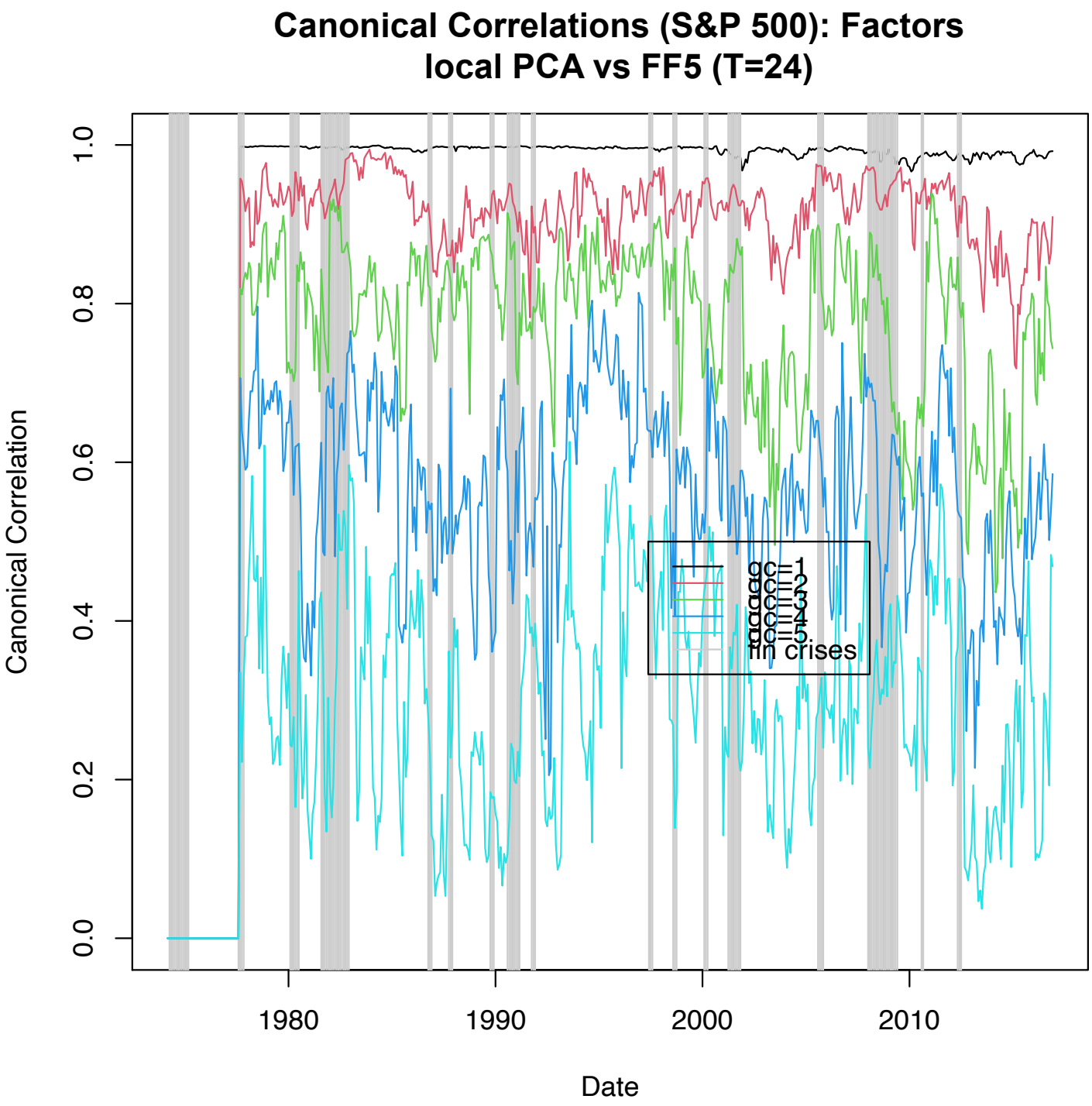
Canonical Correlations (S&P 500): Factors
local PCA vs FF5 (T=24)
Canonical Correlation
0.0
0.2
0.4
0.6
0.8
1.0
1980
1990
2000
2010
Date
cc_1
cc_2
cc_3
cc_4
cc_5
fin crises