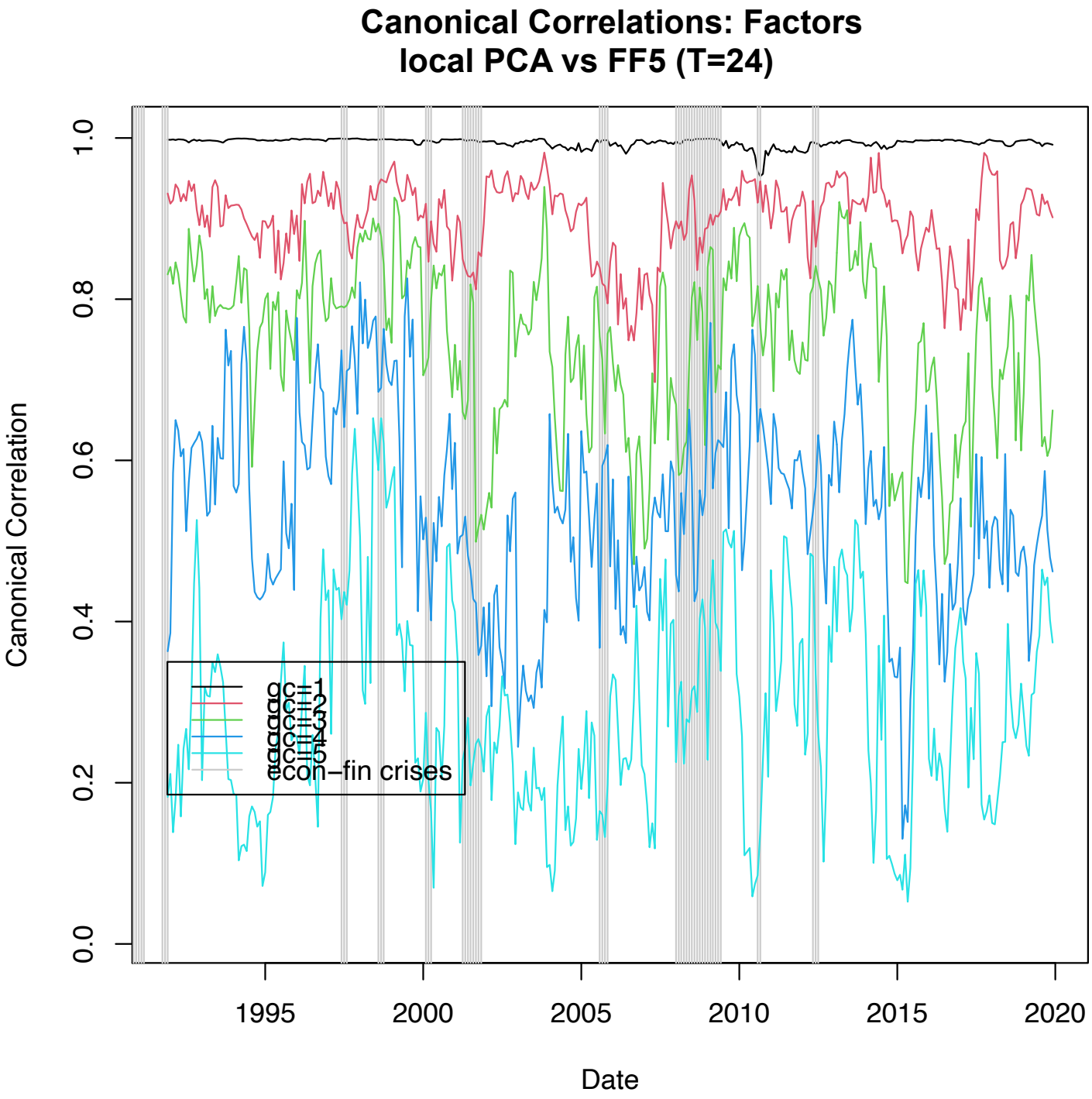
Canonical Correlations: Factors
local PCA vs FF5 (T=24)
Canonical Correlation
0.0
0.2
0.4
0.6
0.8
1.0
1995
2000
2005
2010
2015
2020
Date
cc=1
cc=2
cc=3
cc=4
cc=5
econ−fin crises