Table 1. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00159454	0.00156713	0.00007765
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00432379	0.00021897
ρ	0.20068359	0.20053348	0.01072491	0.20019531	0.20015160	0.00980153
σ_w	0.03228760	0.03247938	0.00169052	0.03234863	0.03251098	0.00160193
ϕ	0.98826599	0.98830499	0.00042475	0.98822021	0.98829340	0.00042487
δ	0.99046326	0.99041700	0.00043605	0.99053955	0.99050336	0.00041986
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.03622734	0.08952898
r_f	0.97796400	1.07587200	0.13273052	0.97683600	0.98454000	0.12959551
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.07492800	6.02698800	0.07386504
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.75822867	19.81057293	0.13030447

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1930–2008.

Table 2. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00159454	0.00156973	0.00007860
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00432192	0.00022306
ρ	0.20068359	0.20053348	0.01072491	0.20214844	0.20022601	0.00994824
σ_w	0.03228760	0.03247938	0.00169052	0.03283691	0.03267665	0.00158830
ϕ	0.98826599	0.98830499	0.00042475	0.98809814	0.98816537	0.00041565
δ	0.99046326	0.99041700	0.00043605	0.99053955	0.99054658	0.00040814
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.02152256	0.08974813
r_f	0.97796400	1.07587200	0.13273052	0.82863600	0.86013600	0.12917635
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.21148800	6.13852800	0.07327268
σ_{r_d}	19.67246807	19.69228275	0.14078849	20.16618953	20.09050522	0.13248702

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1930–2008.

Table 3. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00157928	0.00156802	0.00007918
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00432398	0.00022199
ρ	0.20068359	0.20053348	0.01072491	0.20019531	0.20043396	0.00997984
σ_w	0.03228760	0.03247938	0.00169052	0.03259277	0.03272176	0.00159964
ϕ	0.98826599	0.98830499	0.00042475	0.98834229	0.98817509	0.00041696
δ	0.99046326	0.99041700	0.00043605	0.99066162	0.99052594	0.00040691
γ	2.04296875	2.04076156	0.08924751	2.03906250	2.02126189	0.09111866
r_f	0.97796400	1.07587200	0.13273052	0.86044800	0.89493600	0.12932184
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.07093200	6.11652000	0.07328653
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.85833830	20.06226308	0.13540088

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1930–2008.

Table 4. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00153351	0.00156491	0.00007714
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00432588	0.00022119
ρ	0.20068359	0.20053348	0.01072491	0.20410156	0.20040154	0.01000121
σ_w	0.03228760	0.03247938	0.00169052	0.03234863	0.03239969	0.00162061
ϕ	0.98826599	0.98830499	0.00042475	0.98822021	0.98824655	0.00044844
δ	0.99046326	0.99041700	0.00043605	0.99041748	0.99053037	0.00042001
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.02439117	0.08993456
r_f	0.97796400	1.07587200	0.13273052	0.97653600	0.95173200	0.13188874
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.06204000	6.05779200	0.07660861
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.68499936	19.86271885	0.13854636

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1930–2008.

Table 5. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00156403	0.00156532	0.00007913
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00432643	0.00022236
ρ	0.20068359	0.20053348	0.01072491	0.20019531	0.20034943	0.00991650
σ_w	0.03228760	0.03247938	0.00169052	0.03259277	0.03248229	0.00162450
ϕ	0.98826599	0.98830499	0.00042475	0.98822021	0.98828409	0.00043555
δ	0.99046326	0.99041700	0.00043605	0.99041748	0.99057861	0.00043586
γ	2.04296875	2.04076156	0.08924751	2.07031250	2.02442084	0.09276232
r_f	0.97796400	1.07587200	0.13273052	0.80731200	0.93973200	0.13294529
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.16458000	6.04431600	0.07589847
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.89824113	19.88774497	0.13694536

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1930–2008.

Table 6. Prior and Posterior Habit Model Parameters (stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00154877	0.00157004	0.00007681
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00432634	0.00022048
ρ	0.20068359	0.20053348	0.01072491	0.20214844	0.20058385	0.00982386
σ_w	0.03228760	0.03247938	0.00169052	0.03234863	0.03247561	0.00162481
ϕ	0.98826599	0.98830499	0.00042475	0.98822021	0.98823217	0.00043481
δ	0.99046326	0.99041700	0.00043605	0.99041748	0.99055019	0.00041451
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.02336117	0.09013966
r_f	0.97796400	1.07587200	0.13273052	1.01358000	0.92857200	0.13248803
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.04653600	6.07812000	0.07505323
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.64652641	19.92596296	0.13878695

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1930–2008.

Table 7. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00157928	0.00156506	0.00007778
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00432026	0.00021596
ρ	0.20068359	0.20053348	0.01072491	0.19824219	0.19945168	0.00990140
σ_w	0.03228760	0.03247938	0.00169052	0.03186035	0.03197822	0.00162222
ϕ	0.98826599	0.98830499	0.00042475	0.98846436	0.98842577	0.00041563
δ	0.99046326	0.99041700	0.00043605	0.99041748	0.99048219	0.00038655
γ	2.04296875	2.04076156	0.08924751	2.07031250	2.04095953	0.09035378
r_f	0.97796400	1.07587200	0.13273052	1.14849600	1.14441600	0.12877105
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.89821600	5.89280400	0.07237894
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.13645735	19.40113399	0.12980070

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1950–2008.

Table 8. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00157928	0.00156886	0.00008044
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00431999	0.00022109
ρ	0.20068359	0.20053348	0.01072491	0.19628906	0.20011265	0.00985991
σ_w	0.03228760	0.03247938	0.00169052	0.03210449	0.03227340	0.00158324
ϕ	0.98826599	0.98830499	0.00042475	0.98846436	0.98835522	0.00043981
δ	0.99046326	0.99041700	0.00043605	0.99053955	0.99047502	0.00042612
γ	2.04296875	2.04076156	0.08924751	2.03906250	2.04153123	0.09158106
r_f	0.97796400	1.07587200	0.13273052	1.15766400	1.07306400	0.12929759
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.87308800	5.96217600	0.07352209
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.27896263	19.60638671	0.13486532

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1950–2008.

Table 9. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00154877	0.00156402	0.00007992
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00432069	0.00022438
ρ	0.20068359	0.20053348	0.01072491	0.19824219	0.20003070	0.00986505
σ_w	0.03228760	0.03247938	0.00169052	0.03283691	0.03230112	0.00159218
ϕ	0.98826599	0.98830499	0.00042475	0.98834229	0.98835839	0.00044421
δ	0.99046326	0.99041700	0.00043605	0.99053955	0.99049945	0.00043753
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.03456873	0.09076948
r_f	0.97796400	1.07587200	0.13273052	1.01389200	1.07042400	0.13248803
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.96520000	5.95459200	0.07778987
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.70845504	19.62700181	0.13429811

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1950–2008.

Table 10. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00157928	0.00156683	0.00007972
σ	0.00440979	0.00431169	0.00022113	0.00424194	0.00432075	0.00022009
ρ	0.20068359	0.20053348	0.01072491	0.20019531	0.20004484	0.00984201
σ_w	0.03228760	0.03247938	0.00169052	0.03234863	0.03216031	0.00159575
ϕ	0.98826599	0.98830499	0.00042475	0.98846436	0.98833339	0.00044677
δ	0.99046326	0.99041700	0.00043605	0.99066162	0.99049883	0.00044118
γ	2.04296875	2.04076156	0.08924751	2.00781250	2.03030904	0.09375979
r_f	0.97796400	1.07587200	0.13273052	1.16685600	1.07047200	0.13012551
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.86328400	5.96632800	0.07631069
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.46732647	19.60917132	0.13574907

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1950–2008.

Table 11. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00159454	0.00156375	0.00007933
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00431423	0.00022231
ρ	0.20068359	0.20053348	0.01072491	0.20019531	0.20008076	0.00980045
σ_w	0.03228760	0.03247938	0.00169052	0.03161621	0.03214567	0.00162059
ϕ	0.98826599	0.98830499	0.00042475	0.98834229	0.98838150	0.00042136
δ	0.99046326	0.99041700	0.00043605	0.99053955	0.99048939	0.00041241
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.03650334	0.08823036
r_f	0.97796400	1.07587200	0.13273052	1.12504800	1.09947600	0.13191645
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.96212800	5.93268000	0.07382347
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.30971776	19.53433900	0.13449031

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1950–2008.

