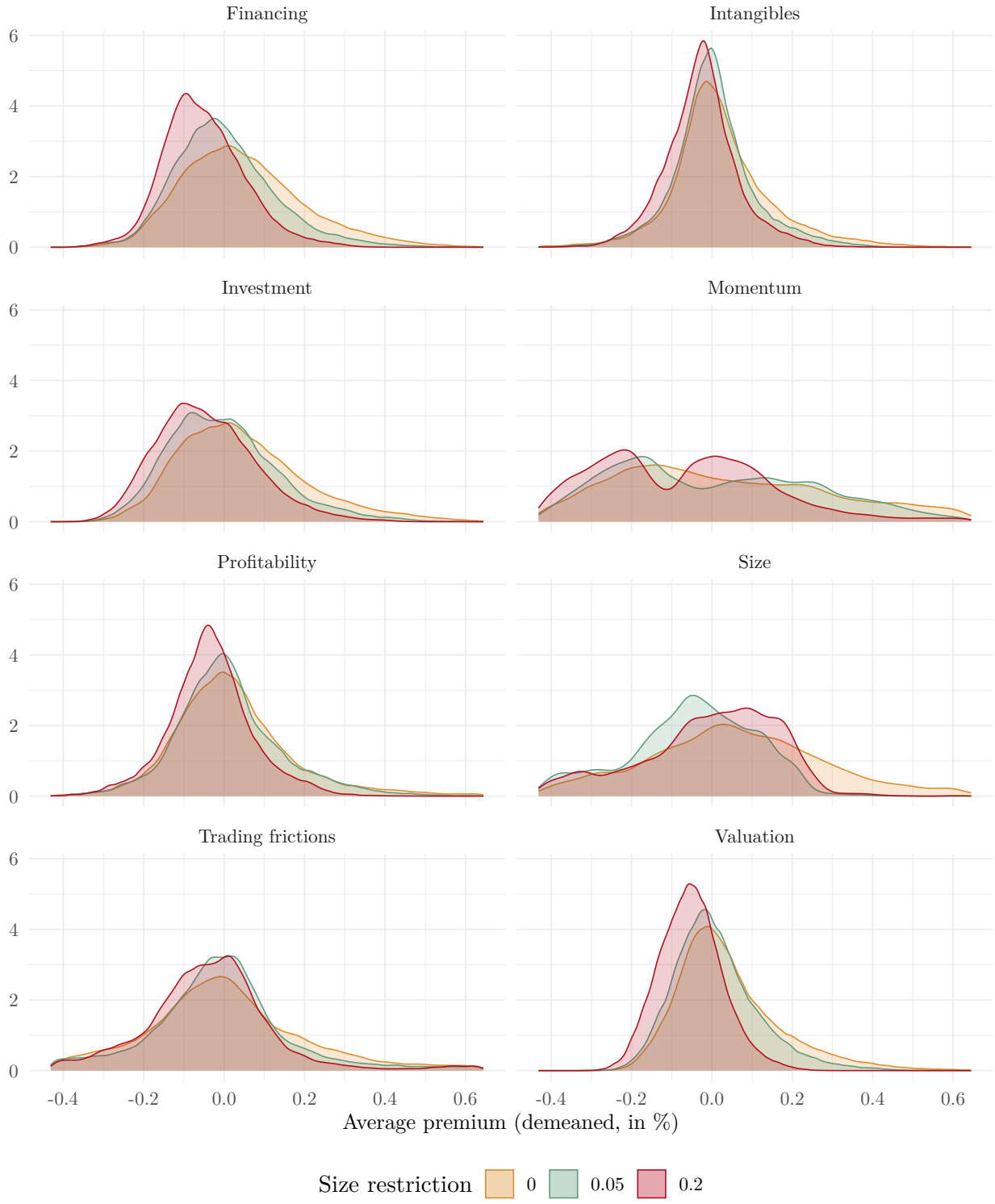


Figure V.5: Impact of decision node: Sorting variable lag.
This figure shows the non-standard errors when holding the sorting variable lag constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

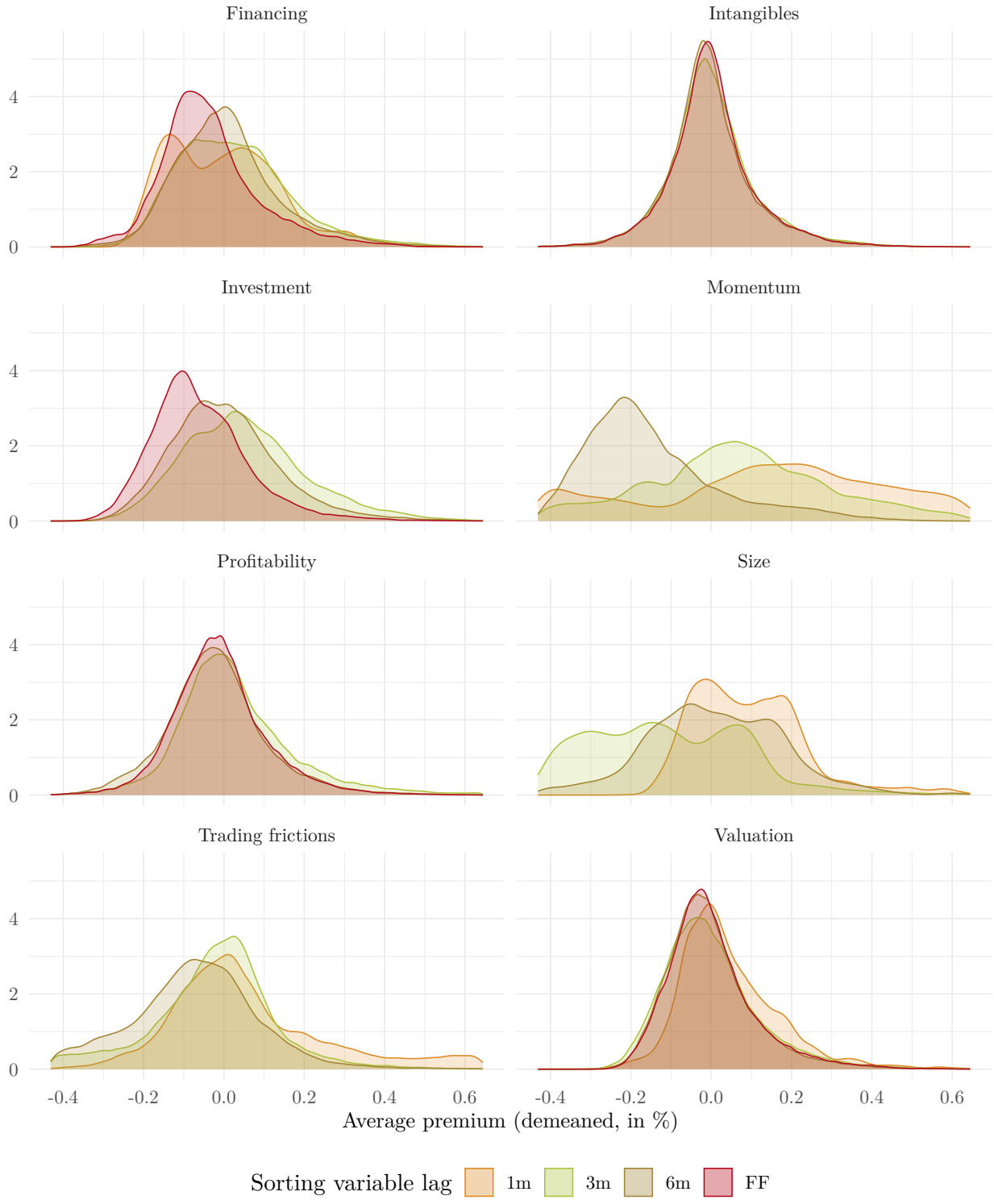


Figure V.6: Impact of decision node: Breakpoint exchanges.
This figure shows the non-standard errors when holding the breakpoint exchanges constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

Figure V.7: Impact of decision node: Financials.
This figure shows the non-standard errors when holding the decision to include financials constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

Figure V.8: Impact of decision node: Double sort.
This figure shows the non-standard errors when holding the double sorting scheme constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

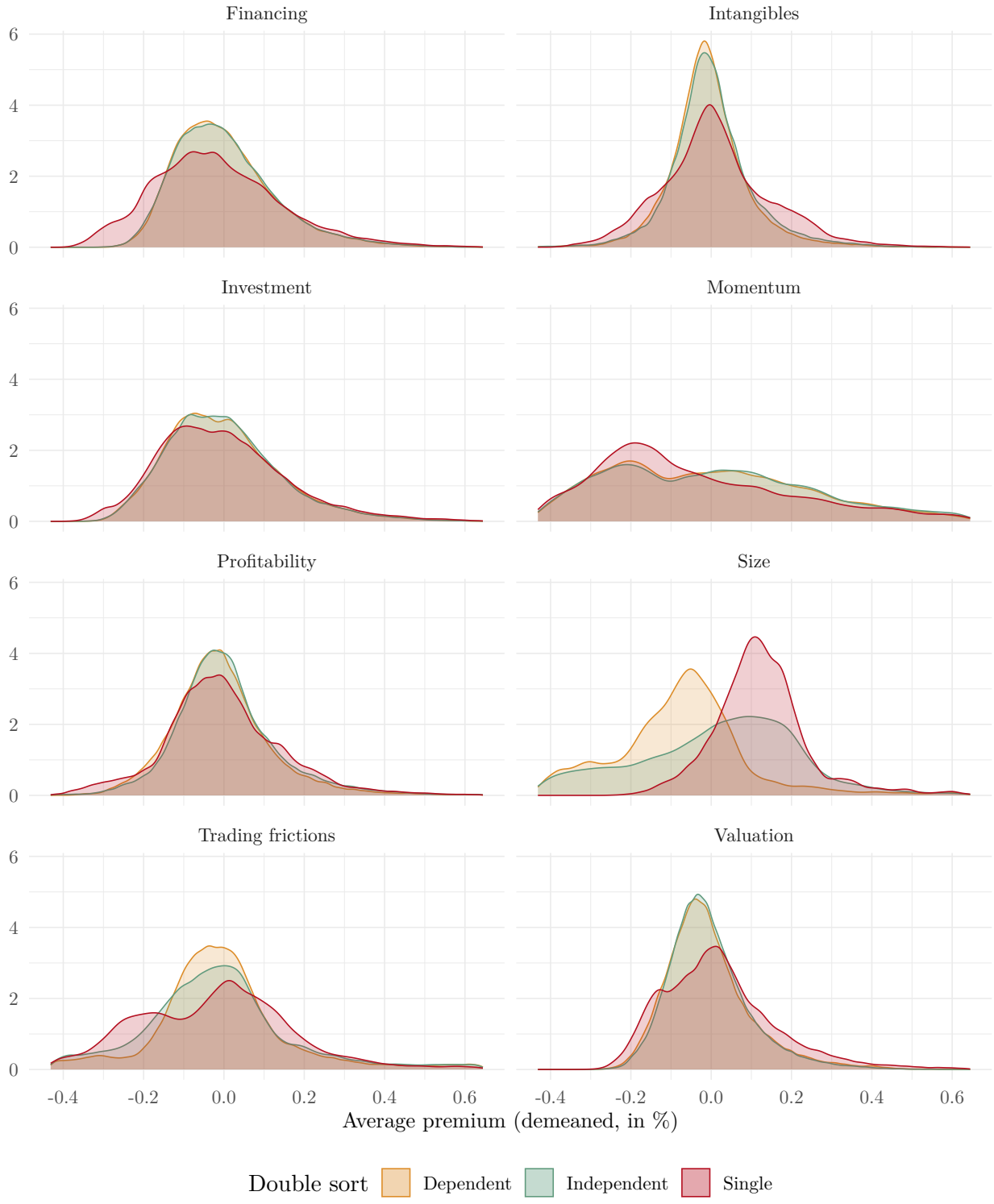


Figure V.9: Impact of decision node: Breakpoint quantiles (secondary).
This figure shows the non-standard errors when holding the secondary breakpoint quantiles constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

