

# Material for Online Appendix

**Table A1. Sharpe ratios for investment (positive-cost) portfolios using excess returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.4879 (0.00)	0.5207 (0.00)	0.4436 (0.19)	0.4541 (0.07)	0.5106 (0.67)
Minimum variance	0.6966 (1.00)	0.6659 (1.00)	0.5443 (1.00)	0.5956 (1.00)	0.4533 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.6966 (0.96)	0.6659 (0.00)	0.5442 (0.77)	0.5956 (0.63)	0.4533 (0.20)
Norm cons. ( $\delta_2$ )	0.7033 (0.00)	0.6662 (0.00)	0.5456 (0.75)	0.5957 (0.47)	0.4068 (0.11)
Norm cons. ( $\delta_3$ )	0.7160 (0.00)	0.6778 (0.01)	0.5461 (0.90)	0.5975 (0.89)	0.2891 (0.01)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.7214 (0.00)	0.6763 (0.00)	0.5734 (0.00)	0.6051 (0.00)	0.4689 (0.00)
Norm cons. ( $\delta_2$ )	0.7573 (0.00)	0.7221 (0.00)	0.6263 (0.00)	0.6924 (0.00)	0.5568 (0.00)
Norm cons. ( $\delta_3$ )	0.8266 (0.00)	0.8474 (0.00)	0.7309 (0.00)	0.8826 (0.00)	0.7384 (0.00)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.7279 (0.00)	0.6759 (0.00)	0.5790 (0.00)	0.6006 (0.00)	0.4645 (0.24)
Norm cons. ( $\delta_2$ )	0.7659 (0.00)	0.7292 (0.00)	0.6304 (0.00)	0.6507 (0.00)	0.5177 (0.02)
Norm cons. ( $\delta_3$ )	0.8466 (0.00)	0.8501 (0.00)	0.7312 (0.00)	0.7839 (0.00)	0.5673 (0.10)

**Table A2. Turnovers for investment (positive-cost) portfolios using excess returns**

This table reports the daily turnovers for the different investment portfolios and datasets.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.0027	0.0031	0.0044	0.0065	0.0144
Minimum variance	0.0042	0.0095	0.0047	0.0193	0.0232
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.0044	0.0095	0.0048	0.0193	0.0232
Norm cons. ( $\delta_2$ )	0.0049	0.0095	0.0067	0.0192	0.0251
Norm cons. ( $\delta_3$ )	0.0068	0.0119	0.0104	0.0224	0.0310
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.0202	0.0132	0.0187	0.0220	0.0265
Norm cons. ( $\delta_2$ )	0.0465	0.0353	0.0488	0.0614	0.0550
Norm cons. ( $\delta_3$ )	0.1024	0.1045	0.1103	0.1554	0.1213
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.0263	0.0129	0.0285	0.0210	0.0333
Norm cons. ( $\delta_2$ )	0.0594	0.0435	0.0732	0.0557	0.0829
Norm cons. ( $\delta_3$ )	0.1308	0.1393	0.1605	0.1710	0.2011

**Table A3. Sharpe ratios for investment (positive-cost) portfolios and transactions costs of 5 basis points using excess returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets in the presence of a proportional transactions cost of 5 basis points, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.4858 (0.00)	0.5183 (0.00)	0.4402 (0.18)	0.4492 (0.10)	0.5023 (0.58)
Minimum variance	0.6929 (1.00)	0.6575 (1.00)	0.5398 (1.00)	0.5763 (1.00)	0.4344 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.6927 (0.66)	0.6575 (0.00)	0.5396 (0.70)	0.5764 (0.49)	0.4344 (0.22)
Norm cons. ( $\delta_2$ )	0.6989 (0.00)	0.6578 (0.00)	0.5390 (0.93)	0.5764 (0.39)	0.3865 (0.11)
Norm cons. ( $\delta_3$ )	0.7099 (0.00)	0.6673 (0.03)	0.5360 (0.88)	0.5752 (0.96)	0.2645 (0.02)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.7034 (0.00)	0.6647 (0.00)	0.5552 (0.00)	0.5831 (0.00)	0.4474 (0.00)
Norm cons. ( $\delta_2$ )	0.7158 (0.00)	0.6911 (0.00)	0.5789 (0.00)	0.6309 (0.00)	0.5123 (0.00)
Norm cons. ( $\delta_3$ )	0.7352 (0.00)	0.7555 (0.00)	0.6237 (0.00)	0.7270 (0.00)	0.6415 (0.00)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.7044 (0.00)	0.6646 (0.00)	0.5513 (0.00)	0.5796 (0.00)	0.4374 (0.78)
Norm cons. ( $\delta_2$ )	0.7128 (0.00)	0.6910 (0.00)	0.5593 (0.00)	0.5950 (0.01)	0.4505 (0.63)
Norm cons. ( $\delta_3$ )	0.7297 (0.00)	0.7275 (0.00)	0.5755 (0.00)	0.6132 (0.09)	0.4080 (0.62)

