

To summarize, we can infer the following stylized facts about univariate financial return series:

- (U1) Return series are not iid although they show little serial correlation;
- (U2) Series of absolute or squared returns show profound serial correlation;
- (U3) Conditional expected returns are close to zero;
- (U4) Volatility (conditional standard deviation) appears to vary over time;
- (U5) Extreme returns appear in clusters;
- (U6) Return series are leptokurtic or heavy-tailed (power-like tail).