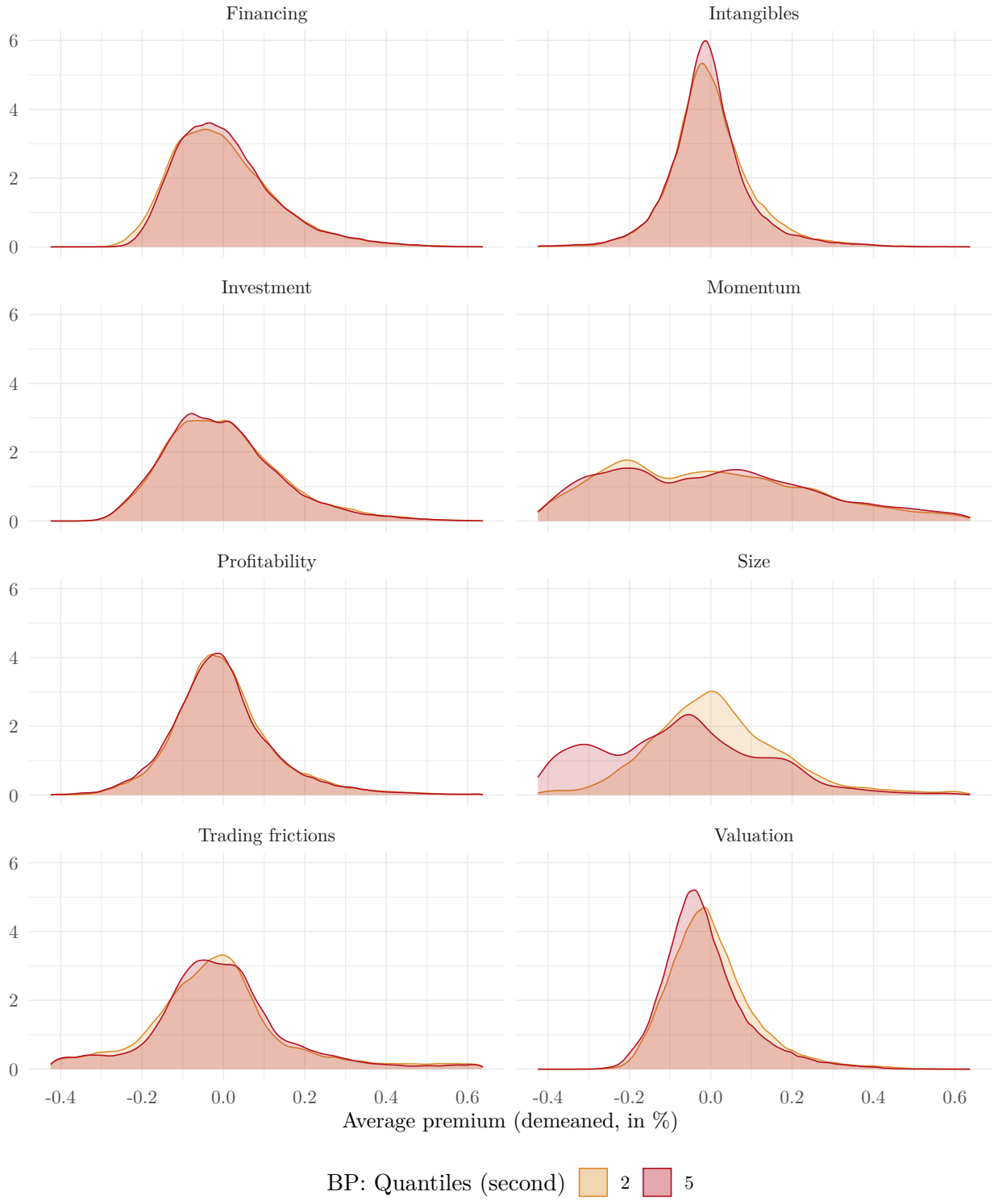


Figure V.10: Impact of decision node: Rebalancing.
This figure shows the non-standard errors when holding the rebalancing frequency constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

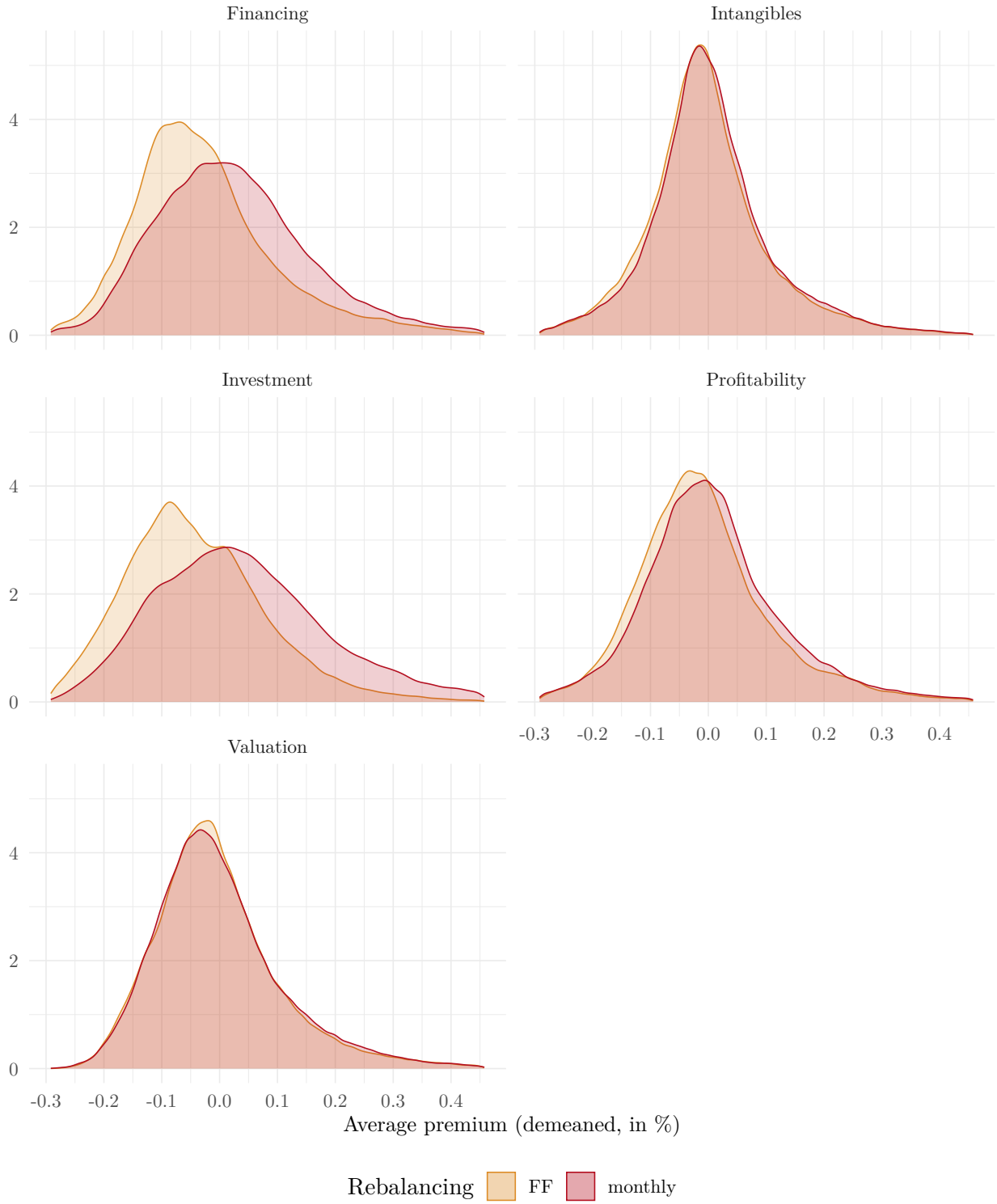


Figure V.11: Impact of decision node: Utilities.
This figure shows the non-standard errors when holding the decision to include utilities constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

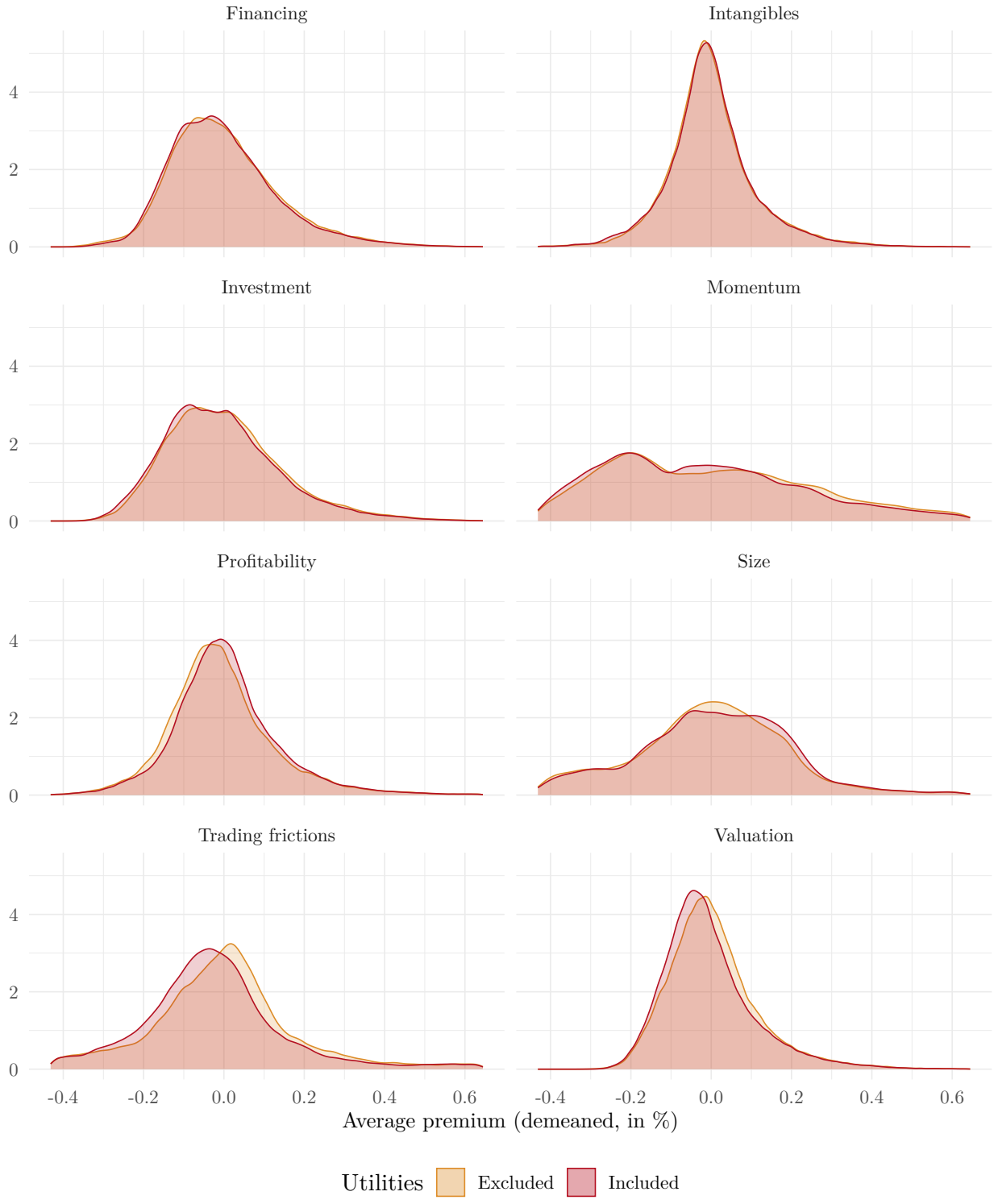


Figure V.12: Impact of decision node: Stock-age restriction.
This figure shows the non-standard errors when holding the stock-age restriction constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

Figure V.13: Impact of decision node: Price restriction.
This figure shows the non-standard errors when holding the price restriction constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.