**Table A4. Sharpe ratios for investment (positive-cost) portfolios and transactions costs of 10 basis points using excess returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets in the presence of a proportional transactions cost of 10 basis points, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.4837 (0.00)	0.5159 (0.00)	0.4367 (0.18)	0.4443 (0.15)	0.4940 (0.56)
Minimum variance	0.6891 (1.00)	0.6491 (1.00)	0.5352 (1.00)	0.5570 (1.00)	0.4155 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.6888 (0.35)	0.6492 (0.00)	0.5349 (0.65)	0.5571 (0.37)	0.4155 (0.25)
Norm cons. ( $\delta_2$ )	0.6946 (0.00)	0.6494 (0.00)	0.5325 (0.55)	0.5571 (0.31)	0.3662 (0.10)
Norm cons. ( $\delta_3$ )	0.7039 (0.00)	0.6569 (0.11)	0.5258 (0.54)	0.5529 (0.82)	0.2398 (0.01)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.6854 (0.00)	0.6530 (0.00)	0.5370 (0.37)	0.5610 (0.01)	0.4258 (0.01)
Norm cons. ( $\delta_2$ )	0.6744 (0.00)	0.6600 (0.00)	0.5314 (0.41)	0.5693 (0.12)	0.4678 (0.03)
Norm cons. ( $\delta_3$ )	0.6437 (0.00)	0.6636 (0.09)	0.5164 (0.06)	0.5713 (0.42)	0.5445 (0.02)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.6809 (0.00)	0.6533 (0.00)	0.5237 (0.00)	0.5585 (0.00)	0.4103 (0.58)
Norm cons. ( $\delta_2$ )	0.6598 (0.00)	0.6528 (0.31)	0.4883 (0.00)	0.5392 (0.02)	0.3834 (0.31)
Norm cons. ( $\delta_3$ )	0.6128 (0.00)	0.6048 (0.00)	0.4198 (0.00)	0.4424 (0.00)	0.2487 (0.03)

**Table A5. Sharpe ratios for investment (positive-cost) portfolios with open-to-close returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.5107 (0.00)	0.5768 (0.00)	0.3603 (0.01)	0.3810 (0.01)	0.3504 (0.08)
Minimum variance	0.8712 (1.00)	0.8983 (1.00)	0.6772 (1.00)	0.7288 (1.00)	0.5573 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.8816 (0.00)	0.8984 (0.00)	0.6777 (0.82)	0.7288 (0.00)	0.5579 (0.00)
Norm cons. ( $\delta_2$ )	0.8952 (0.00)	0.9080 (0.00)	0.7022 (0.01)	0.7293 (0.00)	0.6181 (0.05)
Norm cons. ( $\delta_3$ )	0.9271 (0.00)	0.9738 (0.00)	0.7414 (0.00)	0.7917 (0.01)	0.7477 (0.02)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.8754 (0.00)	0.9031 (0.00)	0.6800 (0.00)	0.7325 (0.00)	0.5577 (0.00)
Norm cons. ( $\delta_2$ )	0.8823 (0.00)	0.9284 (0.00)	0.6908 (0.00)	0.7675 (0.00)	0.5745 (0.05)
Norm cons. ( $\delta_3$ )	0.8978 (0.00)	0.9762 (0.00)	0.7071 (0.00)	0.8411 (0.00)	0.5973 (0.06)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.8931 (0.00)	0.9071 (0.00)	0.6933 (0.00)	0.7337 (0.00)	0.5886 (0.00)
Norm cons. ( $\delta_2$ )	0.9179 (0.00)	0.9532 (0.00)	0.7160 (0.00)	0.7953 (0.00)	0.6495 (0.00)
Norm cons. ( $\delta_3$ )	0.9667 (0.00)	1.0363 (0.00)	0.7513 (0.00)	0.9407 (0.00)	0.6186 (0.57)

