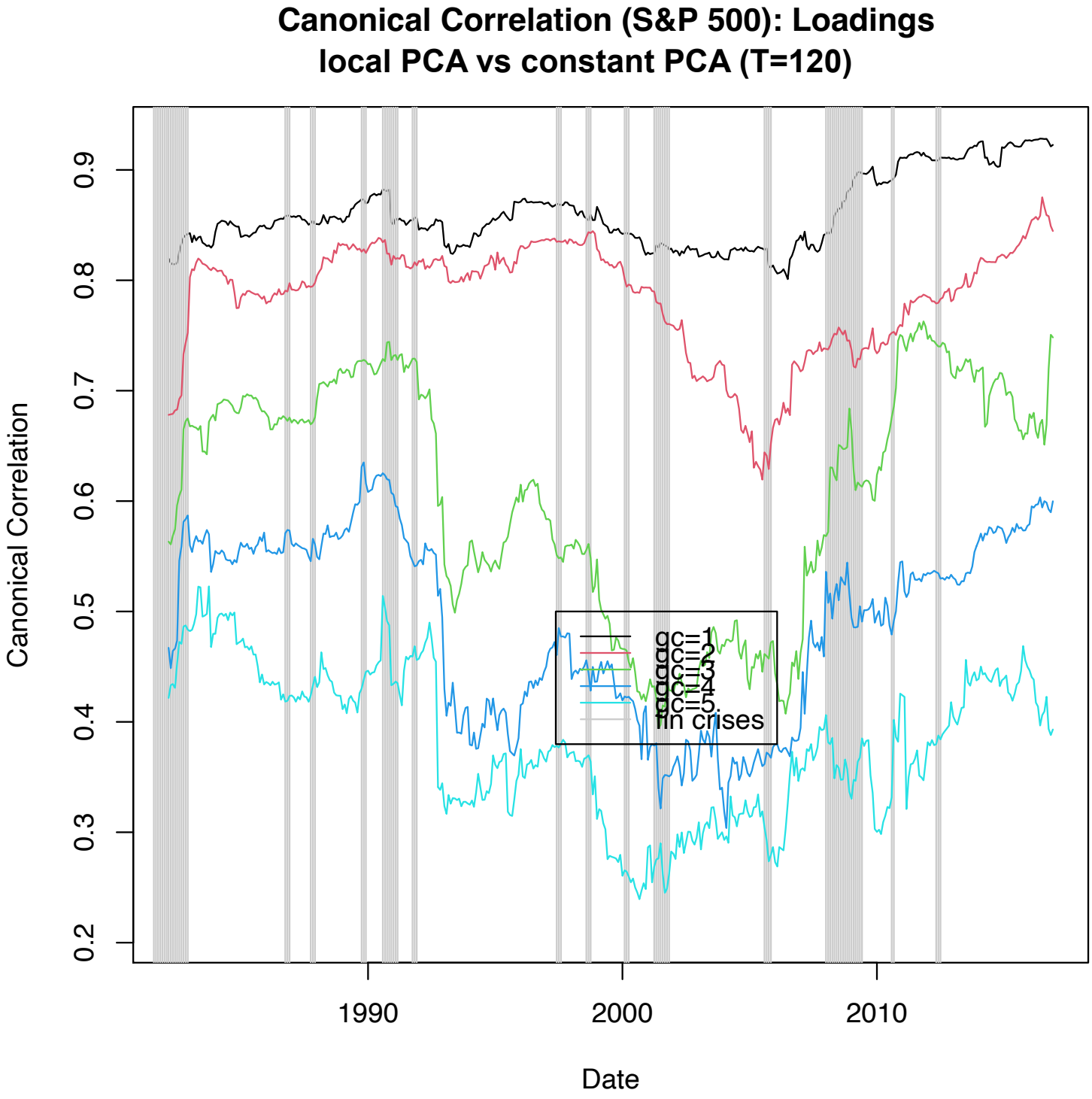
Canonical Correlation (S&P 500): Loadings
local PCA vs constant PCA (T=120)
Canonical Correlation
0.2
0.3
0.4
0.5
0.6
0.7
0.8
0.9
1990
2000
2010
Date
cc=1
cc=2
cc=3
cc=4
cc=5
fin crises