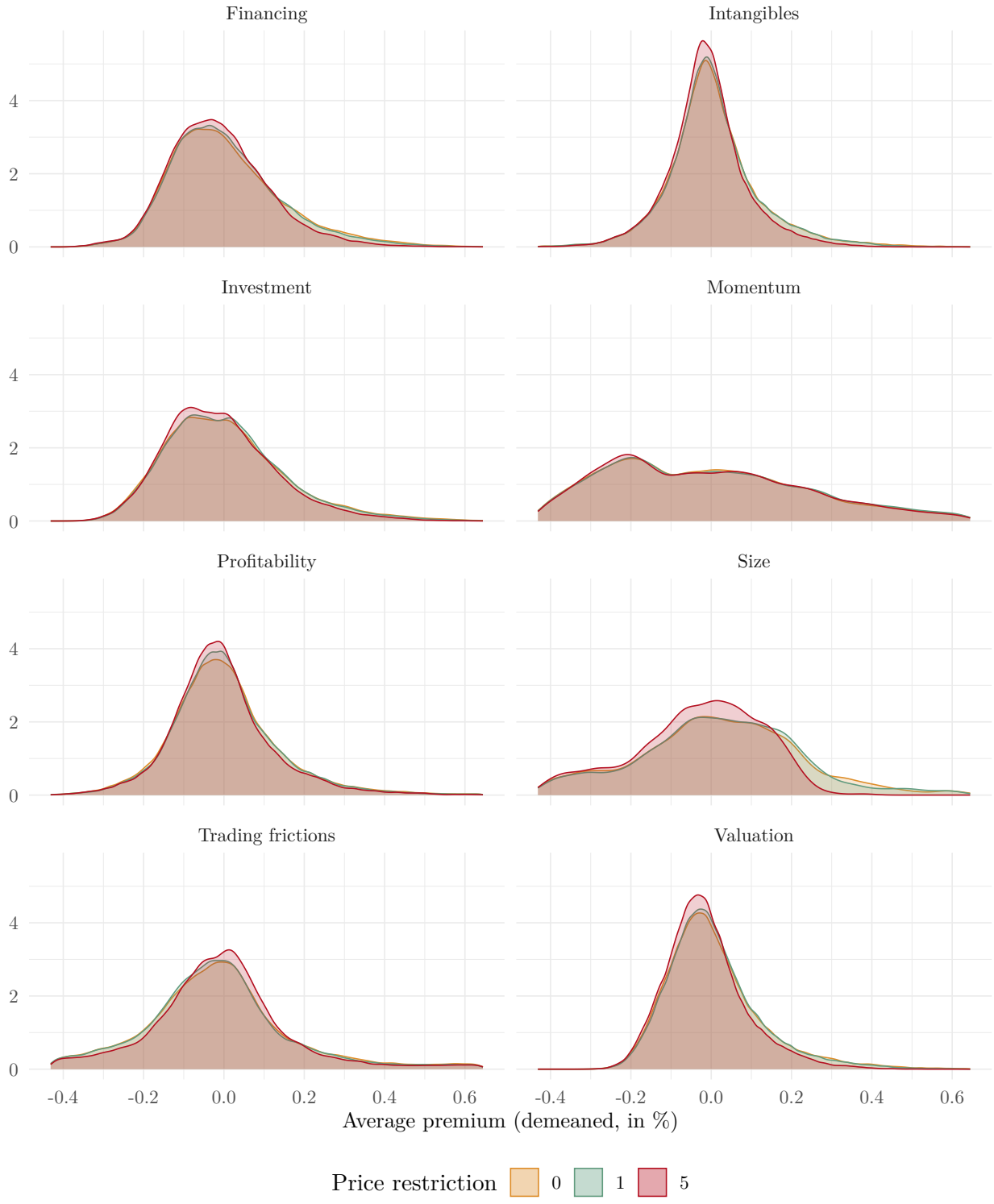
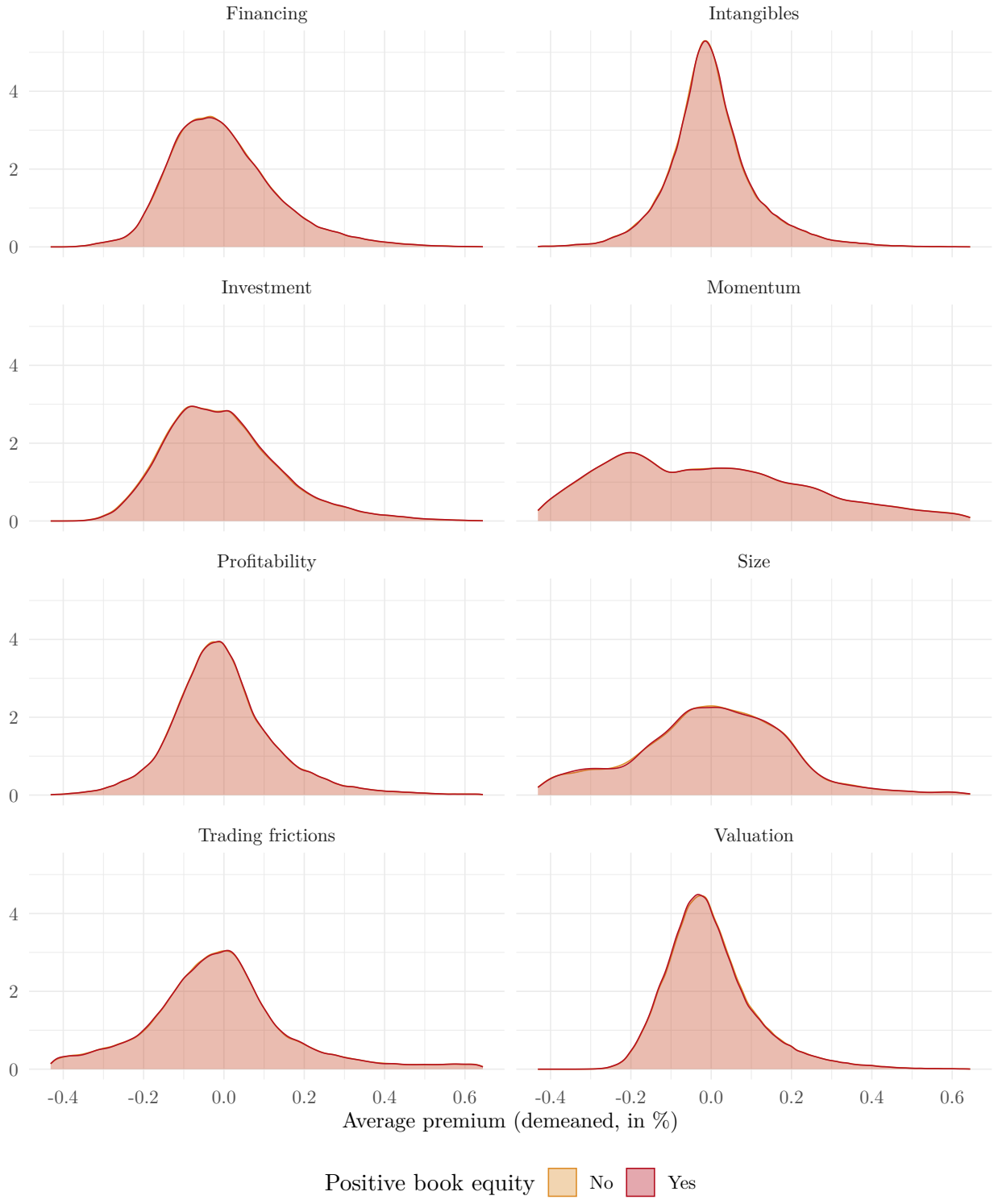


Figure V.14: Impact of decision node: Positive book equity.
This figure shows the non-standard errors when holding the book equity filter constant. In separate panels, we show the distribution of demeaned premia (in %) for the different categories.



VI Alphas and decision nodes

This section shows the impact of decision nodes on unadjusted returns (the remaining nodes not shown in Table 5) and on alphas from the CAPM, FF5, and Q5, respectively.

Table VI.1: Impact of decision node on premia.
This table shows summary statistics holding the individual choices of the panel's decision node constant. Each panel contains the mean (Mean, in %), skewness (Skew.), and kurtosis (Kurt.) of the 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 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 pairs at a 10% significance level.

Panel A: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
Excluded	0.29	0.21	(0.03, 0.06)	1.13	0.69	4.03	0.90	0.51	0.44
Included	0.28	0.19	(0.03, 0.06)	1.09	0.70	4.02	0.90	0.53	0.47

Panel B: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
Dependent	0.29	0.19	(0.03, 0.06)	1.12	0.77	4.05	0.90	0.54	0.46
Independent	0.29	0.20	(0.03, 0.05)	1.08	0.67	3.74	0.90	0.52	0.45
Single	0.28	0.21	(0.02, 0.07)	1.11	0.83	4.54	0.90	0.46	0.45

Panel C: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
2	0.29	0.19	(0.03, 0.06)	1.09	0.72	3.93	0.90	0.53	0.47
5	0.29	0.19	(0.04, 0.05)	1.10	0.70	3.72	0.90	0.53	0.44

Panel D: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
FF	0.26	0.14	(0.01, 0.03)	0.88	0.68	3.92	0.91	0.52	0.44
monthly	0.28	0.18	(0.03, 0.05)	1.01	0.68	4.05	0.89	0.50	0.45

Panel E: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
Excluded	0.29	0.20	(0.03, 0.06)	1.12	0.70	4.09	0.90	0.51	0.45
Included	0.28	0.20	(0.03, 0.06)	1.12	0.72	4.07	0.90	0.52	0.46

Panel F: Stock-age restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
0	0.30	0.21	(0.03, 0.06)	1.17	0.68	3.97	0.90	0.53	0.45
2	0.27	0.20	(0.03, 0.06)	1.13	0.75	4.20	0.90	0.51	0.46

Panel G: Price restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
0	0.29	0.21	(0.03, 0.07)	1.18	0.77	4.16	0.90	0.52	0.46
1	0.29	0.20	(0.03, 0.06)	1.13	0.64	3.61	0.90	0.52	0.46
5	0.28	0.19	(0.03, 0.05)	1.04	0.48	3.35	0.90	0.51	0.45

Panel H: Positive book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.	Mon.
No	0.29	0.20	(0.03, 0.06)	1.12	0.70	4.05	0.90	0.52	0.45
Yes	0.29	0.20	(0.03, 0.06)	1.12	0.70	4.06	0.90	0.52	0.45

Table VI.2: Impact of decision node on CAPM alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
5	0.34	0.18	(0.03, 0.06)	1.10	0.64	3.52	0.90	0.66
10	0.42	0.23	(0.03, 0.06)	1.14	0.58	3.56	0.90	0.65

Panel B: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.41	0.23	(0.05, 0.07)	1.26	0.68	3.60	0.90	0.69
VW	0.36	0.20	(0.03, 0.06)	1.09	0.64	3.80	0.90	0.62

Panel C: Positive earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.41	0.22	(0.04, 0.06)	1.15	0.61	3.66	0.91	0.67
Yes	0.35	0.19	(0.03, 0.06)	1.11	0.51	3.36	0.89	0.64

Panel D: Size restriction

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	3.11	0.89	0.61

Panel E: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.54	0.20	(0.04, 0.05)	1.10	0.65	4.54	0.95	0.77
3m	0.38	0.19	(0.04, 0.05)	1.03	0.60	3.84	0.90	0.64
6m	0.35	0.17	(0.03, 0.04)	0.95	0.55	3.66	0.89	0.63
FF	0.32	0.16	(0.02, 0.04)	0.95	0.61	3.53	0.90	0.60

Panel F: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.42	0.24	(0.05, 0.07)	1.25	0.52	3.39	0.90	0.67
NYSE	0.34	0.18	(0.03, 0.05)	1.03	0.56	3.70	0.91	0.64

Table VI.3: Impact of decision node on CAPM alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.39	0.22	(0.05, 0.07)	1.21	0.66	3.79	0.91	0.65
Included	0.38	0.21	(0.04, 0.07)	1.18	0.64	3.77	0.90	0.66

Panel B: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.38	0.21	(0.05, 0.07)	1.22	0.71	3.74	0.90	0.68
Independent	0.39	0.22	(0.05, 0.06)	1.17	0.64	3.56	0.90	0.66
Single	0.37	0.23	(0.03, 0.08)	1.20	0.75	4.01	0.91	0.60

Panel C: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.38	0.21	(0.04, 0.06)	1.19	0.68	3.68	0.91	0.67
5	0.38	0.21	(0.05, 0.06)	1.20	0.66	3.53	0.90	0.67