**Table A6. Turnovers for investment (positive-cost) portfolios with open-to-close returns**

This table reports the daily turnovers for the different investment portfolios and datasets.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.0029	0.0037	0.0047	0.0066	0.0131
Minimum variance	0.0056	0.0115	0.0071	0.0149	0.0287
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.0056	0.0115	0.0074	0.0149	0.0287
Norm cons. ( $\delta_2$ )	0.0059	0.0124	0.0082	0.0148	0.0302
Norm cons. ( $\delta_3$ )	0.0074	0.0151	0.0106	0.0179	0.0351
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.0096	0.0138	0.0093	0.0163	0.0288
Norm cons. ( $\delta_2$ )	0.0202	0.0279	0.0216	0.0407	0.0335
Norm cons. ( $\delta_3$ )	0.0497	0.0674	0.0507	0.1123	0.0513
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.0280	0.0163	0.0288	0.0170	0.0391
Norm cons. ( $\delta_2$ )	0.0603	0.0591	0.0768	0.0572	0.0827
Norm cons. ( $\delta_3$ )	0.1226	0.1550	0.1650	0.1852	0.2025

**Table A7. Sharpe ratios for investment (positive-cost) portfolios and transactions costs of 5 basis with open-to-close returns points**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets in the presence of a proportional transactions cost of 5 basis points, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.5086 (0.00)	0.5741 (0.00)	0.3566 (0.01)	0.3759 (0.00)	0.3411 (0.07)
Minimum variance	0.8668 (1.00)	0.8889 (1.00)	0.6707 (1.00)	0.7138 (1.00)	0.5325 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.8771 (0.00)	0.8891 (0.00)	0.6709 (0.96)	0.7138 (0.00)	0.5331 (0.01)
Norm cons. ( $\delta_2$ )	0.8904 (0.00)	0.8978 (0.00)	0.6946 (0.02)	0.7143 (0.00)	0.5921 (0.04)
Norm cons. ( $\delta_3$ )	0.9212 (0.00)	0.9614 (0.00)	0.7315 (0.00)	0.7735 (0.01)	0.7180 (0.02)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.8677 (0.14)	0.8919 (0.00)	0.6715 (0.47)	0.7161 (0.00)	0.5329 (0.00)
Norm cons. ( $\delta_2$ )	0.8661 (0.66)	0.9058 (0.00)	0.6709 (0.96)	0.7266 (0.24)	0.5456 (0.11)
Norm cons. ( $\delta_3$ )	0.8579 (0.04)	0.9213 (0.00)	0.6604 (0.31)	0.7287 (0.53)	0.5531 (0.35)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.8706 (0.06)	0.8938 (0.00)	0.6668 (0.26)	0.7167 (0.00)	0.5548 (0.01)
Norm cons. ( $\delta_2$ )	0.8695 (0.52)	0.9051 (0.00)	0.6451 (0.00)	0.7378 (0.03)	0.5783 (0.13)
Norm cons. ( $\delta_3$ )	0.8682 (0.88)	0.9101 (0.06)	0.5995 (0.00)	0.7546 (0.21)	0.4560 (0.58)