Table 12. Prior and Posterior Habit Model Parameters (stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00151825	0.00156444	0.00008050
σ	0.00440979	0.00431169	0.00022113	0.00436401	0.00431590	0.00022171
ρ	0.20068359	0.20053348	0.01072491	0.20214844	0.20007494	0.00981981
σ_w	0.03228760	0.03247938	0.00169052	0.03210449	0.03210875	0.00161677
ϕ	0.98826599	0.98830499	0.00042475	0.98834229	0.98833359	0.00042518
δ	0.99046326	0.99041700	0.00043605	0.99041748	0.99046180	0.00043157
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.03647930	0.08905976
r_f	0.97796400	1.07587200	0.13273052	1.08769200	1.07684400	0.13022944
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.93365200	5.96680800	0.07527839
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.39358657	19.57140772	0.13553411

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1950–2008.

Table 13. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00162506	0.00159599	0.00006781
σ	0.00440979	0.00431169	0.00022113	0.00527954	0.00527379	0.00015901
ρ	0.20068359	0.20053348	0.01072491	0.19628906	0.19684234	0.00976237
σ_w	0.03228760	0.03247938	0.00169052	0.03308105	0.03313734	0.00149700
ϕ	0.98826599	0.98830499	0.00042475	0.98812866	0.98833954	0.00041574
δ	0.99046326	0.99041700	0.00043605	0.99038696	0.99033975	0.00042464
γ	2.04296875	2.04076156	0.08924751	2.00781250	2.03098375	0.09109044
r_f	0.97796400	1.07587200	0.13273052	1.20550800	1.33600800	0.12769718
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.96652000	5.80147200	0.07734646
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.97032799	19.68972321	0.12061585

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 14. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00156784	0.00157518	0.00007063
σ	0.00440979	0.00431169	0.00022113	0.00538635	0.00533061	0.00016288
ρ	0.20068359	0.20053348	0.01072491	0.19580078	0.19520695	0.01061403
σ_w	0.03228760	0.03247938	0.00169052	0.03057861	0.03044584	0.00166546
ϕ	0.98826599	0.98830499	0.00042475	0.98783875	0.98785232	0.00042749
δ	0.99046326	0.99041700	0.00043605	0.99076843	0.99069397	0.00044242
γ	2.04296875	2.04076156	0.08924751	1.89453125	1.89066750	0.08591810
r_f	0.97796400	1.07587200	0.13273052	0.86968800	1.01872800	0.12961283
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.14923200	6.07492800	0.08024245
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.99563952	19.79666639	0.13237706

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 15. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00152969	0.00152772	0.00007268
σ	0.00440979	0.00431169	0.00022113	0.00511169	0.00515930	0.00017971
ρ	0.20068359	0.20053348	0.01072491	0.19580078	0.19642500	0.01068468
σ_w	0.03228760	0.03247938	0.00169052	0.02874756	0.02974325	0.00167199
ϕ	0.98826599	0.98830499	0.00042475	0.98753357	0.98759353	0.00044827
δ	0.99046326	0.99041700	0.00043605	0.99058533	0.99058329	0.00044239
γ	2.04296875	2.04076156	0.08924751	1.88671875	1.87521406	0.08815670
r_f	0.97796400	1.07587200	0.13273052	0.70192800	0.83942400	0.13129984
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.34996800	6.25980000	0.07998957
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.78930014	19.90900299	0.13750349

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 16. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00153995	0.00156135	0.00005920
σ	0.00440979	0.00431169	0.00022113	0.00433445	0.00432894	0.00011435
ρ	0.20068359	0.20053348	0.01072491	0.20277405	0.20448183	0.00390477
σ_w	0.03228760	0.03247938	0.00169052	0.03347969	0.03432098	0.00076355
ϕ	0.98826599	0.98830499	0.00042475	0.98690200	0.98685284	0.00006903
δ	0.99046326	0.99041700	0.00043605	0.98841548	0.98836478	0.00006642
γ	2.04296875	2.04076156	0.08924751	2.11273193	2.12470345	0.02170838
r_f	0.97796400	1.07587200	0.13273052	1.28310000	1.26615600	0.05765651
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.65790000	6.71588400	0.03638000
σ_{r_d}	19.67246807	19.69228275	0.14078849	20.19173098	20.48543873	0.06135279

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 17. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00155449	0.00153091	0.00007979
σ	0.00440979	0.00431169	0.00022113	0.00521088	0.00517560	0.00017668
ρ	0.20068359	0.20053348	0.01072491	0.20385742	0.19720029	0.01052615
σ_w	0.03228760	0.03247938	0.00169052	0.03060913	0.02994542	0.00164401
ϕ	0.98826599	0.98830499	0.00042475	0.98755264	0.98743625	0.00064966
δ	0.99046326	0.99041700	0.00043605	0.99045181	0.99023268	0.00065421
γ	2.04296875	2.04076156	0.08924751	1.92480469	1.91640367	0.08380461
r_f	0.97796400	1.07587200	0.13273052	0.72802800	0.85935600	0.13820726
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.41281200	6.36828000	0.11326919
σ_{r_d}	19.67246807	19.69228275	0.14078849	20.24416953	19.89971859	0.16475463

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 18. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00166893	0.00159147	0.00007473
σ	0.00440979	0.00431169	0.00022113	0.00502777	0.00501054	0.00018533
ρ	0.20068359	0.20053348	0.01072491	0.19445801	0.19892873	0.00931413
σ_w	0.03228760	0.03247938	0.00169052	0.03193665	0.03175960	0.00138630
ϕ	0.98826599	0.98830499	0.00042475	0.98769760	0.98773761	0.00033629
δ	0.99046326	0.99041700	0.00043605	0.99033737	0.99033565	0.00044495
γ	2.04296875	2.04076156	0.08924751	1.97558594	1.96336336	0.07720679
r_f	0.97796400	1.07587200	0.13273052	1.02530400	0.96219600	0.12647089
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.26854800	6.23908800	0.07426341
σ_{r_d}	19.67246807	19.69228275	0.14078849	20.17062220	20.14121148	0.14442220

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 19. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00160980	0.00162530	0.00006695
σ	0.00440979	0.00431169	0.00022113	0.00430298	0.00426267	0.00018983
ρ	0.20068359	0.20053348	0.01072491	0.19824219	0.19870016	0.00998422
σ_w	0.03228760	0.03247938	0.00169052	0.03234863	0.03233879	0.00157091
ϕ	0.98826599	0.98830499	0.00042475	0.98831177	0.98830282	0.00042584
δ	0.99046326	0.99041700	0.00043605	0.99050903	0.99047072	0.00041973
γ	2.04296875	2.04076156	0.08924751	2.02343750	2.04228938	0.08898183
r_f	0.97796400	1.07587200	0.13273052	1.16200800	1.14645600	0.12799509
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.95534800	5.98478400	0.07235469
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.49735367	19.61535113	0.12780605

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 20. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00160599	0.00162361	0.00006955
σ	0.00440979	0.00431169	0.00022113	0.00434875	0.00427161	0.00019450
ρ	0.20068359	0.20053348	0.01072491	0.19873047	0.19952965	0.01080239
σ_w	0.03228760	0.03247938	0.00169052	0.03240967	0.03274609	0.00160428
ϕ	0.98826599	0.98830499	0.00042475	0.98823547	0.98828864	0.00042934
δ	0.99046326	0.99041700	0.00043605	0.99046326	0.99044189	0.00045446
γ	2.04296875	2.04076156	0.08924751	2.01953125	2.04775312	0.09011599
r_f	0.97796400	1.07587200	0.13273052	1.13563200	1.13196000	0.13104350
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.99448000	5.99986800	0.07537539
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.57297116	19.75959514	0.13437455

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 21. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00161362	0.00161901	0.00007006
σ	0.00440979	0.00431169	0.00022113	0.00434875	0.00423855	0.00020875
ρ	0.20068359	0.20053348	0.01072491	0.19580078	0.19968695	0.01068857
σ_w	0.03228760	0.03247938	0.00169052	0.03302002	0.03284206	0.00157557
ϕ	0.98826599	0.98830499	0.00042475	0.98829651	0.98827491	0.00043530
δ	0.99046326	0.99041700	0.00043605	0.99049377	0.99042800	0.00044315
γ	2.04296875	2.04076156	0.08924751	2.02734375	2.04567156	0.08970115
r_f	0.97796400	1.07587200	0.13273052	1.15137600	1.13156400	0.13230443
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.95231200	6.00619200	0.07635919
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.67990854	19.79278656	0.13519611