Panel D: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.32	0.17	(0.02, 0.04)	0.96	0.62	3.64	0.89	0.59
monthly	0.38	0.20	(0.04, 0.05)	1.09	0.62	3.73	0.90	0.65

Panel E: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.38	0.22	(0.04, 0.07)	1.21	0.67	3.83	0.90	0.65
Included	0.38	0.21	(0.04, 0.07)	1.20	0.68	3.84	0.90	0.65

Panel F: Stock-age restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.37	0.23	(0.05, 0.07)	1.25	0.62	3.71	0.89	0.64
2	0.34	0.21	(0.04, 0.07)	1.21	0.70	3.90	0.90	0.62

Panel G: Price restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.38	0.22	(0.05, 0.07)	1.26	0.73	3.90	0.91	0.65
1	0.38	0.22	(0.05, 0.07)	1.22	0.61	3.48	0.90	0.66
5	0.37	0.21	(0.04, 0.06)	1.14	0.47	3.25	0.90	0.65

Panel H: Positive book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.38	0.22	(0.04, 0.07)	1.21	0.66	3.80	0.90	0.65
Yes	0.38	0.22	(0.04, 0.07)	1.21	0.66	3.80	0.90	0.65

Table VI.4: Impact of decision node on FF5 alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
5	0.18	0.17	(0.04, 0.09)	1.36	0.46	3.55	0.74	0.51
10	0.23	0.22	(0.04, 0.08)	1.32	0.43	3.73	0.75	0.50

Panel B: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.23	0.21	(0.05, 0.09)	1.42	0.58	3.67	0.78	0.55
VW	0.18	0.18	(0.04, 0.07)	1.26	0.35	3.65	0.72	0.45

Panel C: Positive earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.21	0.20	(0.06, 0.09)	1.40	0.50	3.94	0.74	0.50
Yes	0.21	0.19	(0.05, 0.09)	1.37	0.34	3.44	0.76	0.51

Panel D: Size restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.25	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	0.01	3.08	0.71	0.45

Panel E: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.19	0.17	(0.03, 0.07)	1.16	0.63	5.10	0.78	0.33
3m	0.18	0.17	(0.05, 0.07)	1.26	0.33	3.83	0.72	0.46
6m	0.16	0.16	(0.05, 0.06)	1.20	0.26	3.67	0.72	0.45
FF	0.17	0.16	(0.05, 0.07)	1.26	0.35	3.44	0.72	0.49

Panel F: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.23	0.23	(0.07, 0.09)	1.46	0.33	3.46	0.77	0.52
NYSE	0.18	0.18	(0.04, 0.07)	1.25	0.42	3.80	0.73	0.48

Table VI.5: Impact of decision node on FF5 alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.20	0.20	(0.06, 0.09)	1.40	0.45	3.84	0.73	0.49
Included	0.21	0.19	(0.05, 0.09)	1.38	0.50	3.84	0.77	0.51

Panel B: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.21	0.19	(0.05, 0.08)	1.36	0.52	3.60	0.76	0.52
Independent	0.21	0.20	(0.05, 0.08)	1.32	0.46	3.44	0.75	0.50
Single	0.20	0.24	(0.06, 0.12)	1.57	0.62	3.96	0.72	0.47

Panel C: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.21	0.20	(0.05, 0.09)	1.37	0.49	3.56	0.75	0.50
5	0.21	0.19	(0.05, 0.08)	1.32	0.45	3.38	0.75	0.52

Panel D: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.17	0.16	(0.05, 0.07)	1.26	0.34	3.51	0.72	0.49
monthly	0.18	0.18	(0.06, 0.08)	1.33	0.38	3.74	0.73	0.47

Panel E: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.21	0.20	(0.05, 0.09)	1.40	0.47	3.91	0.75	0.51
Included	0.21	0.19	(0.05, 0.09)	1.40	0.50	3.97	0.75	0.50

Panel F: Stock-age restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.20	0.21	(0.06, 0.10)	1.48	0.46	3.77	0.74	0.51
2	0.19	0.20	(0.05, 0.09)	1.43	0.48	3.89	0.74	0.51

Panel G: Price restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.21	0.21	(0.06, 0.10)	1.49	0.52	3.90	0.75	0.51
1	0.21	0.21	(0.06, 0.09)	1.42	0.41	3.43	0.75	0.50
5	0.20	0.19	(0.05, 0.08)	1.30	0.21	3.18	0.74	0.49

Panel H: Positive book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.21	0.20	(0.06, 0.09)	1.41	0.46	3.83	0.75	0.50
Yes	0.21	0.20	(0.06, 0.09)	1.42	0.46	3.83	0.75	0.50

Table VI.6: Impact of decision node on Q5 alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: BP: Quantiles (main)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
5	0.07	0.16	(0.02, 0.06)	1.06	0.35	4.09	0.67	0.21
10	0.10	0.20	(0.02, 0.06)	1.06	0.41	4.30	0.68	0.21

Panel B: Weighting scheme

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
EW	0.11	0.18	(0.02, 0.06)	1.11	0.59	4.33	0.71	0.26
VW	0.07	0.17	(0.02, 0.05)	1.00	0.23	3.87	0.63	0.16

Panel C: Positive earnings

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.08	0.18	(0.02, 0.06)	1.11	0.47	4.50	0.65	0.21
Yes	0.09	0.17	(0.02, 0.06)	1.04	0.35	3.77	0.69	0.21

Panel D: Size restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.13	0.22	(0.04, 0.07)	1.24	0.30	3.73	0.73	0.29
0.2	0.04	0.15	(0.01, 0.03)	0.83	-0.09	3.31	0.59	0.14

Panel E: Sorting variable lag

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
1m	0.10	0.16	(0.01, 0.04)	0.93	0.47	6.04	0.56	0.17
3m	0.09	0.15	(0.02, 0.04)	0.97	0.29	4.50	0.68	0.23
6m	0.07	0.14	(0.01, 0.03)	0.91	0.24	4.44	0.64	0.18
FF	0.10	0.14	(0.01, 0.04)	0.94	0.40	4.07	0.73	0.21

Panel F: BP: Exchanges

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
All	0.11	0.20	(0.03, 0.06)	1.15	0.28	3.99	0.70	0.24
NYSE	0.07	0.16	(0.02, 0.05)	0.97	0.40	4.46	0.65	0.18

Table VI.7: Impact of decision node on Q5 alphas.
This table shows summary statistics holding the individual choices of the panel's decision node 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: Financials

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.08	0.18	(0.02, 0.06)	1.10	0.41	4.47	0.65	0.20
Included	0.10	0.17	(0.02, 0.06)	1.05	0.43	4.41	0.70	0.22

Panel B: Double sort

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Dependent	0.09	0.17	(0.02, 0.05)	1.04	0.49	3.94	0.68	0.21
Independent	0.09	0.18	(0.02, 0.05)	1.01	0.42	3.68	0.68	0.21
Single	0.09	0.21	(0.03, 0.08)	1.25	0.53	4.18	0.66	0.20

Panel C: BP: Quantiles (second)

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
2	0.09	0.17	(0.02, 0.05)	1.04	0.41	3.82	0.69	0.21
5	0.08	0.17	(0.02, 0.05)	1.00	0.44	3.66	0.67	0.22

Panel D: Rebalancing

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
FF	0.10	0.13	(0.01, 0.03)	0.92	0.38	4.19	0.74	0.20
monthly	0.09	0.16	(0.02, 0.05)	1.01	0.39	4.44	0.67	0.22

Panel E: Utilities

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
Excluded	0.09	0.18	(0.02, 0.06)	1.10	0.40	4.42	0.67	0.21
Included	0.09	0.18	(0.02, 0.06)	1.09	0.42	4.47	0.68	0.21

Panel F: Stock-age restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.09	0.19	(0.03, 0.06)	1.14	0.40	4.32	0.68	0.21
2	0.09	0.18	(0.03, 0.06)	1.13	0.46	4.50	0.71	0.21

Panel G: Price restriction

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
0	0.09	0.19	(0.03, 0.07)	1.18	0.49	4.51	0.68	0.22
1	0.09	0.18	(0.02, 0.06)	1.11	0.35	3.82	0.68	0.22
5	0.08	0.17	(0.02, 0.04)	0.98	0.07	3.41	0.66	0.19

Panel H: Positive book equity

Branch	Mean	NSE	Left-right	Ratio	Skew.	Kurt.	Pos.	Sig.
No	0.09	0.18	(0.02, 0.06)	1.10	0.40	4.40	0.67	0.21
Yes	0.09	0.18	(0.02, 0.06)	1.10	0.40	4.41	0.67	0.21

VII Economic drivers

In this section, we explore the the economic drivers of non-standard errors in portfolio sorts. In particular, we show time-series plots for all decision nodes similar to Figure 6. Then, we show the panel regressions for the different decision nodes and individual economic drivers.

Figure VII.1: Mean absolute differences over time for the decision node: Breakpoint quantiles (main).
This figure shows the time series of mean absolute differences (in %) for the decision node "breakpoint quantiles (main)". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

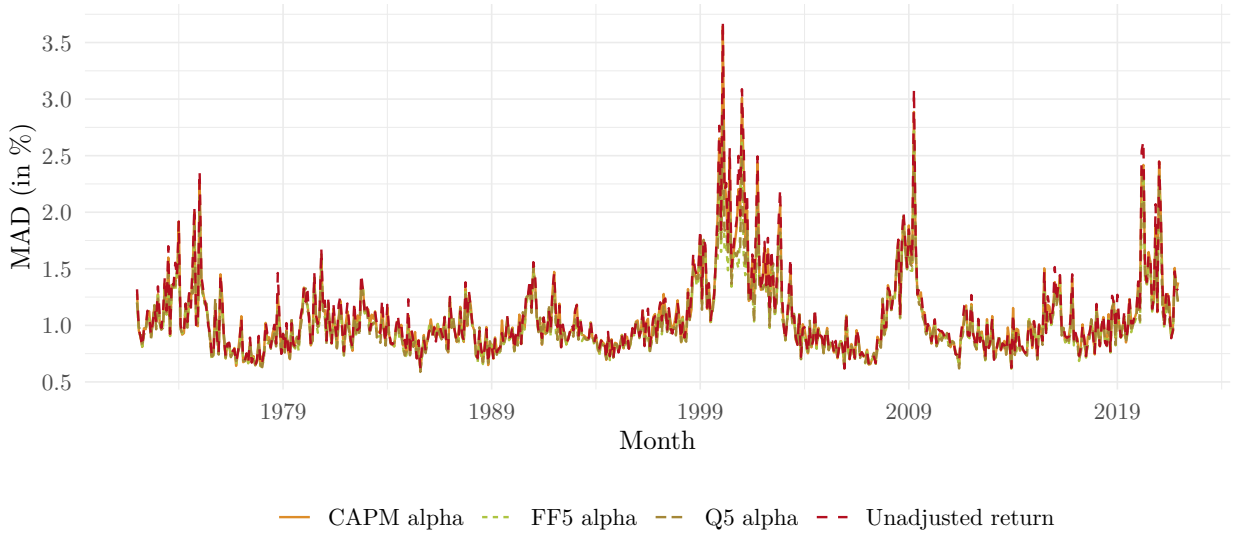


Figure VII.2: Mean absolute differences over time for the decision node: Positive earnings filter.
This figure shows the time series of mean absolute differences (in %) for the decision node "positive earnings filter". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

