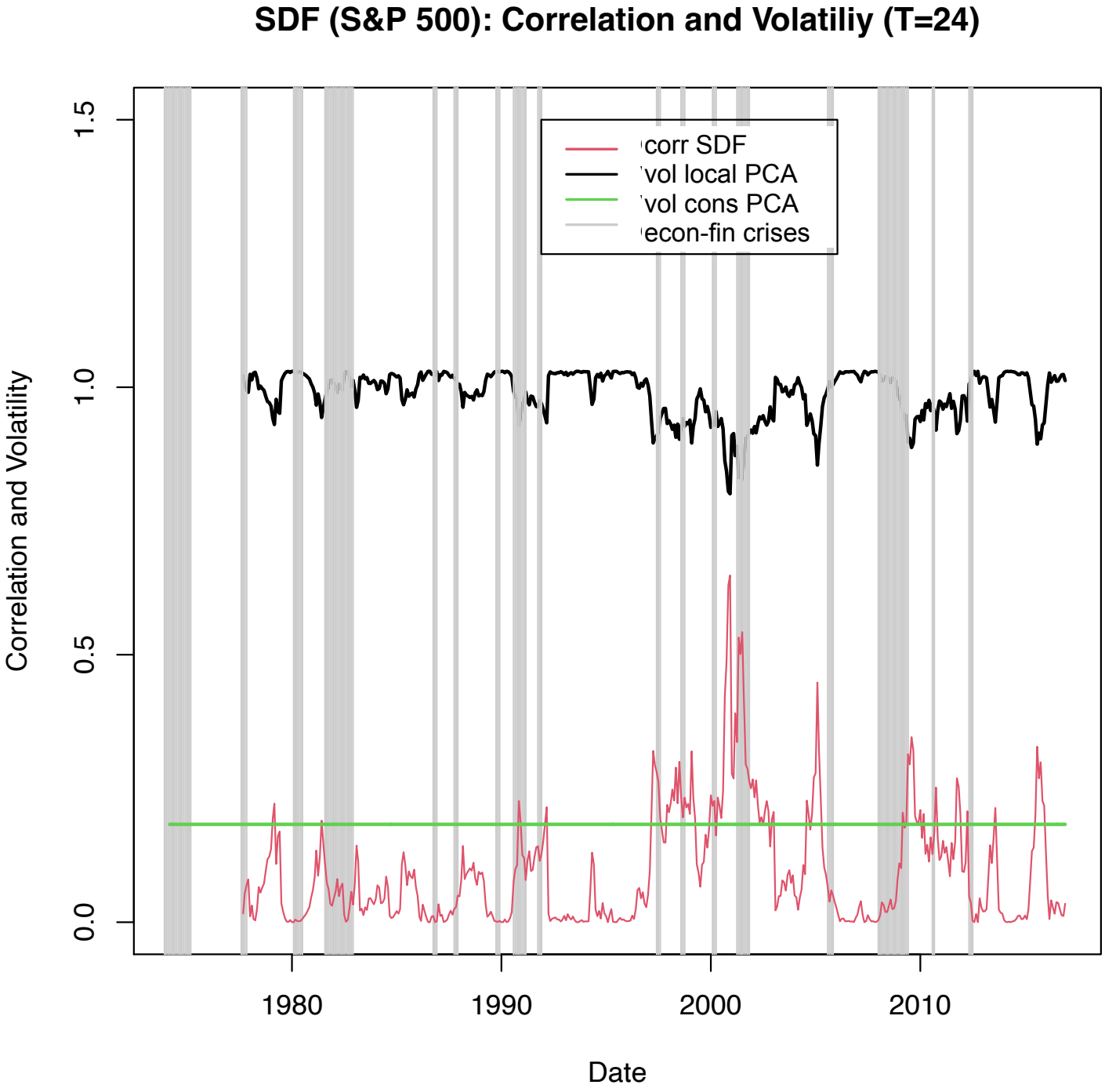
SDF (S&P 500): Correlation and Volatiliy (T=24)
Correlation and Volatility
0.0
0.5
1.0
1.5
1980
1990
2000
2010
Date
corr SDF
vol local PCA
vol cons PCA
econ-fin crises