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 22. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00157428	0.00158604	0.00005107
σ	0.00440979	0.00431169	0.00022113	0.00446033	0.00416308	0.00016439
ρ	0.20068359	0.20053348	0.01072491	0.20133972	0.20440547	0.00371590
σ_w	0.03228760	0.03247938	0.00169052	0.03238869	0.03427830	0.00080107
ϕ	0.98826599	0.98830499	0.00042475	0.98687959	0.98687751	0.00007399
δ	0.99046326	0.99041700	0.00043605	0.98837638	0.98835166	0.00007221
γ	2.04296875	2.04076156	0.08924751	2.11163330	2.11917601	0.01847022
r_f	0.97796400	1.07587200	0.13273052	1.39578000	1.40904000	0.05776736
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.63176400	6.65138400	0.03537887
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.77889785	20.39085089	0.05877325

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 23. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00158119	0.00162010	0.00007499
σ	0.00440979	0.00431169	0.00022113	0.00428009	0.00424444	0.00019092
ρ	0.20068359	0.20053348	0.01072491	0.20483398	0.19966204	0.00994379
σ_w	0.03228760	0.03247938	0.00169052	0.03189087	0.03300835	0.00162756
ϕ	0.98826599	0.98830499	0.00042475	0.98814774	0.98800971	0.00068297
δ	0.99046326	0.99041700	0.00043605	0.99026871	0.98999163	0.00061209
γ	2.04296875	2.04076156	0.08924751	2.02832031	2.07369561	0.07788001
r_f	0.97796400	1.07587200	0.13273052	1.15912800	1.19596800	0.13279287
$r_d - r_f$	6.04969200	5.98359600	0.07700698	6.04431600	6.12382800	0.10274872
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.45369888	19.84860700	0.15518977

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 24. Prior and Posterior Habit Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g	0.00157547	0.00156519	0.00008128	0.00164413	0.00161324	0.00007441
σ	0.00440979	0.00431169	0.00022113	0.00450134	0.00424950	0.00020960
ρ	0.20068359	0.20053348	0.01072491	0.20361328	0.19963762	0.01043939
σ_w	0.03228760	0.03247938	0.00169052	0.03314209	0.03290932	0.00163598
ϕ	0.98826599	0.98830499	0.00042475	0.98823547	0.98826727	0.00043490
δ	0.99046326	0.99041700	0.00043605	0.99073792	0.99042409	0.00046284
γ	2.04296875	2.04076156	0.08924751	1.92578125	2.04171438	0.09004437
r_f	0.97796400	1.07587200	0.13273052	1.37212800	1.13278800	0.13215201
$r_d - r_f$	6.04969200	5.98359600	0.07700698	5.83647600	6.00073200	0.07656357
σ_{r_d}	19.67246807	19.69228275	0.14078849	19.89006787	19.82098888	0.13798408

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 25. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99960327	0.99939495	0.00031032
γ	9.90625000	10.04202750	0.52722427	9.81250000	10.03596000	0.50229421
ψ	1.49609375	1.50575313	0.07746016	1.54687500	1.49836625	0.07560731
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00149151	0.00007108
ρ	0.98388672	0.98449898	0.00478021	0.98388672	0.98388316	0.00391919
ϕ_e	0.03204346	0.03215452	0.00160171	0.03210449	0.03207094	0.00162163
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004125	0.00004127	0.00000191
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98749320	0.00479884
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00126648	0.00119823	0.00006255
ϕ_d	2.78906250	2.80703438	0.15016714	2.76562500	2.79944875	0.13008632
π_d	4.07031250	4.11731813	0.20817883	4.03125000	4.13378750	0.20308725
ϕ_u	6.14062500	6.25176500	0.31549974	6.34375000	6.29597500	0.29537705
r_f	0.94284000	1.13974800	0.12445824	0.89532000	1.14211200	0.12186017
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.28132400	4.75732800	0.34652101
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.74155810	18.86374300	0.13408632

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1930–2008.

Table 26. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99960327	0.99941885	0.00030768
γ	9.90625000	10.04202750	0.52722427	9.56250000	9.98144500	0.51969247
ψ	1.49609375	1.50575313	0.07746016	1.51562500	1.50185000	0.07156990
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00148752	0.00007646
ρ	0.98388672	0.98449898	0.00478021	0.98779297	0.98529734	0.00354554
ϕ_e	0.03204346	0.03215452	0.00160171	0.03283691	0.03224863	0.00169865
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004172	0.00004152	0.00000199
ν	0.98730469	0.98741453	0.00455996	0.98339844	0.98390242	0.00386076
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00117493	0.00119852	0.00005886
ϕ_d	2.78906250	2.80703438	0.15016714	2.76562500	2.82993250	0.14122024
π_d	4.07031250	4.11731813	0.20817883	3.96875000	4.13411250	0.20744411
ϕ_u	6.14062500	6.25176500	0.31549974	6.21875000	6.35313250	0.31359428
r_f	0.94284000	1.13974800	0.12445824	0.70392000	1.05018000	0.12094564
$r_d - r_f$	4.24150800	5.18797200	0.55076791	5.80435200	5.14544400	0.34961446
σ_{r_d}	18.24365095	18.88459690	0.17873712	19.21771058	19.20974753	0.14419344

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1930–2008.

Table 27. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99942017	0.99940376	0.00032797
γ	9.90625000	10.04202750	0.52722427	10.18750000	9.97298000	0.49639302
ψ	1.49609375	1.50575313	0.07746016	1.45312500	1.49962500	0.07414777
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00148690	0.00008333
ρ	0.98388672	0.98449898	0.00478021	0.98681641	0.98537176	0.00356186
ϕ_e	0.03204346	0.03215452	0.00160171	0.03308105	0.03220195	0.00171907
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004029	0.00004152	0.00000192
ν	0.98730469	0.98741453	0.00455996	0.98339844	0.98422156	0.00382592
σ_w	0.00000168	0.00000170	0.00000008	0.00000168	0.00000170	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00117493	0.00120252	0.00006103
ϕ_d	2.78906250	2.80703438	0.15016714	2.85937500	2.81940500	0.13652045
π_d	4.07031250	4.11731813	0.20817883	4.09375000	4.11183750	0.21552446
ϕ_u	6.14062500	6.25176500	0.31549974	6.40625000	6.33473500	0.30375707
r_f	0.94284000	1.13974800	0.12445824	1.05970800	1.06794000	0.13000427
$r_d - r_f$	4.24150800	5.18797200	0.55076791	5.59572000	5.14468800	0.34637898
σ_{r_d}	18.24365095	18.88459690	0.17873712	19.21087192	19.14586117	0.14198366

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1930–2008.

Table 28. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99925956	0.00040940	0.99954224	0.99938171	0.00032123
γ	9.90625000	10.05171500	0.49792398	10.06250000	9.99077000	0.52449458
ψ	1.49609375	1.49543437	0.07590342	1.51562500	1.50582875	0.07277257
μ_c	0.00148392	0.00149354	0.00007166	0.00148010	0.00149980	0.00007535
ρ	0.98388672	0.98054715	0.01314368	0.98681641	0.98444316	0.00358799
ϕ_e	0.03204346	0.03212579	0.00170246	0.03332520	0.03217062	0.00160560
$\bar{\sigma}^2$	0.00004041	0.00004102	0.00000214	0.00004029	0.00004129	0.00000210
ν	0.98730469	0.97130922	0.01768017	0.98730469	0.98506977	0.00427490
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000171	0.00000008
μ_d	0.00120926	0.00119865	0.00006164	0.00120544	0.00119781	0.00006196
ϕ_d	2.78906250	2.79316062	0.13916817	2.79687500	2.82177250	0.13573236
π_d	4.07031250	4.10591500	0.21022475	4.21875000	4.12864750	0.19933523
ϕ_u	6.14062500	6.30060250	0.31386957	6.28125000	6.30914750	0.29720276
r_f	0.94284000	1.16419200	0.13798902	0.81160800	1.14571200	0.12676533
$r_d - r_f$	4.24150800	5.25871200	0.81937435	5.79516000	4.81855200	0.33771180
σ_{r_d}	18.24365095	18.71243437	0.23178420	19.23216057	18.94420228	0.14098345

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1930–2008.

