Factor Models	Learning Models
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Correlated noisy measurements M_j Sequence of signals S_{it}

Factor Models	Learning Models

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Identify factor using correlation in M_j 's Agent learns through sequence of S_{it} 's

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Composite error: $a_i + \varepsilon_{ij}$	Composite error: $a_i + \varepsilon_{ij}$

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Composite error: $a_i + \varepsilon_{ij}$	Composite error: $a_i + \varepsilon_{ij}$

Factor a_i known to individual

Factor a; unknown to individual

	2006
Correlated noisy measurements M_j	Sequence of signals S_{it}
Identify factor using correlation in M_j 's	Agent learns through sequence of S_{it} 's
Composite error: $a_i + \varepsilon_{ij}$	Composite error: $a_i + \varepsilon_{ij}$

Factor a; unknown to individual

Factor a; unknown to researcher

Factor Models

Factor ai known to individual

Factor a; unknown to researcher

Factor Models	Learning Models
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Composite error: $a_i + \varepsilon_{ij}$	Composite error: $a_i + \varepsilon_{ij}$
Factor a_i known to individual	Factor a_i unknown to individual

Factor a; unknown to researcher

Requires panel data

Eactor Madala

Factor a; unknown to researcher

Cross-sectional or panel data

	Zearning Wodels
Correlated noisy measurements M_j	Sequence of signals S_{it}
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Factor a; unknown to researcher

Agents lack information initially

Requires panel data

Factor Models

Factor a; unknown to researcher

Agents have private information

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Factor Models	Learning Models
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Factor a _i known to individual	Factor a_i unknown to individual
Factor ai unknown to researcher	Factor a_i unknown to researcher
Cross-sectional or panel data	Requires panel data
Agents have private information	Agents lack information initially

These models are complements, not substitutes