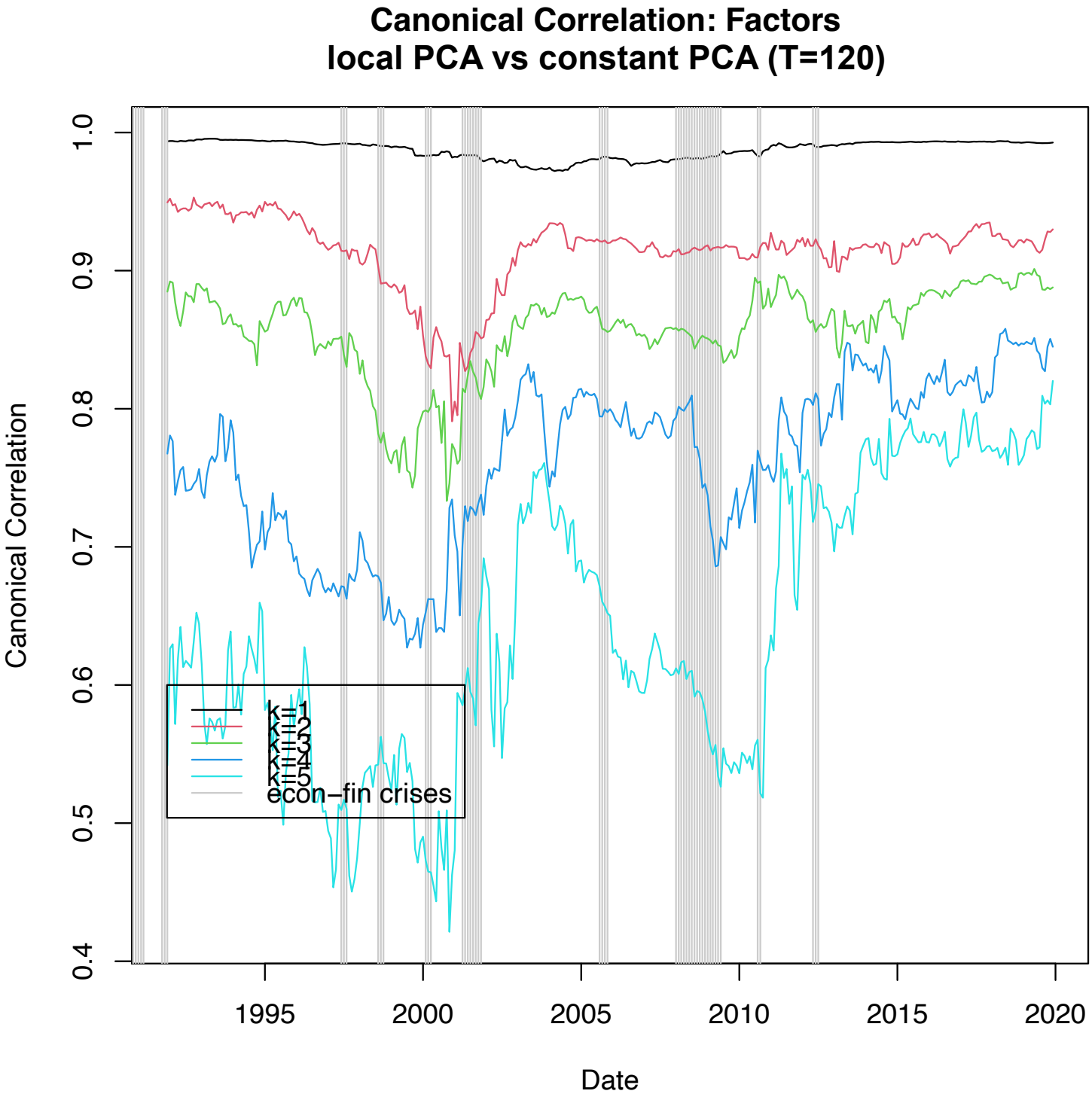
Canonical Correlation: Factors
local PCA vs constant PCA (T=120)
Canonical Correlation
1.0
0.9
0.8
0.7
0.6
0.5
0.4
1995
2000
2005
2010
2015
2020
Date
k=1
k=2
k=3
k=4
k=5
econ−fin crises