Table 29. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99966431	0.99938007	0.00033432
γ	9.90625000	10.04202750	0.52722427	9.81250000	10.03554500	0.50217068
ψ	1.49609375	1.50575313	0.07746016	1.51562500	1.49972625	0.07488372
μ_c	0.00148392	0.00148380	0.00007718	0.00151062	0.00148951	0.00007855
ρ	0.98388672	0.98449898	0.00478021	0.98291016	0.98450555	0.00393413
ϕ_e	0.03204346	0.03215452	0.00160171	0.03283691	0.03210934	0.00161243
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004125	0.00004123	0.00000201
ν	0.98730469	0.98741453	0.00455996	0.98535156	0.98470195	0.00432082
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000170	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120297	0.00005866
ϕ_d	2.78906250	2.80703438	0.15016714	2.85937500	2.81485125	0.14158630
π_d	4.07031250	4.11731813	0.20817883	4.28125000	4.09660750	0.21532411
ϕ_u	6.14062500	6.25176500	0.31549974	6.40625000	6.31827000	0.31449271
r_f	0.94284000	1.13974800	0.12445824	0.90255600	1.13992800	0.12742005
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.21242000	4.84650000	0.35090310
σ_{r_d}	18.24365095	18.88459690	0.17873712	19.11738476	18.91186929	0.14132200

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1930–2008.

Table 30. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99960327	0.99940721	0.00031425
γ	9.90625000	10.04202750	0.52722427	10.06250000	9.99970000	0.52152137
ψ	1.49609375	1.50575313	0.07746016	1.51562500	1.50021000	0.07438985
μ_c	0.00148392	0.00148380	0.00007718	0.00144958	0.00149037	0.00007623
ρ	0.98388672	0.98449898	0.00478021	0.98291016	0.98446148	0.00377684
ϕ_e	0.03204346	0.03215452	0.00160171	0.03283691	0.03227543	0.00165625
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004125	0.00004115	0.00000190
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98481727	0.00395524
σ_w	0.00000168	0.00000170	0.00000008	0.00000168	0.00000170	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00117493	0.00120411	0.00006174
ϕ_d	2.78906250	2.80703438	0.15016714	2.82812500	2.81063375	0.14049231
π_d	4.07031250	4.11731813	0.20817883	4.15625000	4.10934000	0.20339965
ϕ_u	6.14062500	6.25176500	0.31549974	6.15625000	6.33110000	0.30513155
r_f	0.94284000	1.13974800	0.12445824	0.90900000	1.11051600	0.12439935
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.31284800	4.82724000	0.33225238
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.52876682	18.93238495	0.14250214

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1930–2008.

Table 31. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99960327	0.99939353	0.00029608
γ	9.90625000	10.04202750	0.52722427	10.06250000	10.05853500	0.49742442
ψ	1.49609375	1.50575313	0.07746016	1.51562500	1.49311375	0.07303400
μ_c	0.00148392	0.00148380	0.00007718	0.00151062	0.00148868	0.00007273
ρ	0.98388672	0.98449898	0.00478021	0.98193359	0.98296277	0.00415251
ϕ_e	0.03204346	0.03215452	0.00160171	0.03332520	0.03211023	0.00158220
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00003934	0.00004075	0.00000194
ν	0.98730469	0.98741453	0.00455996	0.98925781	0.98745375	0.00463137
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120390	0.00006275
ϕ_d	2.78906250	2.80703438	0.15016714	2.85937500	2.79253375	0.13817958
π_d	4.07031250	4.11731813	0.20817883	4.09375000	4.10063000	0.20769347
ϕ_u	6.14062500	6.25176500	0.31549974	6.21875000	6.18943250	0.29891391
r_f	0.94284000	1.13974800	0.12445824	1.00591200	1.19077200	0.11798037
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.03695600	4.41958800	0.32138203
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.16761955	18.40989951	0.14029680

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1950–2008.

Table 32. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99960327	0.99938008	0.00033166
γ	9.90625000	10.04202750	0.52722427	10.06250000	10.02583000	0.52431151
ψ	1.49609375	1.50575313	0.07746016	1.45312500	1.49918000	0.08001986
μ_c	0.00148392	0.00148380	0.00007718	0.00151062	0.00149344	0.00007312
ρ	0.98388672	0.98449898	0.00478021	0.98193359	0.98397230	0.00408831
ϕ_e	0.03204346	0.03215452	0.00160171	0.03161621	0.03213060	0.00150314
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004125	0.00004109	0.00000202
ν	0.98730469	0.98741453	0.00455996	0.98535156	0.98698914	0.00445374
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000171	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120045	0.00005880
ϕ_d	2.78906250	2.80703438	0.15016714	2.79687500	2.80268000	0.13248486
π_d	4.07031250	4.11731813	0.20817883	4.21875000	4.11725000	0.20340008
ϕ_u	6.14062500	6.25176500	0.31549974	6.40625000	6.22576750	0.31784324
r_f	0.94284000	1.13974800	0.12445824	1.07752800	1.15957200	0.12631154
$r_d - r_f$	4.24150800	5.18797200	0.55076791	3.76651200	4.76186400	0.35833706
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.67475301	18.71230611	0.15239629

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1950–2008.

Table 33. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99942017	0.99936318	0.00031513
γ	9.90625000	10.04202750	0.52722427	10.18750000	10.01367000	0.49492467
ψ	1.49609375	1.50575313	0.07746016	1.48437500	1.50079500	0.08155295
μ_c	0.00148392	0.00148380	0.00007718	0.00144958	0.00149035	0.00007566
ρ	0.98388672	0.98449898	0.00478021	0.98095703	0.98362324	0.00429100
ϕ_e	0.03204346	0.03215452	0.00160171	0.03112793	0.03200978	0.00158850
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004077	0.00004116	0.00000200
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98681945	0.00422415
σ_w	0.00000168	0.00000170	0.00000008	0.00000168	0.00000170	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00117493	0.00119781	0.00006327
ϕ_d	2.78906250	2.80703438	0.15016714	2.82812500	2.78871625	0.13828109
π_d	4.07031250	4.11731813	0.20817883	4.03125000	4.09691500	0.20971750
ϕ_u	6.14062500	6.25176500	0.31549974	6.34375000	6.23483000	0.31319280
r_f	0.94284000	1.13974800	0.12445824	1.24713600	1.18948800	0.12409451
$r_d - r_f$	4.24150800	5.18797200	0.55076791	3.49311600	4.61709600	0.36029082
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.16613333	18.63441977	0.15413567

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1950–2008.

Table 34. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99954224	0.99937428	0.00032599
γ	9.90625000	10.04202750	0.52722427	9.68750000	10.06548000	0.46433527
ψ	1.49609375	1.50575313	0.07746016	1.45312500	1.49615875	0.07576643
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00148231	0.00007903
ρ	0.98388672	0.98449898	0.00478021	0.98486328	0.98340680	0.00416773
ϕ_e	0.03204346	0.03215452	0.00160171	0.03137207	0.03212951	0.00161991
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004029	0.00004090	0.00000190
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98754258	0.00466397
σ_w	0.00000168	0.00000170	0.00000008	0.00000174	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00117493	0.00120040	0.00006173
ϕ_d	2.78906250	2.80703438	0.15016714	2.79687500	2.79349125	0.13460278
π_d	4.07031250	4.11731813	0.20817883	4.15625000	4.09988000	0.20857577
ϕ_u	6.14062500	6.25176500	0.31549974	6.15625000	6.20257500	0.31937871
r_f	0.94284000	1.13974800	0.12445824	1.07654400	1.17820800	0.12049185
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.28593200	4.61002800	0.36943951
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.40315190	18.53333213	0.15081023

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1950–2008.

Table 35. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99929810	0.99935592	0.00031379
γ	9.90625000	10.04202750	0.52722427	10.31250000	10.05151000	0.52890846
ψ	1.49609375	1.50575313	0.07746016	1.48437500	1.49773500	0.07102207
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00148484	0.00007817
ρ	0.98388672	0.98449898	0.00478021	0.98486328	0.98343961	0.00410044
ϕ_e	0.03204346	0.03215452	0.00160171	0.03283691	0.03216233	0.00155566
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004125	0.00004088	0.00000197
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98776469	0.00428108
σ_w	0.00000168	0.00000170	0.00000008	0.00000168	0.00000171	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00119637	0.00006235
ϕ_d	2.78906250	2.80703438	0.15016714	2.73437500	2.78890125	0.13992093
π_d	4.07031250	4.11731813	0.20817883	4.15625000	4.11465000	0.20290275
ϕ_u	6.14062500	6.25176500	0.31549974	6.15625000	6.20453250	0.31635051
r_f	0.94284000	1.13974800	0.12445824	1.24806000	1.20210000	0.12292365
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.85210400	4.60054800	0.35540990
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.59270825	18.54935039	0.14846593

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1950–2008.