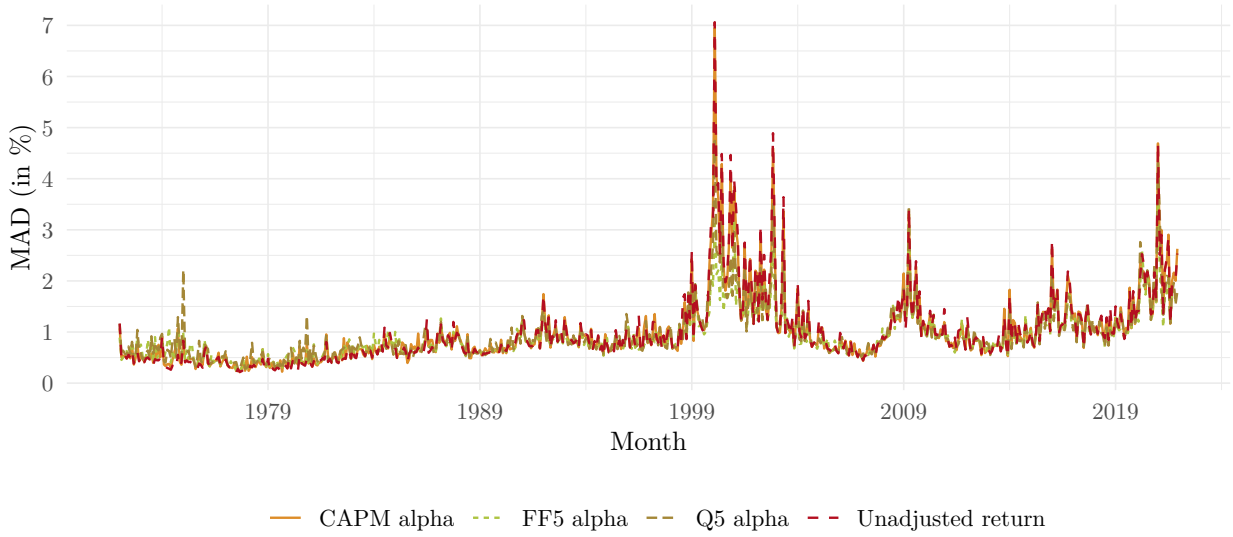


Figure VII.3: Mean absolute differences over time for the decision node: Size restriction.
This figure shows the time series of mean absolute differences (in %) for the decision node "size restriction". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

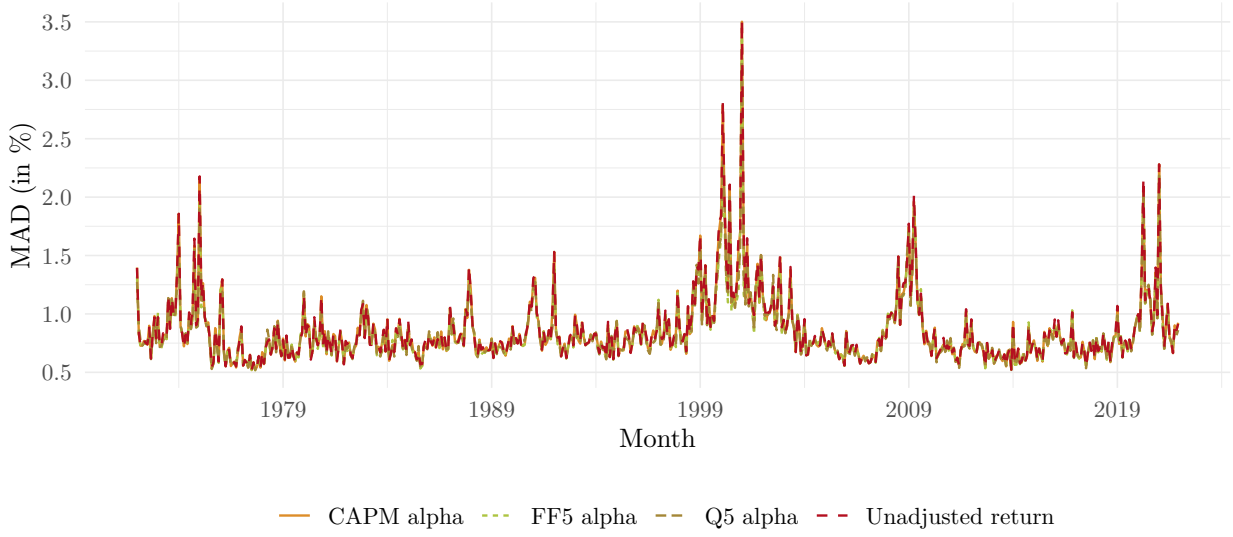


Figure VII.4: Mean absolute differences over time for the decision node: Sorting variable lag.
This figure shows the time series of mean absolute differences (in %) for the decision node "sorting variable lag". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

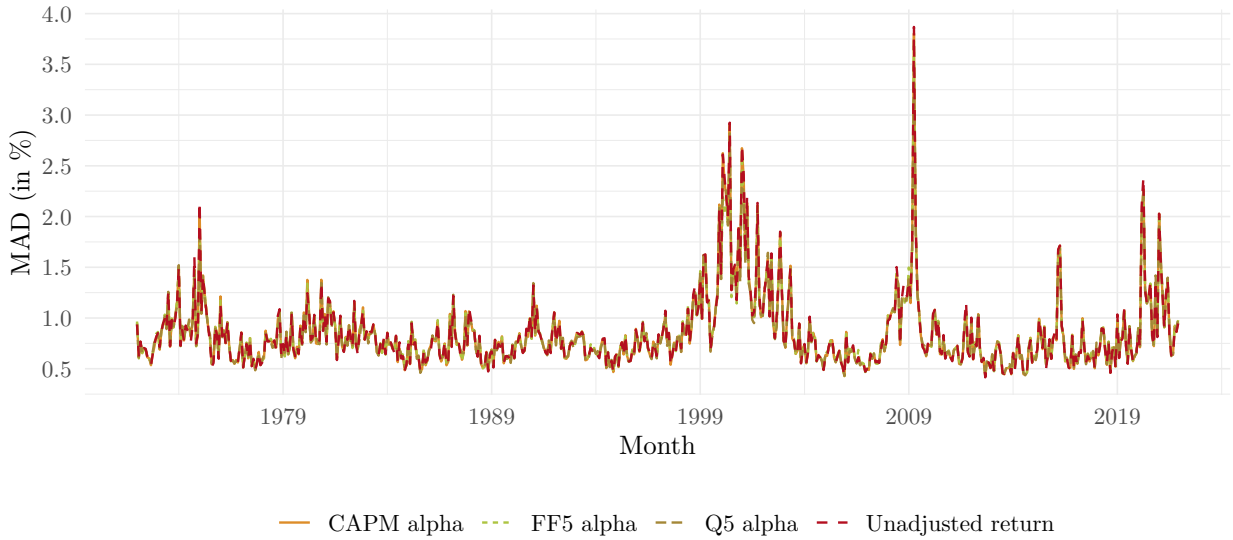


Figure VII.5: Mean absolute differences over time for the decision node: Breakpoint exchanges.
This figure shows the time series of mean absolute differences (in %) for the decision node "breakpoint exchanges". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

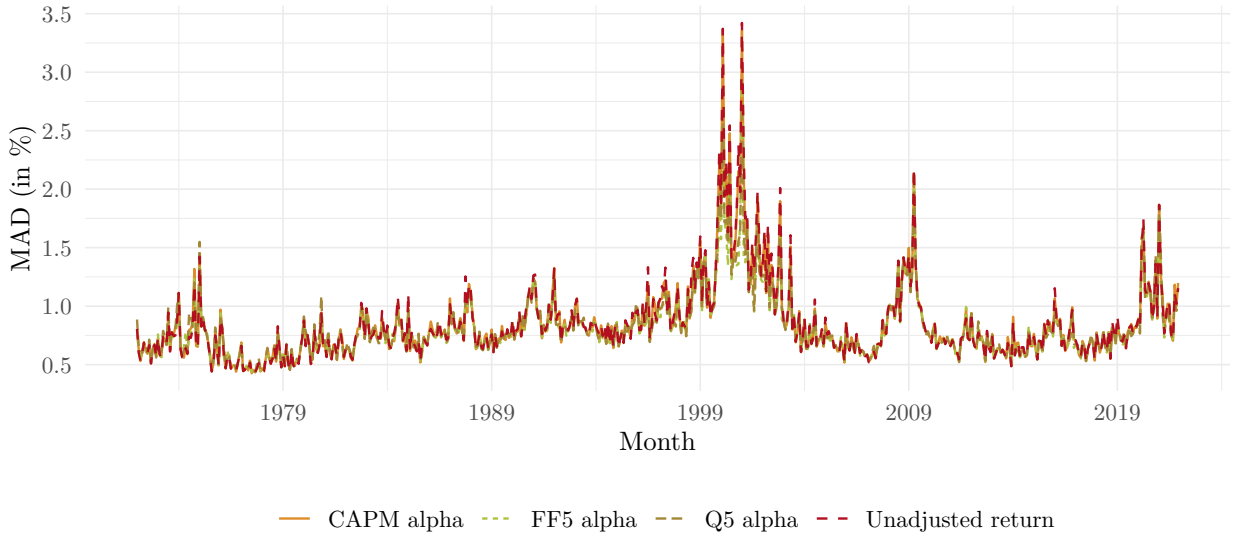


Figure VII.6: Mean absolute differences over time for the decision node: Financials.
This figure shows the time series of mean absolute differences (in %) for the decision node "financials". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

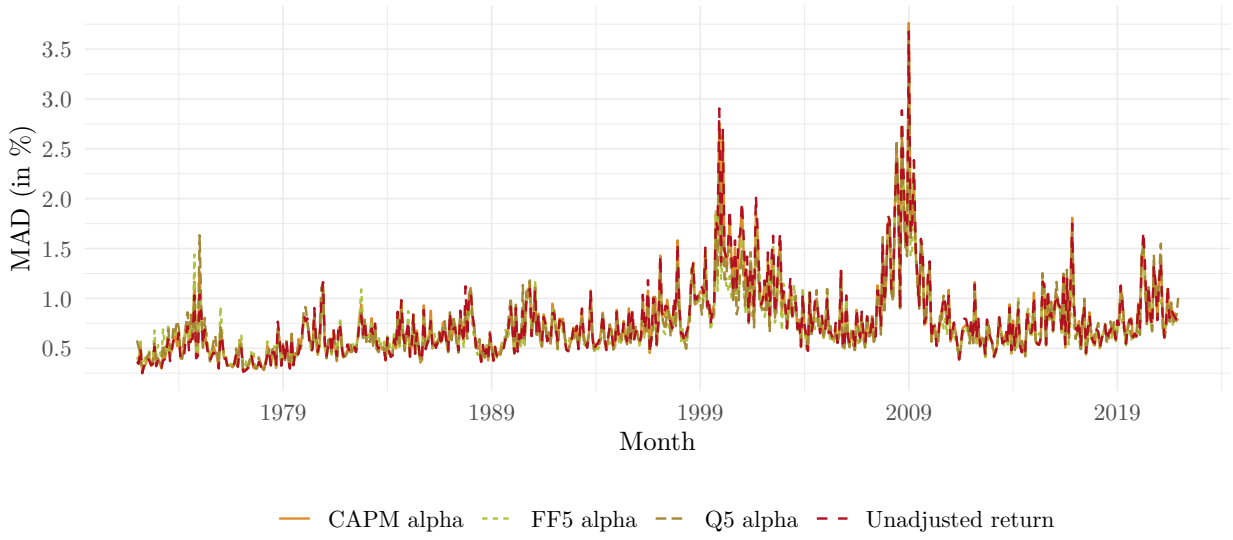


Figure VII.7: Mean absolute differences over time for the decision node: Double sort.
This figure shows the time series of mean absolute differences (in %) for the decision node "double sort". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

