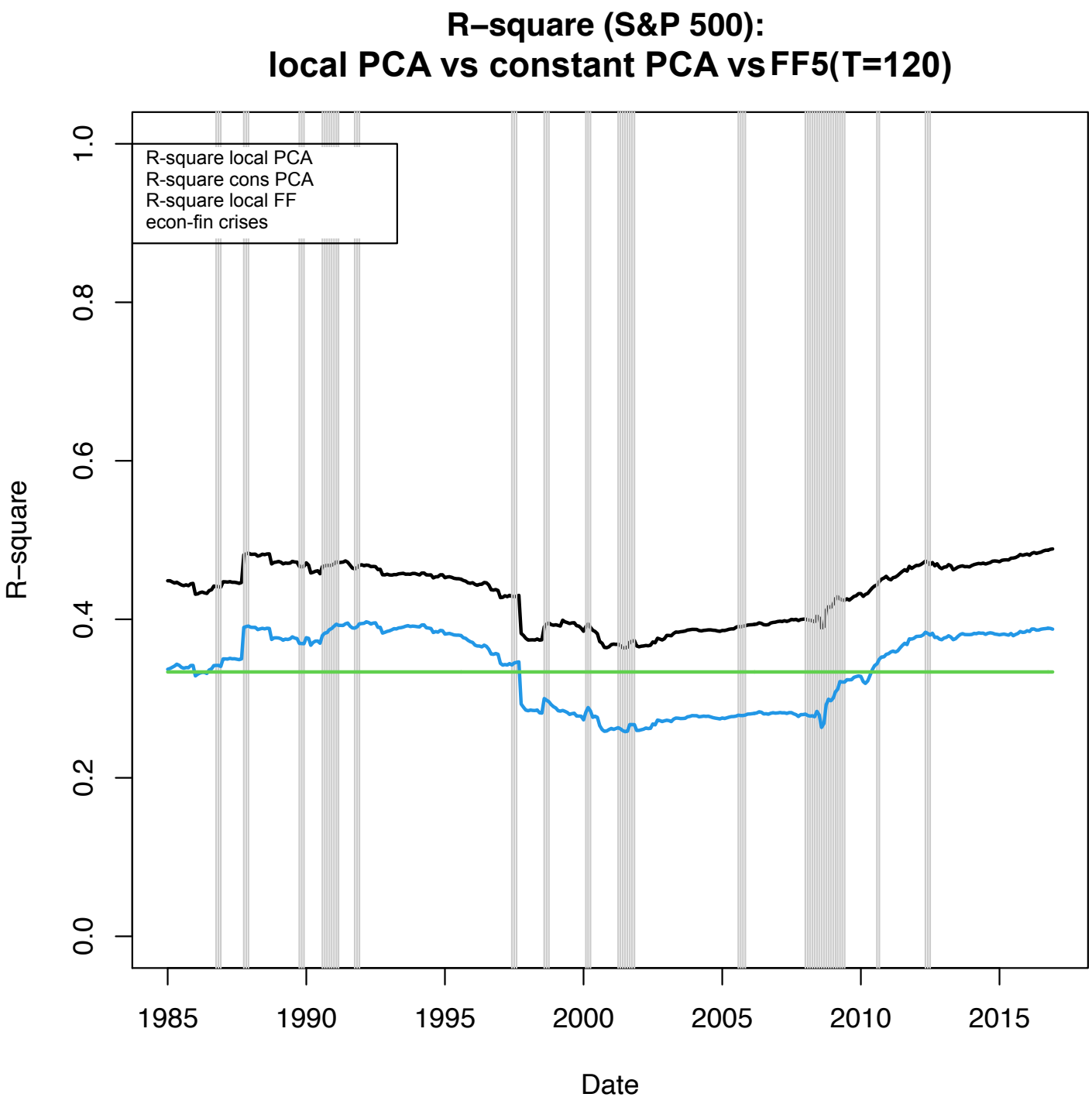
R–square (S&P 500):
local PCA vs constant PCA vs FF5(T=120)
R-square local PCA
R-square cons PCA
R-square local FF
econ-fin crises
R–square
0.0
0.2
0.4
0.6
0.8
1.0
1985
1990
1995
2000
2005
2010
2015
Date