**Table A8. Sharpe ratios for investment (positive-cost) portfolios and transactions costs of 10 basis points with open-to-close returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets in the presence of a proportional transactions cost of 10 basis points, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.5066 (0.00)	0.5715 (0.00)	0.3529 (0.00)	0.3708 (0.00)	0.3318 (0.13)
Minimum variance	0.8623 (1.00)	0.8795 (1.00)	0.6642 (1.00)	0.6989 (1.00)	0.5077 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.8726 (0.00)	0.8797 (0.00)	0.6641 (0.98)	0.6989 (0.00)	0.5083 (0.01)
Norm cons. ( $\delta_2$ )	0.8857 (0.00)	0.8877 (0.00)	0.6870 (0.03)	0.6994 (0.00)	0.5661 (0.07)
Norm cons. ( $\delta_3$ )	0.9153 (0.00)	0.9490 (0.00)	0.7216 (0.01)	0.7553 (0.02)	0.6882 (0.02)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.8600 (0.00)	0.8807 (0.12)	0.6629 (0.25)	0.6997 (0.34)	0.5081 (0.02)
Norm cons. ( $\delta_2$ )	0.8499 (0.00)	0.8831 (0.40)	0.6510 (0.00)	0.6857 (0.23)	0.5166 (0.28)
Norm cons. ( $\delta_3$ )	0.8180 (0.00)	0.8664 (0.18)	0.6137 (0.00)	0.6162 (0.00)	0.5088 (0.98)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	0.8481 (0.00)	0.8805 (0.42)	0.6403 (0.00)	0.6996 (0.18)	0.5210 (0.15)
Norm cons. ( $\delta_2$ )	0.8211 (0.00)	0.8569 (0.00)	0.5743 (0.00)	0.6803 (0.13)	0.5070 (0.99)
Norm cons. ( $\delta_3$ )	0.7698 (0.00)	0.7839 (0.00)	0.4478 (0.00)	0.5686 (0.00)	0.2933 (0.04)



**Table A9. Sharpe ratios for investment (positive-cost) portfolios with weekly returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets using weekly returns, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.8304 (0.00)	0.8486 (0.00)	0.8351 (0.07)	0.7917 (0.01)	0.6020 (0.05)
Minimum variance	0.9955 (1.00)	1.0166 (1.00)	1.0182 (1.00)	1.0315 (1.00)	0.9495 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	1.0001 (0.01)	1.0245 (0.00)	1.0193 (0.77)	1.0353 (0.44)	0.9545 (0.84)
Norm cons. ( $\delta_2$ )	1.0056 (0.00)	1.0376 (0.00)	1.0196 (0.89)	1.0456 (0.23)	0.9711 (0.73)
Norm cons. ( $\delta_3$ )	1.0156 (0.00)	1.0573 (0.00)	1.0192 (0.92)	1.0560 (0.32)	0.9561 (0.95)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	1.0038 (0.00)	1.0274 (0.00)	1.0194 (0.62)	1.0377 (0.07)	0.9505 (0.94)
Norm cons. ( $\delta_2$ )	1.0171 (0.00)	1.0444 (0.00)	1.0239 (0.31)	1.0521 (0.02)	0.9636 (0.59)
Norm cons. ( $\delta_3$ )	1.0498 (0.00)	1.0866 (0.00)	1.0285 (0.39)	1.0696 (0.08)	0.9804 (0.57)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	1.0119 (0.00)	1.0429 (0.00)	1.0252 (0.03)	1.0409 (0.09)	0.9369 (0.52)
Norm cons. ( $\delta_2$ )	1.0283 (0.00)	1.0718 (0.00)	1.0315 (0.06)	1.0510 (0.11)	0.9194 (0.44)
Norm cons. ( $\delta_3$ )	1.0610 (0.00)	1.1269 (0.00)	1.0432 (0.08)	1.0647 (0.16)	0.8746 (0.32)

**Table A10. Sharpe ratios for investment (positive-cost) portfolios and transactions costs of 5 basis points with weekly returns**