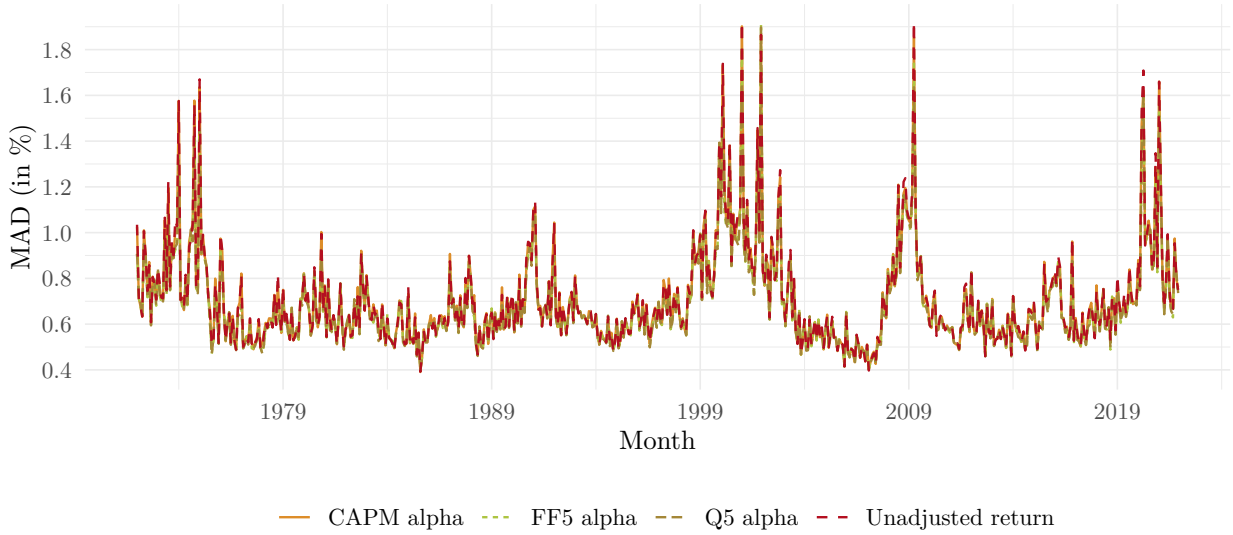


Figure VII.8: Mean absolute differences over time for the decision node: Breakpoint quantiles (secondary).
This figure shows the time series of mean absolute differences (in %) for the decision node "breakpoint quantiles (secondary)". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

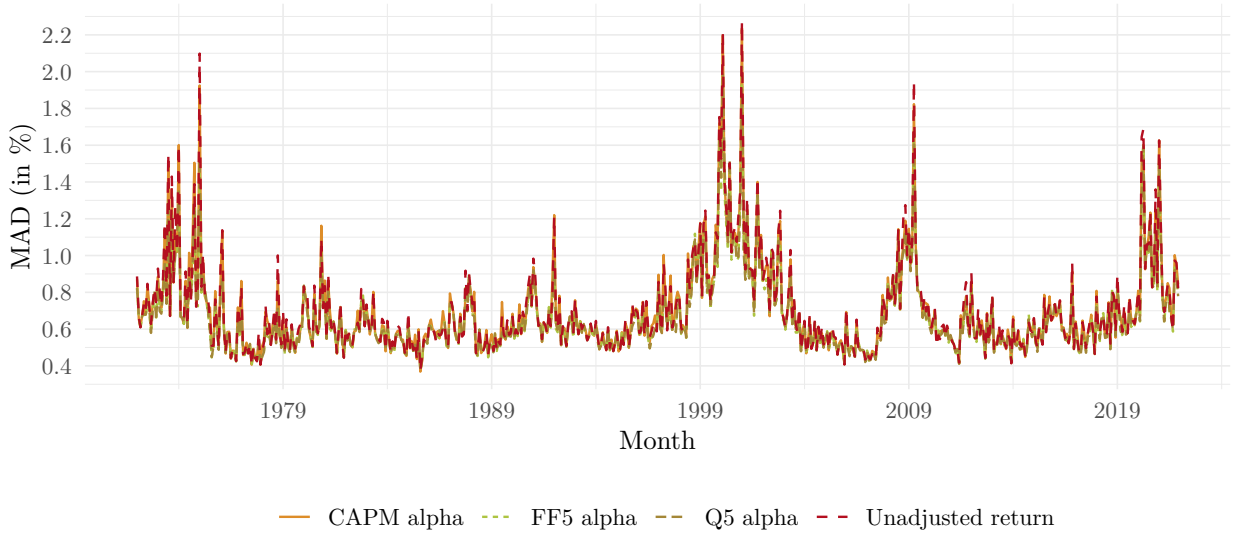


Figure VII.9: Mean absolute differences over time for the decision node: Rebalancing.
This figure shows the time series of mean absolute differences (in %) for the decision node "rebalancing". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

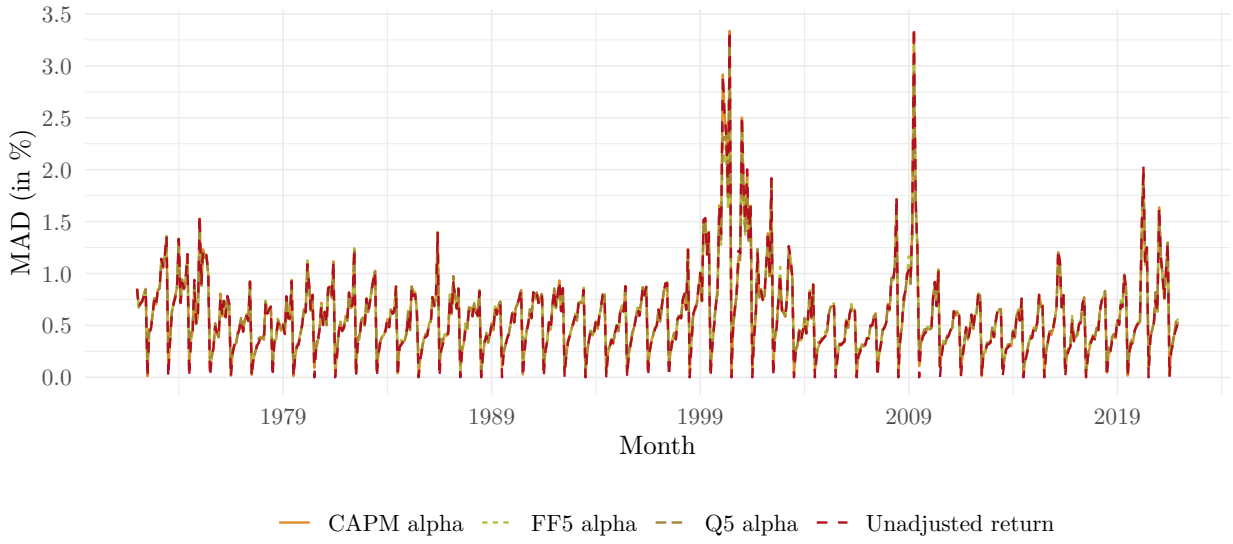


Figure VII.10: Mean absolute differences over time for the decision node: Utilities.
This figure shows the time series of mean absolute differences (in %) for the decision node "utilities". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

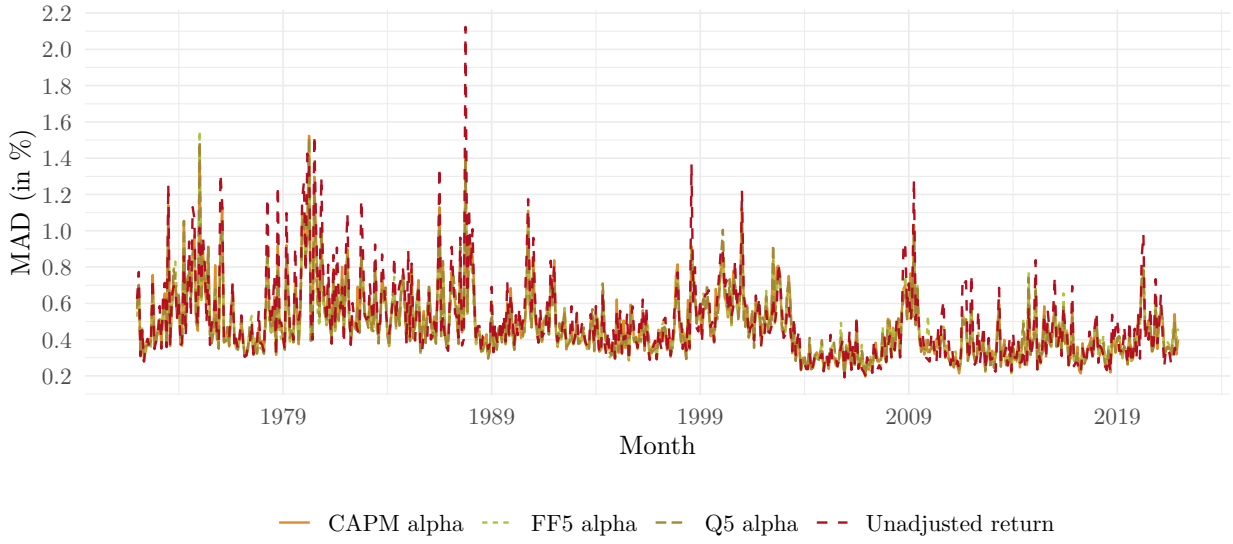


Figure VII.11: Mean absolute differences over time for the decision node: Stock age restriction.
This figure shows the time series of mean absolute differences (in %) for the decision node "stock age restriction". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

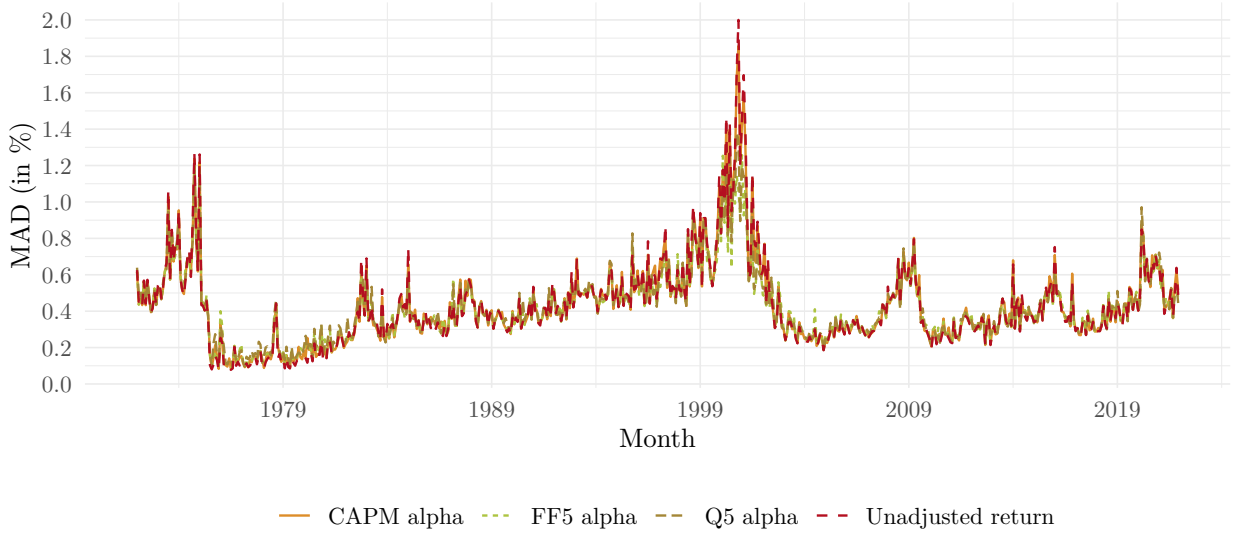


Figure VII.12: Mean absolute differences over time for the decision node: Price restriction.
This figure shows the time series of mean absolute differences (in %) for the decision node "price restriction". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

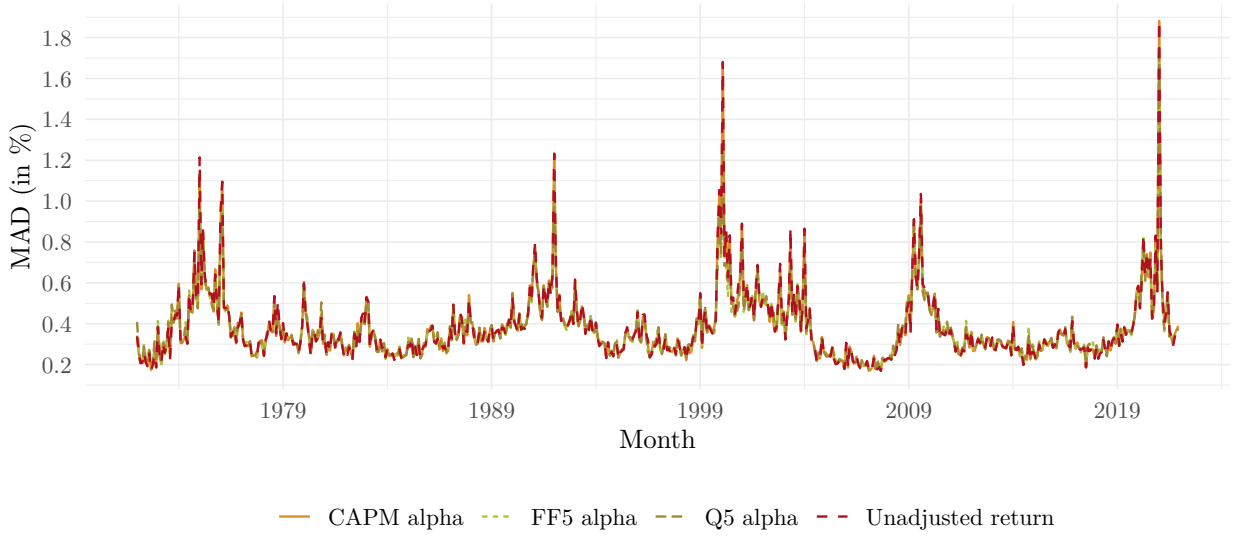


Figure VII.13: Mean absolute differences over time for the decision node: Positive book equity.
This figure shows the time series of mean absolute differences (in %) for the decision node "positive book equity". We plot the differences for unadjusted premia, CAPM, FF5, and Q5 alphas.