Table 36. Prior and Posterior Long Run Risks Model Parameters (stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99966431	0.99936650	0.00032395
γ	9.90625000	10.04202750	0.52722427	10.31250000	10.05126000	0.48992935
ψ	1.49609375	1.50575313	0.07746016	1.54687500	1.49688375	0.07643558
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00149407	0.00007861
ρ	0.98388672	0.98449898	0.00478021	0.97998047	0.98346953	0.00438931
ϕ_e	0.03204346	0.03215452	0.00160171	0.03234863	0.03201271	0.00160783
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00004077	0.00004077	0.00000197
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98752867	0.00461222
σ_w	0.00000168	0.00000170	0.00000008	0.00000168	0.00000170	0.00000009
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120071	0.00006033
ϕ_d	2.78906250	2.80703438	0.15016714	2.76562500	2.78563375	0.14277070
π_d	4.07031250	4.11731813	0.20817883	4.28125000	4.11361500	0.20285654
ϕ_u	6.14062500	6.25176500	0.31549974	6.03125000	6.23155000	0.29337462
r_f	0.94284000	1.13974800	0.12445824	0.90984000	1.19271600	0.12489818
$r_d - r_f$	4.24150800	5.18797200	0.55076791	3.64137600	4.62534000	0.38263081
σ_{r_d}	18.24365095	18.88459690	0.17873712	17.90431233	18.56192878	0.15475493

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1950–2008.

Table 37. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99954224	0.99939611	0.00030545
γ	9.90625000	10.04202750	0.52722427	9.93750000	9.97719000	0.48435559
ψ	1.49609375	1.50575313	0.07746016	1.48437500	1.49788625	0.07550959
μ_c	0.00148392	0.00148380	0.00007718	0.00151062	0.00149749	0.00007211
ρ	0.98388672	0.98449898	0.00478021	0.98583984	0.98354176	0.00326529
ϕ_e	0.03204346	0.03215452	0.00160171	0.03210449	0.03242544	0.00154568
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00003934	0.00004070	0.00000189
ν	0.98730469	0.98741453	0.00455996	0.98730469	0.98737227	0.00440753
σ_w	0.00000168	0.00000170	0.00000008	0.00000174	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120098	0.00006079
ϕ_d	2.78906250	2.80703438	0.15016714	2.82812500	2.83807750	0.13620459
π_d	4.07031250	4.11731813	0.20817883	4.15625000	4.12424250	0.21698084
ϕ_u	6.14062500	6.25176500	0.31549974	6.21875000	6.24205000	0.29117521
r_f	0.94284000	1.13974800	0.12445824	0.99860400	1.19006400	0.11828868
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.90605600	4.52337600	0.25411957
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.60748237	18.65877810	0.12414285

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 38. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99954224	0.99940822	0.00032443
γ	9.89062500	10.07348625	0.48583545	9.96875000	9.99752500	0.50412050
ψ	1.49609375	1.49614344	0.07859747	1.51562500	1.51125000	0.07573697
μ_c	0.00148392	0.00148142	0.00007031	0.00154114	0.00149594	0.00006807
ρ	0.98413086	0.98408021	0.00468241	0.98364258	0.98343521	0.00332692
ϕ_e	0.03204346	0.03202031	0.00160150	0.03332520	0.03232046	0.00163579
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004077	0.00004065	0.00000194
ν	0.98730469	0.98738766	0.00441105	0.98608398	0.98418768	0.00276262
σ_w	0.00000168	0.00000170	0.00000009	0.00000171	0.00000170	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00123596	0.00120055	0.00005964
ϕ_d	2.78906250	2.80749125	0.14620180	2.76562500	2.82989750	0.14405061
π_d	4.07031250	4.11655125	0.20586470	4.09375000	4.13548750	0.20867260
ϕ_u	6.14062500	6.27596375	0.31996896	6.15625000	6.26121750	0.30154289
r_f	0.94398000	1.16133600	0.12177703	1.03575600	1.17277200	0.12489472
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.39587600	4.36300800	0.25245680
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.39653228	18.59516066	0.12606330

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 39. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99972534	0.99938761	0.00031899
γ	9.89062500	10.07348625	0.48583545	9.96875000	9.96998988	0.49903898
ψ	1.49609375	1.49614344	0.07859747	1.48437500	1.51013535	0.07383918
μ_c	0.00148392	0.00148142	0.00007031	0.00151062	0.00148904	0.00006958
ρ	0.98413086	0.98408021	0.00468241	0.98413086	0.98361611	0.00346734
ϕ_e	0.03204346	0.03202031	0.00160150	0.03332520	0.03227231	0.00162317
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004077	0.00004060	0.00000189
ν	0.98730469	0.98738766	0.00441105	0.98461914	0.98347853	0.00339476
σ_w	0.00000168	0.00000170	0.00000009	0.00000171	0.00000170	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00120544	0.00120554	0.00005938
ϕ_d	2.78906250	2.80749125	0.14620180	2.85937500	2.81738582	0.13392202
π_d	4.07031250	4.11655125	0.20586470	4.03125000	4.13973020	0.20167674
ϕ_u	6.14062500	6.27596375	0.31996896	6.28125000	6.24896004	0.29683295
r_f	0.94398000	1.16133600	0.12177703	0.80304000	1.18694400	0.12378274
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.64490000	4.39042800	0.26794133
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.73851648	18.57230196	0.12900447

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 40. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99908543	0.99924983	0.00012236
γ	9.89062500	10.07348625	0.48583545	10.36425781	10.54173516	0.18315436
ψ	1.49609375	1.49614344	0.07859747	1.54003906	1.50871688	0.05548181
μ_c	0.00148392	0.00148142	0.00007031	0.00152302	0.00149011	0.00008546
ρ	0.98413086	0.98408021	0.00468241	0.98252106	0.98506005	0.00107075
ϕ_e	0.03204346	0.03202031	0.00160150	0.03240204	0.03321430	0.00113173
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004216	0.00004162	0.00000105
ν	0.98730469	0.98738766	0.00441105	0.99257660	0.99194687	0.00120298
σ_w	0.00000168	0.00000170	0.00000009	0.00000173	0.00000172	0.00000006
μ_d	0.00120926	0.00119140	0.00006114	0.00119114	0.00117924	0.00006253
ϕ_d	2.78906250	2.80749125	0.14620180	2.93652344	2.73253891	0.15870453
π_d	4.07031250	4.11655125	0.20586470	4.13378906	4.16419164	0.13093752
ϕ_u	6.14062500	6.27596375	0.31996896	6.34472656	6.37653695	0.14133841
r_f	0.94398000	1.16133600	0.12177703	1.54299600	1.20800400	0.04727806
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.61932800	5.52426000	0.10175452
σ_{r_d}	18.28002188	18.85677597	0.17586080	19.15666986	19.27444941	0.06959233

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 41. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99961472	0.99938424	0.00031906
γ	9.89062500	10.07348625	0.48583545	10.02734375	10.27190281	0.47023262
ψ	1.49609375	1.49614344	0.07859747	1.58984375	1.50394344	0.08069076
μ_c	0.00148392	0.00148142	0.00007031	0.00150681	0.00149009	0.00007294
ρ	0.98413086	0.98408021	0.00468241	0.98336792	0.98410354	0.00248692
ϕ_e	0.03204346	0.03202031	0.00160150	0.03140259	0.03237323	0.00187935
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004074	0.00004066	0.00000201
ν	0.98730469	0.98738766	0.00441105	0.98403931	0.98435032	0.00325186
σ_w	0.00000168	0.00000170	0.00000009	0.00000172	0.00000171	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00120163	0.00119683	0.00006791
ϕ_d	2.78906250	2.80749125	0.14620180	2.80859375	2.82895719	0.16015513
π_d	4.07031250	4.11655125	0.20586470	4.09765625	4.16063094	0.18751655
ϕ_u	6.14062500	6.27596375	0.31996896	6.06640625	6.33417687	0.26376410
r_f	0.94398000	1.16133600	0.12177703	0.88990800	1.16569200	0.12246985
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.10698800	4.67226000	0.23851032
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.12771359	18.80608412	0.13105628

