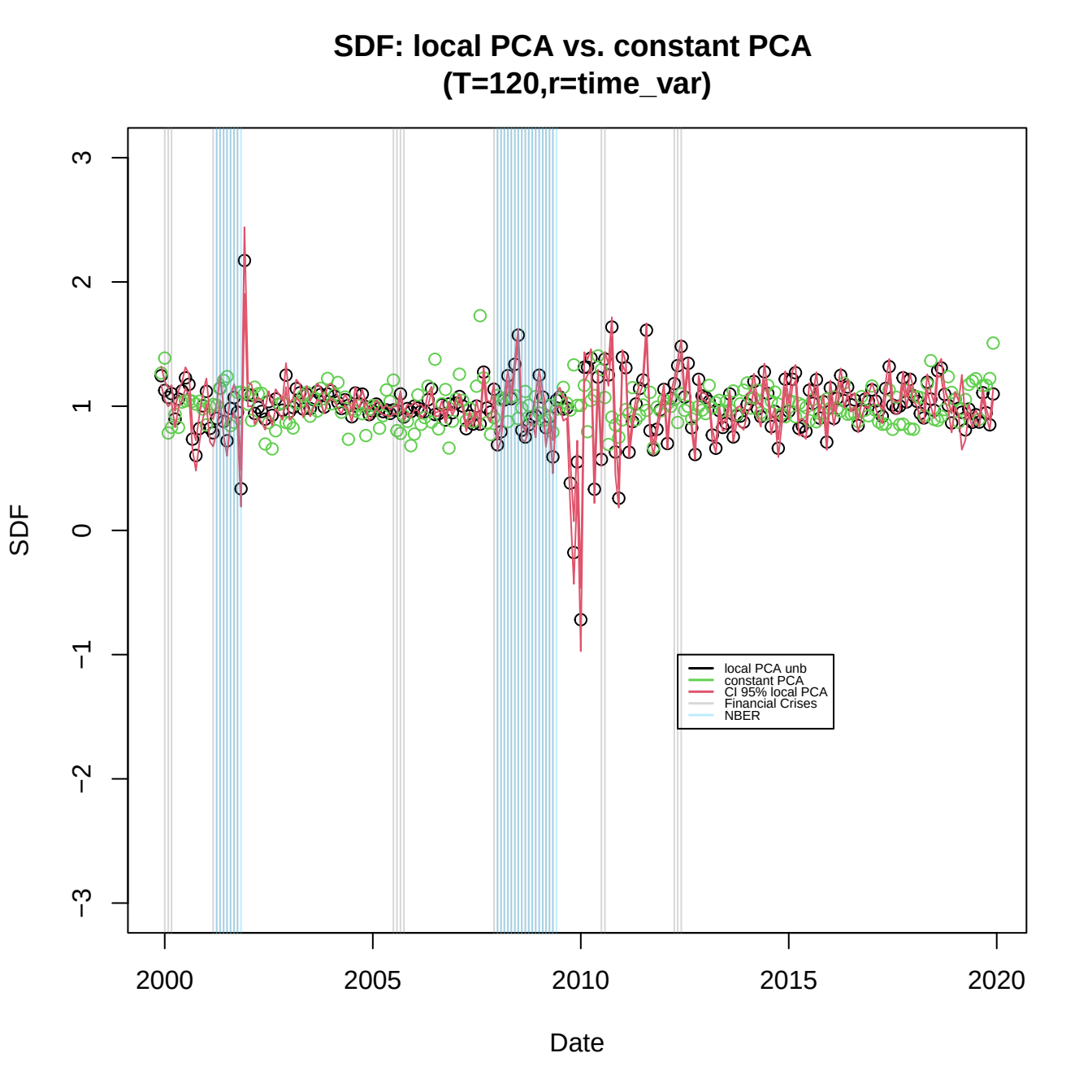
SDF: local PCA vs. constant PCA
(T=120,r=time_var)
SDF
Date
3
2
1
0
−1
−2
−3
2000
2005
2010
2015
2020
local PCA unb
constant PCA
CI 95% local PCA
Financial Crises
NBER