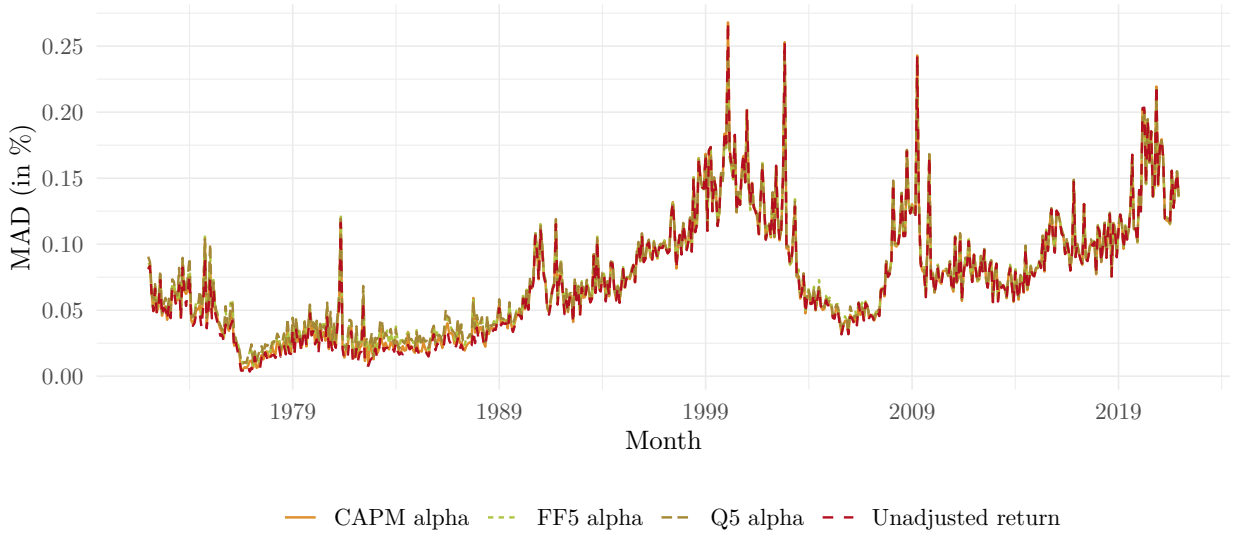


Table VII.1: Panel regressions of mean absolute differences on the CBOE volatility index.
Each entry corresponds to a panel regression of the residual mean absolute differences for the corresponding node (printed in each row) on the CBOE volatility index and the interaction term of this index with the corresponding group (printed in each column). We show only the interaction terms of these panel regressions. Moreover, we calculate residual mean absolute differences relative to the cross-sectional return dispersion in each month. Then, mean absolute differences are calculated as in Equation (5) and are based on unadjusted premia. Cross-sectional return dispersion corresponds to the standard deviation of returns of U.S. stocks from CRSP in each cross-section. The dependent and independent variables are standardized, Newey and West (1987) corrected t-statistics are printed in parentheses and ***, **, * corresponds to the 1%, 5%, and 10% significance level.

Node	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	-0.13^{***}	0.02	-0.08^{***}	0.00	-0.01	0.31^{***}	0.21^{***}	-0.04^{**}
	(-7.77)	(0.93)	(-4.71)	(-0.11)	(-0.44)	(4.04)	(6.15)	(-2.19)
Weighting scheme	-0.06^{***}	-0.02	-0.05^{**}	-0.04	0.07^{***}	-0.04	-0.01	0.09^{***}
	(-3.15)	(-1.13)	(-2.54)	(-1.53)	(3.19)	(-0.69)	(-0.51)	(3.92)
Positive earnings	-0.06^{***}	-0.08^{***}	-0.05^{***}	-0.03	0.16^{***}	0.23^{***}	0.10^{***}	-0.07^{***}
	(-2.83)	(-4.35)	(-3.04)	(-1.45)	(5.98)	(3.97)	(3.91)	(-4.34)
Size restriction	-0.12^{***}	-0.03^{*}	-0.13^{***}	-0.01	0.04	0.66^{***}	0.16^{***}	0.01
	(-9.57)	(-1.69)	(-11.23)	(-0.61)	(1.59)	(5.67)	(4.85)	(0.54)
Sorting variable lag	-0.17^{***}	-0.16^{***}	-0.15^{***}	0.37^{***}	-0.12^{***}	0.80^{***}	0.40^{***}	-0.12^{***}
	(-13.15)	(-11.70)	(-11.26)	(7.92)	(-6.83)	(6.34)	(7.98)	(-8.14)
BP: Exchanges	-0.10^{***}	0.00	-0.13^{***}	-0.09^{***}	0.05^{**}	0.50^{***}	0.19^{***}	-0.01
	(-6.12)	(-0.09)	(-9.41)	(-5.51)	(2.09)	(6.05)	(5.19)	(-0.44)
Financials	-0.20^{***}	0.02	-0.09^{***}	-0.02	0.14^{***}	0.16^{***}	0.06^{***}	0.02
	(-14.08)	(0.60)	(-4.08)	(-0.68)	(3.76)	(3.45)	(2.79)	(0.71)
Double sort	-0.11^{***}	0.00	-0.10^{***}	-0.05^{***}	0.00	0.89^{***}	0.16^{***}	-0.02^{*}
	(-10.63)	(-0.21)	(-9.87)	(-4.18)	(0.17)	(7.15)	(3.63)	(-1.87)
BP: Quantiles (second)	-0.10^{***}	-0.03	-0.12^{***}	-0.05^{***}	0.02	0.84^{***}	0.20^{***}	-0.03^{**}
	(-8.29)	(-1.27)	(-9.81)	(-3.81)	(0.79)	(7.88)	(4.11)	(-2.33)
Rebalancing	-0.07^{***}	0.03	-0.06^{***}		0.06^{*}			0.02
	(-3.80)	(1.39)	(-3.38)		(1.95)			(1.22)
Utilities	-0.08^{***}	-0.07^{***}	-0.07^{***}	-0.05^{***}	0.11^{***}	0.10^{***}	0.06^{***}	0.07^{***}
	(-7.91)	(-3.95)	(-7.06)	(-4.02)	(3.82)	(3.39)	(2.63)	(3.12)
Stock-age restriction	0.00	-0.05^{***}	0.02	-0.10^{***}	0.07^{***}	0.15^{***}	0.07^{**}	-0.05^{***}
	(-0.13)	(-3.06)	(0.80)	(-5.93)	(2.68)	(3.01)	(2.35)	(-2.91)
Price restriction	-0.08^{***}	-0.02	-0.09^{***}	-0.01	0.03	0.47^{***}	0.11^{***}	0.00
	(-5.11)	(-1.51)	(-6.90)	(-0.31)	(1.31)	(3.77)	(4.07)	(-0.12)
Positive book equity	0.02	0.07^{***}	-0.06^{***}	-0.05^{***}	0.07^{**}	0.07^{*}	-0.03	-0.05^{***}
	(1.21)	(3.78)	(-4.18)	(-2.70)	(2.45)	(1.66)	(-1.53)	(-2.82)

Table VII.2: Panel regressions of mean absolute differences on NBER recessions.
Each entry corresponds to a panel regression of the residual mean absolute differences for the corresponding node (printed in each row) on the NBER recession indicator and the interaction term of this indicator with the corresponding group (printed in each column). We show only the interaction terms of these panel regressions. Moreover, we calculate residual mean absolute differences relative to the cross-sectional return dispersion in each month. Then, mean absolute differences are calculated as in (5) and are based on unadjusted premiums. Cross-sectional return dispersion corresponds to the standard deviation of returns of U.S. stocks from CRSP in each cross-section. The dependent and independent variables are standardized, Newey and West (1987) corrected t-statistics are printed in parentheses and ***, **, * corresponds to the 1%, 5%, and 10% significance level.

Node	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	-0.26^{***}	0.05	-0.16^{***}	0.04	0.04	0.34	0.28^{***}	-0.04
	(-6.17)	(0.79)	(-3.87)	(0.58)	(0.75)	(1.56)	(3.45)	(-0.93)
Weighting scheme	-0.15^{***}	0.04	-0.07	-0.05	0.08	-0.05	0.04	0.06
	(-3.21)	(0.89)	(-1.55)	(-0.88)	(1.62)	(-0.39)	(0.90)	(1.17)
Positive earnings	-0.06^{*}	0.02	0.07^{**}	0.12^{***}	-0.13^{***}	0.08	-0.02	0.02
	(-1.78)	(0.56)	(2.19)	(3.17)	(-2.95)	(0.72)	(-0.45)	(0.82)
Size restriction	-0.25^{***}	-0.01	-0.17^{***}	-0.03	0.07	0.63^{**}	0.25^{***}	0.03
	(-7.44)	(-0.27)	(-5.65)	(-0.59)	(1.25)	(2.22)	(2.92)	(0.77)
Sorting variable lag	-0.30^{***}	-0.26^{***}	-0.32^{***}	0.55^{***}	-0.16^{***}	0.80^{**}	0.63^{***}	-0.06
	(-9.90)	(-8.61)	(-10.72)	(5.53)	(-4.05)	(2.50)	(5.87)	(-1.57)
BP: Exchanges	-0.15^{***}	0.08	-0.06^{**}	-0.11^{***}	0.01	0.59^{***}	0.15^{*}	-0.03
	(-4.46)	(1.44)	(-2.14)	(-2.83)	(0.24)	(2.76)	(1.77)	(-0.92)
Financials	-0.30^{***}	-0.02	-0.21^{***}	0.12^{**}	0.33^{***}	0.06	-0.01	0.03
	(-9.11)	(-0.26)	(-4.20)	(2.14)	(3.99)	(0.52)	(-0.14)	(0.43)
Double sort	-0.21^{***}	-0.01	-0.17^{***}	-0.08^{***}	0.04	1.08^{***}	0.30^{***}	-0.03
	(-8.51)	(-0.12)	(-6.67)	(-2.97)	(0.66)	(2.80)	(2.78)	(-1.10)
BP: Quantiles (second)	-0.22^{***}	-0.02	-0.19^{***}	-0.07^{**}	0.06	1.32^{***}	0.35^{***}	-0.08^{**}
	(-7.26)	(-0.37)	(-6.83)	(-2.13)	(0.93)	(3.29)	(3.12)	(-2.38)
Rebalancing	-0.14^{**}	0.02	-0.17^{***}		0.09			0.18^{***}
	(-2.13)	(0.33)	(-3.57)		(1.13)			(3.09)
Utilities	-0.16^{***}	-0.13^{**}	-0.25^{***}	-0.04	0.37^{***}	0.03	0.13^{**}	0.02
	(-3.98)	(-2.34)	(-7.48)	(-0.89)	(4.64)	(0.48)	(2.16)	(0.31)
Stock-age restriction	-0.12^{**}	0.00	-0.01	-0.14^{***}	0.11^{**}	0.31^{*}	-0.07	0.08^{*}
	(-2.00)	(0.08)	(-0.26)	(-3.37)	(2.08)	(1.74)	(-0.93)	(1.84)
Price restriction	-0.13^{***}	-0.05	-0.09^{***}	0.07	-0.04	0.04	0.29^{***}	-0.03
	(-3.49)	(-1.03)	(-2.66)	(1.61)	(-0.71)	(0.20)	(3.64)	(-0.64)
Positive book equity	0.14^{***}	0.04	0.06^{*}	-0.03	0.03	-0.05	-0.19^{***}	-0.04
	(2.91)	(0.82)	(1.80)	(-0.72)	(0.47)	(-0.32)	(-3.76)	(-1.01)

Table VII.3: Panel regressions of mean absolute differences on the liquidity index.
Each entry corresponds to a panel regression of the residual mean absolute differences for the corresponding node (printed in each row) on the liquidity index from Pástor and Stambaugh (2003) and the interaction term of this index with the corresponding group (printed in each column). We show only the interaction terms of these panel regressions. Moreover, we calculate residual mean absolute differences relative to the cross-sectional return dispersion in each month. Then, mean absolute differences are calculated as in (5) and are based on unadjusted premiums. Cross-sectional return dispersion corresponds to the standard deviation of returns of U.S. stocks from CRSP in each cross-section. The dependent and independent variables are standardized, Newey and West (1987) corrected t-statistics are printed in parentheses and ***, **, * corresponds to the 1%, 5%, and 10% significance level.