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 42. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99964905	0.99943058	0.00029362
γ	9.89062500	10.07348625	0.48583545	9.92187500	10.00010750	0.50121255
ψ	1.49609375	1.49614344	0.07859747	1.53906250	1.50321312	0.07244585
μ_c	0.00148392	0.00148142	0.00007031	0.00151825	0.00149122	0.00007685
ρ	0.98413086	0.98408021	0.00468241	0.98284912	0.98435210	0.00320064
ϕ_e	0.03204346	0.03202031	0.00160150	0.03204346	0.03202844	0.00162241
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004160	0.00004061	0.00000196
ν	0.98730469	0.98738766	0.00441105	0.98199463	0.98223563	0.00299350
σ_w	0.00000168	0.00000170	0.00000009	0.00000169	0.00000170	0.00000008
μ_d	0.00120926	0.00119140	0.00006114	0.00121307	0.00120186	0.00006030
ϕ_d	2.78906250	2.80749125	0.14620180	2.88281250	2.82820500	0.15095447
π_d	4.07031250	4.11655125	0.20586470	4.17187500	4.15665625	0.19923412
ϕ_u	6.14062500	6.27596375	0.31996896	6.45312500	6.19978500	0.30424633
r_f	0.94398000	1.16133600	0.12177703	0.90874800	1.11896400	0.11709356
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.11223200	4.59213600	0.28433000
σ_{r_d}	18.28002188	18.85677597	0.17586080	19.07839616	18.58935179	0.13239826

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 43. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961853	0.99932302	0.00036510	0.99954224	0.99938935	0.00027716
γ	9.90625000	10.04202750	0.52722427	10.18750000	10.10354000	0.50641976
ψ	1.49609375	1.50575313	0.07746016	1.48437500	1.49639250	0.07414999
μ_c	0.00148392	0.00148380	0.00007718	0.00148010	0.00149375	0.00007486
ρ	0.98388672	0.98449898	0.00478021	0.98291016	0.98099059	0.00398392
ϕ_e	0.03204346	0.03215452	0.00160171	0.03210449	0.03174015	0.00161344
$\bar{\sigma}^2$	0.00004041	0.00004117	0.00000198	0.00003886	0.00003865	0.00000196
ν	0.98730469	0.98741453	0.00455996	0.98925781	0.98703320	0.00418696
σ_w	0.00000168	0.00000170	0.00000008	0.00000171	0.00000170	0.00000008
μ_d	0.00120926	0.00119730	0.00005852	0.00120544	0.00120478	0.00006040
ϕ_d	2.78906250	2.80703438	0.15016714	2.73437500	2.82012625	0.13519052
π_d	4.07031250	4.11731813	0.20817883	4.21875000	4.15667000	0.20959415
ϕ_u	6.14062500	6.25176500	0.31549974	6.21875000	6.20782750	0.31636092
r_f	0.94284000	1.13974800	0.12445824	1.07958000	1.30899600	0.10663198
$r_d - r_f$	4.24150800	5.18797200	0.55076791	4.00352400	3.65041200	0.23048400
σ_{r_d}	18.24365095	18.88459690	0.17873712	18.02634738	17.79911234	0.12794536

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 44. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99960327	0.99940267	0.00033177
γ	9.89062500	10.07348625	0.48583545	10.09375000	10.05925250	0.49756405
ψ	1.49609375	1.49614344	0.07859747	1.54687500	1.50268250	0.08112744
μ_c	0.00148392	0.00148142	0.00007031	0.00154114	0.00150808	0.00006875
ρ	0.98413086	0.98408021	0.00468241	0.98217773	0.98236020	0.00350206
ϕ_e	0.03204346	0.03202031	0.00160150	0.03112793	0.03180587	0.00166793
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00003839	0.00003916	0.00000202
ν	0.98730469	0.98738766	0.00441105	0.99584961	0.99449773	0.00328264
σ_w	0.00000168	0.00000170	0.00000009	0.00000177	0.00000173	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00120544	0.00119967	0.00006315
ϕ_d	2.78906250	2.80749125	0.14620180	2.82812500	2.80914875	0.13484440
π_d	4.07031250	4.11655125	0.20586470	4.15625000	4.12384250	0.20883179
ϕ_u	6.14062500	6.27596375	0.31996896	6.09375000	6.22014250	0.30564341
r_f	0.94398000	1.16133600	0.12177703	0.95542800	1.17266400	0.12667527
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.62360000	4.75460400	0.33475692
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.14425529	18.40937804	0.14630437

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 45. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99954224	0.99941372	0.00030673
γ	9.89062500	10.07348625	0.48583545	10.09375000	10.03904250	0.50083065
ψ	1.49609375	1.49614344	0.07859747	1.48437500	1.50201125	0.07546374
μ_c	0.00148392	0.00148142	0.00007031	0.00148010	0.00150894	0.00007341
ρ	0.98413086	0.98408021	0.00468241	0.98168945	0.98228117	0.00360886
ϕ_e	0.03204346	0.03202031	0.00160150	0.03259277	0.03196317	0.00155117
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00003839	0.00003948	0.00000201
ν	0.98730469	0.98738766	0.00441105	0.99536133	0.99507473	0.00263672
σ_w	0.00000168	0.00000170	0.00000009	0.00000174	0.00000173	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00117493	0.00119758	0.00006148
ϕ_d	2.78906250	2.80749125	0.14620180	2.79687500	2.80746625	0.13959362
π_d	4.07031250	4.11655125	0.20586470	4.15625000	4.13252250	0.22065538
ϕ_u	6.14062500	6.27596375	0.31996896	6.34375000	6.21243750	0.29250317
r_f	0.94398000	1.16133600	0.12177703	1.06452000	1.14392400	0.11897457
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.43383200	4.87748400	0.33818292
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.42195429	18.51357340	0.14577387

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 46. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99904537	0.99922180	0.00012152
γ	9.89062500	10.07348625	0.48583545	10.32519531	10.56446492	0.17412487
ψ	1.49609375	1.49614344	0.07859747	1.53027344	1.50799461	0.05577662
μ_c	0.00148392	0.00148142	0.00007031	0.00153446	0.00149270	0.00008456
ρ	0.98413086	0.98408021	0.00468241	0.98290253	0.98598609	0.00124615
ϕ_e	0.03204346	0.03202031	0.00160150	0.03205109	0.03305096	0.00134095
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00004039	0.00004049	0.00000086
ν	0.98730469	0.98738766	0.00441105	0.99445343	0.99279866	0.00114665
σ_w	0.00000168	0.00000170	0.00000009	0.00000167	0.00000172	0.00000007
μ_d	0.00120926	0.00119140	0.00006114	0.00119686	0.00117924	0.00006253
ϕ_d	2.78906250	2.80749125	0.14620180	2.85839844	2.73087586	0.15495639
π_d	4.07031250	4.11655125	0.20586470	4.10449219	4.15345383	0.12634830
ϕ_u	6.14062500	6.27596375	0.31996896	6.37988281	6.37462414	0.14688727
r_f	0.94398000	1.16133600	0.12177703	1.62088800	1.19774400	0.05172250
$r_d - r_f$	4.30737600	4.98738000	0.48844526	4.59018000	5.91058800	0.10823239
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.81083730	19.18439991	0.06380771

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 47. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99960709	0.99932105	0.00032923
γ	9.89062500	10.07348625	0.48583545	10.38671875	9.98092156	0.67873582
ψ	1.49609375	1.49614344	0.07859747	1.48046875	1.51191688	0.07097112
μ_c	0.00148392	0.00148142	0.00007031	0.00143051	0.00151535	0.00007563
ρ	0.98413086	0.98408021	0.00468241	0.98031616	0.98205212	0.00366324
ϕ_e	0.03204346	0.03202031	0.00160150	0.03231812	0.03196487	0.00164251
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00003758	0.00003990	0.00000178
ν	0.98730469	0.98738766	0.00441105	0.99472046	0.99545915	0.00166545
σ_w	0.00000168	0.00000170	0.00000009	0.00000173	0.00000174	0.00000009
μ_d	0.00120926	0.00119140	0.00006114	0.00120926	0.00120061	0.00005978
ϕ_d	2.78906250	2.80749125	0.14620180	2.76953125	2.81924063	0.16178595
π_d	4.07031250	4.11655125	0.20586470	4.11328125	4.10573906	0.21334995
ϕ_u	6.14062500	6.27596375	0.31996896	6.35546875	6.42243156	0.42144599
r_f	0.94398000	1.16133600	0.12177703	1.00006800	1.25214000	0.13236679
$r_d - r_f$	4.30737600	4.98738000	0.48844526	3.96928800	4.82175600	0.37706400
σ_{r_d}	18.28002188	18.85677597	0.17586080	17.95671462	18.92633086	0.17384725

