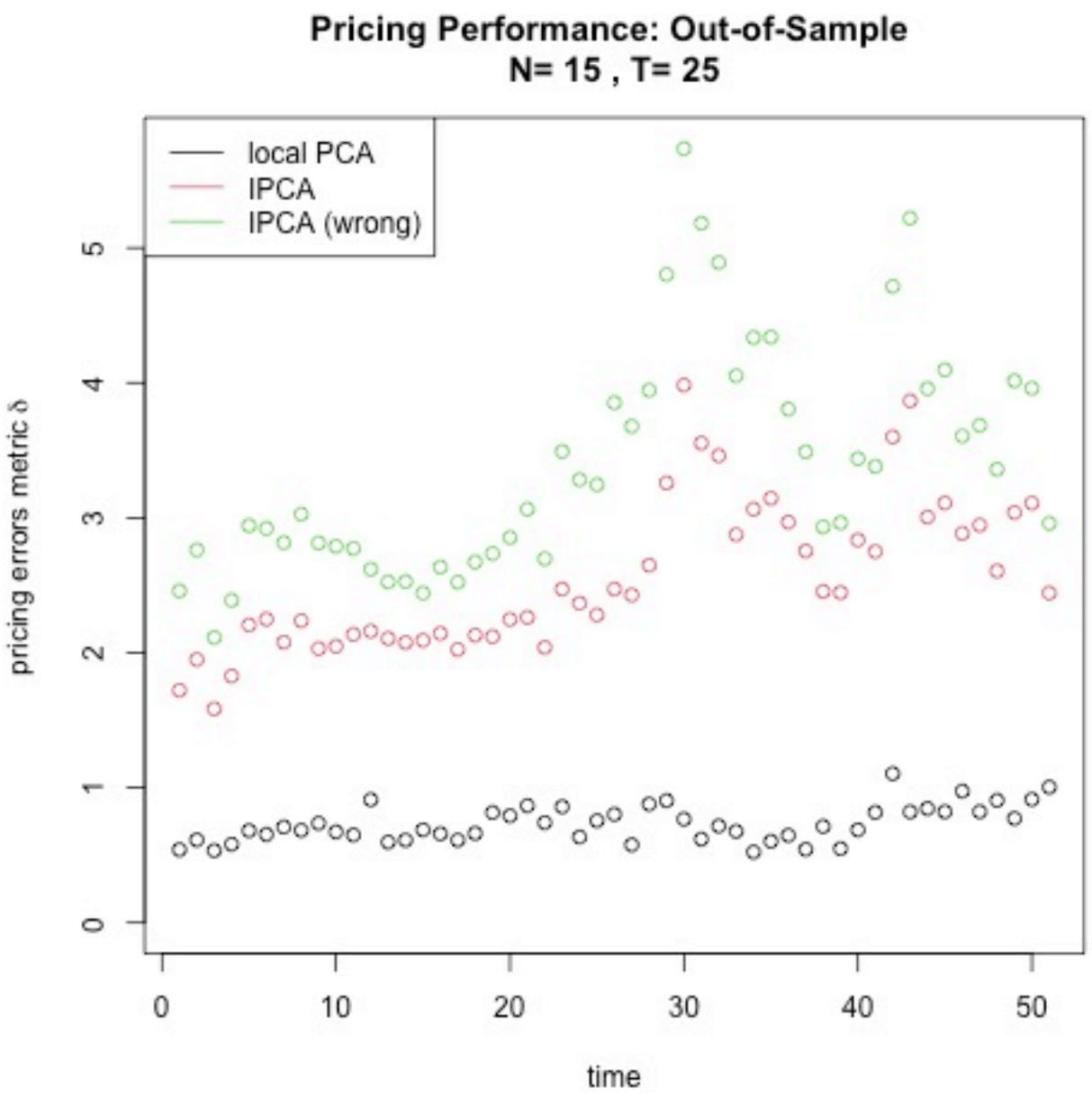
Pricing Performance: Out-of-Sample
N= 15 , T= 25
local PCA
IPCA
IPCA (wrong)
pricing errors metric δ
0
1
2
3
4
5
0
10
20
30
40
50
time