Node	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	0.05^{***}	-0.01	0.01	0.01	0.02	-0.07	-0.06^{**}	-0.01
	(3.30)	(−0.44)	(0.77)	(0.52)	(0.98)	(−1.26)	(−2.20)	(−0.44)
Weighting scheme	0.01	-0.02	0.03	0.00	-0.03^{*}	0.04	0.03^{**}	-0.01
	(0.41)	(−1.25)	(1.59)	(−0.21)	(−1.66)	(0.99)	(2.04)	(−0.59)
Positive earnings	0.00	0.03^{**}	0.00	0.00	-0.08^{***}	0.04	0.01	0.04^{***}
	(0.23)	(2.02)	(0.03)	(0.03)	(−3.34)	(0.76)	(0.50)	(2.67)
Size restriction	0.03^{***}	0.01	0.05^{***}	0.00	0.00	-0.21^{**}	-0.05^{*}	-0.01
	(2.66)	(0.75)	(4.94)	(0.09)	(−0.23)	(−2.05)	(−1.81)	(−1.03)
Sorting variable lag	0.06^{***}	0.07^{***}	0.05^{***}	-0.15^{***}	0.04^{***}	-0.31^{***}	-0.13^{***}	0.04^{***}
	(6.10)	(6.59)	(4.62)	(−4.24)	(3.20)	(−2.66)	(−3.63)	(3.58)
BP: Exchanges	0.03^{**}	0.00	0.04^{***}	0.02	-0.01	-0.09	-0.05^{*}	-0.02
	(2.30)	(−0.06)	(4.06)	(1.41)	(−0.30)	(−1.38)	(−1.68)	(−1.46)
Financials	0.05^{***}	-0.02	0.02	0.02^{*}	-0.08^{***}	0.00	0.01	0.03
	(4.88)	(−1.02)	(0.90)	(1.89)	(−3.71)	(−0.05)	(0.53)	(1.58)
Double sort	0.03^{***}	0.00	0.04^{***}	0.01	0.01	-0.34^{***}	-0.04	0.00
	(3.90)	(−0.17)	(5.18)	(1.52)	(0.47)	(−3.00)	(−1.32)	(−0.18)
BP: Quantiles (second)	0.04^{***}	0.00	0.06^{***}	0.02^{*}	-0.01	-0.28^{**}	-0.07^{*}	0.00
	(3.73)	(0.01)	(6.07)	(1.80)	(−0.70)	(−2.50)	(−1.87)	(0.26)
Rebalancing	-0.01	-0.01	0.03		0.00			-0.01
	(−0.28)	(−0.42)	(1.54)		(0.02)			(−0.68)
Utilities	0.05^{***}	0.08^{***}	0.11^{***}	-0.03	-0.13^{***}	0.01	-0.05^{*}	-0.02
	(3.02)	(3.68)	(9.32)	(−0.76)	(−4.03)	(0.36)	(−1.90)	(−1.10)
Stock-age restriction	-0.05^{**}	0.00	-0.03	0.09^{***}	-0.04^{*}	-0.04	0.06^{**}	0.02
	(−1.97)	(−0.06)	(−1.61)	(5.87)	(−1.79)	(−0.67)	(2.17)	(1.25)
Price restriction	0.02	0.00	0.00	0.03	-0.01	0.02	-0.04	0.01
	(1.13)	(−0.25)	(−0.20)	(1.42)	(−0.42)	(0.25)	(−1.57)	(0.91)
Positive book equity	-0.03^{**}	-0.03^{**}	-0.01	0.01	-0.01	0.04	0.04^{**}	0.03^{**}
	(−1.96)	(−2.13)	(−0.53)	(0.48)	(−0.62)	(0.75)	(2.44)	(2.15)

Table VII.4: Panel regressions of mean absolute differences on the sentiment index.
Each entry corresponds to a panel regression of the residual mean absolute differences for the corresponding node (printed in each row) on the sentiment index from Baker and Wurgler (2006) and the interaction term of this index with the corresponding group (printed in each column). We show only the interaction terms of these panel regressions. Moreover, we calculate residual mean absolute differences relative to the cross-sectional return dispersion in each month. Then, mean absolute differences are calculated as in (5) and are based on unadjusted premia. Cross-sectional return dispersion corresponds to the standard deviation of returns of U.S. stocks from CRSP in each cross-section. The dependent and independent variables are standardized, Newey and West (1987) corrected t-statistics are printed in parentheses and ***, **, * corresponds to the 1 %, 5% and 10 % significance level.

Node	Fin.	Int.	Inv.	Mom.	Pro.	Siz.	Tra.	Val.
BP: Quantiles (main)	-0.01	-0.05^{***}	-0.02	-0.02	-0.01	0.10	0.10^{***}	0.00
	(-0.57)	(-2.87)	(-1.29)	(-1.10)	(-0.87)	(1.62)	(3.92)	(-0.20)
Weighting scheme	-0.03^{*}	0.02	0.00	0.00	-0.04^{***}	-0.03	0.03^{**}	0.02
	(-1.74)	(1.36)	(0.16)	(-0.27)	(-2.58)	(-0.84)	(1.97)	(1.00)
Positive earnings	-0.02	-0.07^{***}	-0.06^{***}	-0.08^{***}	0.21^{***}	0.09^{**}	0.02	-0.07^{***}
	(-1.17)	(-5.05)	(-4.15)	(-4.92)	(9.84)	(2.35)	(1.48)	(-5.54)
Size restriction	-0.02	-0.03^{**}	-0.03^{***}	0.03^{*}	0.02	0.28^{***}	0.03	-0.02
	(-1.63)	(-2.02)	(-2.87)	(1.66)	(0.92)	(2.58)	(1.13)	(-1.47)
Sorting variable lag	-0.04^{***}	-0.06^{***}	-0.03^{***}	0.15^{***}	-0.05^{***}	0.36^{***}	0.12^{***}	-0.07^{***}
	(-4.25)	(-6.07)	(-2.83)	(3.89)	(-4.62)	(2.83)	(3.31)	(-6.25)
BP: Exchanges	-0.04^{***}	-0.09^{***}	-0.05^{***}	-0.03^{**}	0.00	0.13^{**}	0.13^{***}	0.05^{***}
	(-2.73)	(-5.53)	(-4.97)	(-1.98)	(0.30)	(2.15)	(4.93)	(3.57)
Financials	-0.08^{***}	0.02	0.00	-0.06^{***}	0.06^{***}	0.02	0.01	0.01
	(-9.52)	(1.39)	(-0.31)	(-7.49)	(3.47)	(0.99)	(0.59)	(1.10)
Double sort	-0.01^{*}	-0.03^{*}	0.01	-0.01	0.00	0.21^{*}	0.07^{**}	-0.05^{***}
	(-1.73)	(-1.69)	(1.01)	(-1.07)	(0.08)	(1.68)	(2.24)	(-5.88)
BP: Quantiles (second)	0.00	-0.02	0.02^{**}	-0.01	-0.03^{*}	0.25^{*}	0.06^{*}	-0.04^{***}
	(0.16)	(-1.12)	(2.02)	(-0.63)	(-1.81)	(1.89)	(1.70)	(-4.19)
Rebalancing	-0.02	-0.04^{**}	0.03^{**}		0.02			0.00
	(-0.78)	(-2.17)	(2.08)		(0.84)			(0.19)
Utilities	-0.05^{***}	0.03^{*}	0.05^{***}	-0.01	-0.10^{***}	0.02	0.00	0.08^{***}
	(-4.46)	(1.79)	(4.78)	(-0.89)	(-4.55)	(0.98)	(-0.03)	(5.17)
Stock-age restriction	0.05^{*}	-0.09^{***}	0.04^{*}	-0.06^{***}	0.04^{*}	0.10	0.12^{***}	-0.10^{***}
	(1.70)	(-4.69)	(1.95)	(-3.59)	(1.82)	(1.63)	(4.95)	(-5.59)
Price restriction	0.05^{***}	-0.02	0.03^{**}	0.03^{**}	0.05^{***}	0.21^{***}	-0.12^{***}	-0.03^{**}
	(3.88)	(-1.29)	(2.41)	(1.97)	(3.32)	(2.85)	(-4.42)	(-2.46)
Positive book equity	0.00	0.00	0.01	-0.06^{***}	0.00	0.19^{***}	0.12^{***}	-0.09^{***}
	(-0.16)	(-0.24)	(1.13)	(-4.92)	(0.08)	(4.57)	(8.20)	(-7.68)

VIII Colophon

We use `R` (R Core Team, 2022) to generate this project's results. We report the packages with their package version in Table VIII.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 VIII.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	4.2.2	4.1.0	R Core Team (2022)
broom	1.0.3		Robinson et al. (2023)
corrr	0.4.4	0.4.4	Kuhn et al. (2022)
datasets	4.2.2	4.1.0	R Core Team (2022)
DBI	1.1.3	1.1.3	R Special Interest Group on Databases (R-SIG-DB) et al. (2022)
dbplyr	2.3.1		Wickham et al. (2023b)
dplyr	1.1.0	1.1.0	Wickham et al. (2023a)
DT	0.27		Xie et al. (2023)
forcats	1.0.0	1.0.0	Wickham (2023)
frenchdata	0.2.0		Areal (2021)
furrr	0.3.1		Vaughan and Dancho (2022)
ggplot2	3.4.1	3.4.1	Wickham (2016)
graphics	4.2.2	4.1.0	R Core Team (2022)
grDevices	4.2.2	4.1.0	R Core Team (2022)
grid	4.2.2		R Core Team (2022)
gridExtra	2.3		Auguie (2017)
janitor	2.2.0		Firke (2023)
jsonlite	1.8.4		Ooms (2014)
knitr	1.42		Xie (2023)
kSamples	1.2-9		Scholz and Zhu (2019)
lmtest	0.9-40	0.9-40	Zeileis and Hothorn (2002)
lubridate	1.9.2	1.9.2	Grolemund and Wickham (2011)
methods	4.2.2	4.1.0	R Core Team (2022)
moments	0.14.1	0.14.1	Komsta and Novomestky (2022)
monotonicity	1.3.1	1.3.1	Köstlmeier (2019)
purrr	1.0.1	1.0.1	Wickham and Henry (2023)
readr	2.1.4	2.1.4	Wickham et al. (2023c)
readxl	1.4.2		Wickham and Bryan (2023)
renv	0.16.0		Ushey (2022)
rmarkdown	2.20		Allaire et al. (2023)
RPostgres	1.4.5		Wickham et al. (2023d)
RSQLite	2.3.0	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	4.2.2	4.1.0	R Core Team (2022)
stringr	1.5.0	1.5.0	Wickham (2022)
tibble	3.1.8	3.1.8	Müller and Wickham (2022)
tidyr	1.3.0	1.3.0	Wickham et al. (2023e)
tidyverse	2.0.0	2.0.0	Wickham et al. (2019)
tikzDevice	0.12.4		Sharpsteen and Bracken (2023)
utils	4.2.2	4.1.0	R Core Team (2022)
xtable	1.8-4		Dahl et al. (2019)
zoo	1.8-11	1.8-11	Zeileis and Grothendieck (2005)