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 48. Prior and Posterior Long Run Risks Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
δ	0.99961090	0.99934096	0.00031172	0.99967957	0.99940838	0.00033151
γ	9.89062500	10.07348625	0.48583545	9.98437500	10.10774000	0.50662750
ψ	1.49609375	1.49614344	0.07859747	1.49218750	1.50144875	0.07531317
μ_c	0.00148392	0.00148142	0.00007031	0.00150299	0.00151450	0.00007163
ρ	0.98413086	0.98408021	0.00468241	0.98089600	0.98395322	0.00283342
ϕ_e	0.03204346	0.03202031	0.00160150	0.03118896	0.03185065	0.00162685
$\bar{\sigma}^2$	0.00004041	0.00004124	0.00000196	0.00003946	0.00003908	0.00000209
ν	0.98730469	0.98738766	0.00441105	0.99481201	0.99452195	0.00263240
σ_w	0.00000168	0.00000170	0.00000009	0.00000169	0.00000173	0.00000008
μ_d	0.00120926	0.00119140	0.00006114	0.00113678	0.00120059	0.00006116
ϕ_d	2.78906250	2.80749125	0.14620180	2.80468750	2.79134437	0.15414428
π_d	4.07031250	4.11655125	0.20586470	4.10937500	4.13676000	0.22321712
ϕ_u	6.14062500	6.27596375	0.31996896	6.35937500	6.24665500	0.30000337
r_f	0.94398000	1.16133600	0.12177703	0.96052800	1.10392800	0.13192685
$r_d - r_f$	4.30737600	4.98738000	0.48844526	3.89211600	5.23759200	0.33847044
σ_{r_d}	18.28002188	18.85677597	0.17586080	18.32696374	18.61370463	0.14386817

Parameter values are for the monthly frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 49. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f{=}f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01837158	0.01804336	0.00093894
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01834708	0.00092512
σ_C	0.03869629	0.03761075	0.00198295	0.03857422	0.03781328	0.00208685
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11648836	0.00571664
ω	0.14990234	0.15021312	0.00748936	0.14941406	0.15004141	0.00739651
γ	0.98828125	0.98269625	0.04938903	0.97656250	0.98489250	0.04838467
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99784849	0.00212296
λ	2.22656250	2.25292313	0.11430379	2.21875000	2.25565750	0.12159162
k	9.84375000	9.91143500	0.54414120	9.81250000	9.87990000	0.52608774
b_0	1.91406250	2.00114250	0.09829364	1.97656250	1.99796437	0.10928669
η	0.90429688	0.89820141	0.04246984	0.84179688	0.84075953	0.02993638
r_f	1.71561600	1.89040800	0.05559883	1.73535600	1.92273600	0.06688141
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.58552400	4.63533600	0.13310464
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.46798547	21.47793286	0.29500525

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1930–2008.

Table 50. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01812744	0.01800172	0.00105034	0.01837158	0.01796824	0.00092342
g_D	0.01824951	0.01834795	0.00093044	0.01843262	0.01833979	0.00097760
σ_C	0.03845215	0.03777574	0.00191265	0.03759766	0.03784367	0.00202660
σ_D	0.11596680	0.11697797	0.00562207	0.11621094	0.11803141	0.00588893
ω	0.14892578	0.15042453	0.00770642	0.15136719	0.15032586	0.00781000
γ	1.00390625	0.97990750	0.05304367	1.00781250	0.98492938	0.04779778
ρ	0.99972534	0.99751366	0.00191427	0.99987793	0.99794215	0.00205631
λ	2.30468750	2.23243625	0.11645708	2.15625000	2.21828500	0.12272968
k	9.90625000	9.86141750	0.51677692	10.06250000	9.87637000	0.54037006
b_0	1.94531250	1.99536500	0.09800189	1.94531250	1.99258625	0.10380081
η	0.87695312	0.86730594	0.03095643	0.85351562	0.86287562	0.02930184
r_f	1.77278400	1.94356800	0.06335495	1.79193600	1.90575600	0.06718279
$r_d - r_f$	5.16316800	4.97193600	0.13585514	4.68922800	4.95236400	0.13572004
σ_{r_d}	23.42716372	23.17455501	0.35628259	22.27937162	23.16696786	0.34143170

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1930–2008.

Table 51. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01824951	0.01793994	0.00096312
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01835785	0.00094547
σ_C	0.03869629	0.03761075	0.00198295	0.03662109	0.03794957	0.00193295
σ_D	0.12329102	0.12023092	0.00591034	0.11816406	0.11830328	0.00559414
ω	0.14990234	0.15021312	0.00748936	0.14941406	0.14989109	0.00786662
γ	0.98828125	0.98269625	0.04938903	0.97656250	0.98133750	0.04867652
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99803881	0.00194158
λ	2.22656250	2.25292313	0.11430379	2.21875000	2.20232000	0.10883573
k	9.84375000	9.91143500	0.54414120	9.56250000	9.89739500	0.52930466
b_0	1.91406250	2.00114250	0.09829364	2.03906250	1.98436625	0.10424920
η	0.90429688	0.89820141	0.04246984	0.85742188	0.85612953	0.02866287
r_f	1.71561600	1.89040800	0.05559883	1.73043600	1.88701200	0.06429373
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.86807600	4.85497200	0.13602488
σ_{r_d}	27.20658744	26.62479296	0.81168566	22.75458635	22.85944881	0.34191453

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1930–2008.

Table 52. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01800537	0.01789125	0.00094129
g_D	0.01861572	0.01840450	0.00098167	0.01818848	0.01839362	0.00093987
σ_C	0.03869629	0.03761075	0.00198295	0.03759766	0.03789746	0.00196815
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11795047	0.00547654
ω	0.14990234	0.15021312	0.00748936	0.14550781	0.15001688	0.00785182
γ	0.98828125	0.98269625	0.04938903	0.94531250	0.97978375	0.05035439
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99801253	0.00187861
λ	2.22656250	2.25292313	0.11430379	2.15625000	2.17767000	0.11278771
k	9.84375000	9.91143500	0.54414120	9.81250000	9.91250500	0.53097166
b_0	1.91406250	2.00114250	0.09829364	1.99218750	1.98143875	0.10570813
η	0.90429688	0.89820141	0.04246984	0.84179688	0.85090344	0.02865761
r_f	1.71561600	1.89040800	0.05559883	1.65111600	1.88240400	0.06134924
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.51866000	4.73683200	0.13180560
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.59363795	22.50594588	0.32758115

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1930–2008.

Table 53. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01751709	0.01793537	0.00094827
g_D	0.01861572	0.01840450	0.00098167	0.01818848	0.01837773	0.00096751
σ_C	0.03869629	0.03761075	0.00198295	0.03857422	0.03791957	0.00188118
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11767367	0.00547896
ω	0.14990234	0.15021312	0.00748936	0.14746094	0.14996500	0.00781380
γ	0.98828125	0.98269625	0.04938903	0.96093750	0.98065062	0.05068574
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99811588	0.00194442
λ	2.22656250	2.25292313	0.11430379	2.15625000	2.17996000	0.11356403
k	9.84375000	9.91143500	0.54414120	9.81250000	9.89961500	0.51884956
b_0	1.91406250	2.00114250	0.09829364	1.96093750	1.98348688	0.10267689
η	0.90429688	0.89820141	0.04246984	0.85351562	0.85066297	0.02933554
r_f	1.71561600	1.89040800	0.05559883	1.62679200	1.87789200	0.06244390
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.66498800	4.72287600	0.13381478
σ_{r_d}	27.20658744	26.62479296	0.81168566	22.29910312	22.43483898	0.33362432

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1930–2008.

Table 54. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01776123	0.01792779	0.00091528
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01837763	0.00094365
σ_C	0.03869629	0.03761075	0.00198295	0.03857422	0.03791977	0.00191207
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11791437	0.00569785
ω	0.14990234	0.15021312	0.00748936	0.15332031	0.14971836	0.00761061
γ	0.98828125	0.98269625	0.04938903	0.99218750	0.97741375	0.05069212
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99818034	0.00175029
λ	2.22656250	2.25292313	0.11430379	2.09375000	2.17257750	0.11193473
k	9.84375000	9.91143500	0.54414120	9.93750000	9.90033000	0.50967640
b_0	1.91406250	2.00114250	0.09829364	1.97656250	1.98502437	0.10629315
η	0.90429688	0.89820141	0.04246984	0.85742188	0.85232906	0.02928768
r_f	1.71561600	1.89040800	0.05559883	1.70121600	1.86522000	0.05828005
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.67043600	4.74841200	0.13291411
σ_{r_d}	27.20658744	26.62479296	0.81168566	22.65501269	22.62281150	0.35804219

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1930–2008.