This table reports the annualized out-of-sample Sharpe ratios for the different investment portfolios and datasets with weekly returns, in the presence of a proportional transaction cost of 5 basis points, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	6FF	25FF	10Ind	48Ind	100CRSP
<b>Portfolios that ignore stock return serial dependence</b>					
1/N	0.8294 (0.00)	0.8475 (0.00)	0.8333 (0.07)	0.7894 (0.03)	0.5982 (0.04)
Minimum variance	0.9921 (1.00)	1.0098 (1.00)	1.0140 (1.00)	1.0226 (1.00)	0.9393 (1.00)
<b>Unconditional mean variance portfolio</b>					
Norm cons. ( $\delta_1$ )	0.9965 (0.03)	1.0174 (0.00)	1.0146 (0.83)	1.0260 (0.54)	0.9435 (0.84)
Norm cons. ( $\delta_2$ )	1.0018 (0.00)	1.0301 (0.00)	1.0143 (0.95)	1.0355 (0.27)	0.9591 (0.76)
Norm cons. ( $\delta_3$ )	1.0113 (0.02)	1.0490 (0.00)	1.0125 (0.91)	1.0447 (0.33)	0.9425 (1.00)
<b>Portfolios that exploit stock return serial dependence</b>					
<b>Conditional mean variance portfolio from VAR</b>					
Norm cons. ( $\delta_1$ )	0.9986 (0.00)	1.0189 (0.00)	1.0134 (0.79)	1.0265 (0.26)	0.9370 (0.80)
Norm cons. ( $\delta_2$ )	1.0088 (0.00)	1.0324 (0.00)	1.0145 (0.94)	1.0358 (0.16)	0.9434 (0.86)
Norm cons. ( $\delta_3$ )	1.0346 (0.00)	1.0656 (0.00)	1.0126 (0.91)	1.0428 (0.34)	0.9497 (0.81)
<b>Conditional mean variance portfolio from NAR</b>					
Norm cons. ( $\delta_1$ )	1.0036 (0.00)	1.0305 (0.00)	1.0137 (0.87)	1.0259 (0.52)	0.9181 (0.30)
Norm cons. ( $\delta_2$ )	1.0141 (0.00)	1.0516 (0.00)	1.0115 (0.71)	1.0243 (0.88)	0.8918 (0.23)
Norm cons. ( $\delta_3$ )	1.0347 (0.00)	1.0922 (0.00)	1.0060 (0.50)	1.0195 (0.93)	0.8303 (0.18)

**Table A11. Sharpe ratios for dataset with returns on the 100 stocks with highest turnover in the S&P 500, for different levels of transaction costs**

This table reports the annualized out-of-sample Sharpe ratios for the different portfolios and for the dataset with returns on the 100 stocks with highest turnover in the S&P 500, for different levels of transaction costs, together with the  $p$ -value that the Sharpe ratio for a strategy is different from that for the shortsale-constrained minimum-variance portfolio.

Strategy	100CRSP	100CRSP	100CRSP
Strategy	0 bp	5 bp	10 bp
<b>Portfolios that ignore stock return serial dependence</b>			
1/N	0.4175 (0.80)	0.4095 (0.82)	0.4015 (0.93)
Minimum variance	0.4580 (1.00)	0.4368 (1.00)	0.4156 (1.00)
<b>Unconditional mean variance portfolio</b>			
Norm cons. ( $\delta_1$ )	0.4622 (0.35)	0.4409 (0.38)	0.4197 (0.38)
Norm cons. ( $\delta_2$ )	0.3958 (0.10)	0.3723 (0.07)	0.3488 (0.06)
Norm cons. ( $\delta_3$ )	0.3103 (0.05)	0.2815 (0.05)	0.2527 (0.03)
<b>Portfolios that exploit stock return serial dependence</b>			
<b>Conditional mean variance portfolio from VAR</b>			
Norm cons. ( $\delta_1$ )	0.4879 (0.00)	0.4614 (0.00)	0.4350 (0.05)
Norm cons. ( $\delta_2$ )	0.6176 (0.00)	0.5645 (0.00)	0.5114 (0.00)
Norm cons. ( $\delta_3$ )	0.8335 (0.00)	0.7302 (0.00)	0.6267 (0.00)
<b>Conditional mean variance portfolio from NAR</b>			
Norm cons. ( $\delta_1$ )	0.5154 (0.00)	0.4802 (0.00)	0.4450 (0.02)
Norm cons. ( $\delta_2$ )	0.5987 (0.00)	0.5213 (0.01)	0.4438 (0.39)
Norm cons. ( $\delta_3$ )	0.7364 (0.00)	0.5853 (0.02)	0.4340 (0.74)