

Variables in Data Set

Variable	Description	Sample
mktret	Market return (RM) value-weight return on all NY-SE, AMEX, and NASDAQ stocks (from CRSP)	1926Q2-2003Q4 ¹
RF	Risk free rate proxy: Treasury bill rate (Ibbotson Associates)	
Mktexret	Market excess return (RM-RF)	
SMB	Fama-French factor: Small Minus Big	
HML	Fama-French factor: High Minus Low	
S1B1 ⋮ S5B5	Returns Fama-French Portfolios	1926Q2-2003Q4 ¹
NoDur Durbl Manuf Enrgy HiTec Telcm Shops Hlth Utils Other	Industry Portfolios	1926Q2-2003Q4 ¹
INFL	Inflation rate	1947Q2-2003Q4 ³
Mktex_r2 Mkt_r SMB_r HML_r RF_r	Market excess return (real) Market return (real) Fama-French factor: Small Minus Big (real) Fama-French factor: High Minus Low (real) RM-RF: excess return on the market (real)	1947Q2-2003Q4
S1B1_r ⋮ S1B1_r	Returns Fama-French Portfolios (real)	1947Q2-2003Q4
NoDur_r Durbl_r Manuf_r Enrgy_r HiTec_r Telcm_r Shops_r Hlth_r Utils_r Other_r	Industry Portfolios (real)	1947Q2-2003Q4
c_ll a y cay	consumption asset wealth labor income asset wealth variable	1951Q4-2003Q1 ²
CNSQ CNSQDIFF QTERM QVWDP QVWDP_C	consumption in time t : c_t consumption growth factor: $\left(\frac{c_{t+1}}{c_t}\right)$ term spread: ts dividend price ratio: dp corrected dividend price ratio: $1 + \left[\left(\frac{d}{p}\right) - 0.04\right]$	1947Q2-1994Q1 ³

Variable	Description	Sample
decile1	Portfolio 1st decile: R_t^1	1947Q2-1993Q4 ³
⋮	⋮	
decile10	Portfolio 10th decile: R_t^{10}	
avewret	equally weighted marked Portfolio	1947Q2-1993Q4 ³
avustret	risk free rate (T-bill)	
avvwret	value weighted marked Portfolio: r^m	
DEI	change in inflation forecast	1947Q2-1993Q4 ³
MP	growth in industrial production	
UI	inflation forecast residual	
UPR	return in corporate bonds minus return on 10-year government bonds	
UTS	return on 10-year government bonds minus return on bills	

Source:

¹(Fama-French) http://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html

²(Lettau-Ludvigson) <http://www.econ.nyu.edu/user/ludvigsons/>

³(Cochrane) <http://gsbwww.uchicago.edu/fac/john.cochrane/research/Papers/>