Table 55. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f{=}f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01812744	0.01805570	0.00096660
g_D	0.01861572	0.01840450	0.00098167	0.01867676	0.01838557	0.00086806
σ_C	0.03869629	0.03761075	0.00198295	0.03857422	0.03787445	0.00192974
σ_D	0.12329102	0.12023092	0.00591034	0.11816406	0.11497648	0.00607921
ω	0.14990234	0.15021312	0.00748936	0.15136719	0.15054430	0.00762210
γ	0.98828125	0.98269625	0.04938903	1.02343750	0.98393437	0.04812679
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99755584	0.00221043
λ	2.22656250	2.25292313	0.11430379	2.28125000	2.25521250	0.11510288
k	9.84375000	9.91143500	0.54414120	9.93750000	9.84938000	0.53324243
b_0	1.91406250	2.00114250	0.09829364	1.96093750	1.99204937	0.10879011
η	0.90429688	0.89820141	0.04246984	0.81054688	0.82266344	0.03330762
r_f	1.71561600	1.89040800	0.05559883	1.78951200	1.95154800	0.06991596
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.37883600	4.33654800	0.13828694
σ_{r_d}	27.20658744	26.62479296	0.81168566	20.21545943	20.22050444	0.31512083

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual stock returns for the years 1950–2008.

Table 56. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01861572	0.01808754	0.00101529	0.01788330	0.01801711	0.00099316
g_D	0.01873779	0.01831882	0.00094798	0.01818848	0.01836018	0.00089572
σ_C	0.03747559	0.03778306	0.00187752	0.03759766	0.03787246	0.00194211
σ_D	0.11303711	0.11410512	0.00564607	0.11230469	0.11537211	0.00588996
ω	0.15576172	0.15003289	0.00743952	0.15136719	0.15027266	0.00752520
γ	0.98046875	0.98081625	0.04972127	0.99218750	0.98400750	0.04926908
ρ	0.99942017	0.99752862	0.00203518	0.99963379	0.99757290	0.00226162
λ	2.25781250	2.25378562	0.11252180	2.28125000	2.25533250	0.11385801
k	9.84375000	9.81281000	0.52240568	9.81250000	9.88113500	0.51702326
b_0	2.07031250	1.99890437	0.09922667	2.02343750	1.99105812	0.10228623
η	0.82226562	0.82939266	0.03366378	0.83789062	0.82417969	0.03267876
r_f	1.81570800	1.95214800	0.06552002	1.74140400	1.94600400	0.07035937
$r_d - r_f$	4.29759600	4.37146800	0.13614266	4.45668000	4.37964000	0.13734816
σ_{r_d}	19.71393416	20.37115608	0.33597998	20.31798218	20.40320563	0.33147512

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual stock returns for the years 1950–2008.

Table 57. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01751709	0.01805678	0.00097093
g_D	0.01861572	0.01840450	0.00098167	0.01794434	0.01838768	0.00090031
σ_C	0.03869629	0.03761075	0.00198295	0.03759766	0.03786730	0.00197011
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11596734	0.00593457
ω	0.14990234	0.15021312	0.00748936	0.15332031	0.15019602	0.00734599
γ	0.98828125	0.98269625	0.04938903	0.99218750	0.98312938	0.04893125
ρ	0.99978638	0.99808471	0.00153966	0.99938965	0.99769172	0.00219007
λ	2.22656250	2.25292313	0.11430379	2.21875000	2.25344250	0.11421710
k	9.84375000	9.91143500	0.54414120	9.81250000	9.88430000	0.53201135
b_0	1.91406250	2.00114250	0.09829364	1.99218750	1.99492062	0.10488969
η	0.90429688	0.89820141	0.04246984	0.83789062	0.82958000	0.03553726
r_f	1.71561600	1.89040800	0.05559883	1.72950000	1.93665600	0.06987786
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.53664800	4.47694800	0.14335145
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.21857677	20.84905753	0.35091522

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual stock returns for the years 1950–2008.

Table 58. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01837158	0.01802964	0.00093410
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01835843	0.00091503
σ_C	0.03869629	0.03761075	0.00198295	0.03759766	0.03787156	0.00205605
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11538914	0.00549873
ω	0.14990234	0.15021312	0.00748936	0.15136719	0.15002664	0.00751852
γ	0.98828125	0.98269625	0.04938903	1.00781250	0.98538375	0.04823945
ρ	0.99978638	0.99808471	0.00153966	0.99987793	0.99780105	0.00214287
λ	2.22656250	2.25292313	0.11430379	2.21875000	2.22075500	0.11341266
k	9.84375000	9.91143500	0.54414120	9.68750000	9.91242500	0.51240718
b_0	1.91406250	2.00114250	0.09829364	1.94531250	1.99267750	0.10398616
η	0.90429688	0.89820141	0.04246984	0.84179688	0.83444344	0.03442387
r_f	1.71561600	1.89040800	0.05559883	1.79193600	1.92666000	0.06821162
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.52847600	4.47356400	0.14578325
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.35415650	21.02875175	0.36822474

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual stock returns for the years 1950–2008.

Table 59. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01776123	0.01801123	0.00095913
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01838852	0.00087675
σ_C	0.03869629	0.03761075	0.00198295	0.03857422	0.03799469	0.00198395
σ_D	0.12329102	0.12023092	0.00591034	0.11425781	0.11548813	0.00577651
ω	0.14990234	0.15021312	0.00748936	0.14550781	0.15000344	0.00724943
γ	0.98828125	0.98269625	0.04938903	0.99218750	0.98200250	0.04959777
ρ	0.99978638	0.99808471	0.00153966	0.99963379	0.99774086	0.00214036
λ	2.22656250	2.25292313	0.11430379	2.28125000	2.23028000	0.11482361
k	9.84375000	9.91143500	0.54414120	9.68750000	9.89268000	0.52624827
b_0	1.91406250	2.00114250	0.09829364	2.00781250	1.99188187	0.10407366
η	0.90429688	0.89820141	0.04246984	0.85351562	0.83088312	0.03298668
r_f	1.71561600	1.89040800	0.05559883	1.72563600	1.92490800	0.06907765
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.72729200	4.43932800	0.14324407
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.61263519	20.82870135	0.35475651

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual stock returns for the years 1950–2008.

Table 60. Prior and Posterior Prospect Theory Model Parameters (stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01788330	0.01799446	0.00092942
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01835765	0.00088945
σ_C	0.03869629	0.03761075	0.00198295	0.03759766	0.03794340	0.00201999
σ_D	0.12329102	0.12023092	0.00591034	0.11425781	0.11533109	0.00565569
ω	0.14990234	0.15021312	0.00748936	0.14550781	0.15005133	0.00728458
γ	0.98828125	0.98269625	0.04938903	0.99218750	0.98149375	0.04975213
ρ	0.99978638	0.99808471	0.00153966	0.99963379	0.99779567	0.00212132
λ	2.22656250	2.25292313	0.11430379	2.28125000	2.22665000	0.11415170
k	9.84375000	9.91143500	0.54414120	9.56250000	9.89410000	0.53496765
b_0	1.91406250	2.00114250	0.09829364	2.00781250	1.99262875	0.10392983
η	0.90429688	0.89820141	0.04246984	0.85351562	0.83121500	0.03398951
r_f	1.71561600	1.89040800	0.05559883	1.74140400	1.91709600	0.06772665
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.69705200	4.43449200	0.14259974
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.54707405	20.82867255	0.35373384

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual stock returns for the years 1950–2008.

Table 61. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01763916	0.01814471	0.00096806
g_D	0.01861572	0.01840450	0.00098167	0.01843262	0.01837085	0.00093028
σ_C	0.03869629	0.03761075	0.00198295	0.03271484	0.03261234	0.00174218
σ_D	0.12329102	0.12023092	0.00591034	0.12011719	0.11636289	0.00580977
ω	0.14990234	0.15021312	0.00748936	0.15136719	0.15070719	0.00759516
γ	0.98828125	0.98269625	0.04938903	0.97656250	0.97923875	0.04821421
ρ	0.99978638	0.99808471	0.00153966	0.99914551	0.99774993	0.00218315
λ	2.22656250	2.25292313	0.11430379	2.21875000	2.25197000	0.12221075
k	9.84375000	9.91143500	0.54414120	9.81250000	9.85846000	0.53005204
b_0	1.91406250	2.00114250	0.09829364	1.97656250	1.99389063	0.10099620
η	0.90429688	0.89820141	0.04246984	0.83398438	0.84266312	0.02920515
r_f	1.71561600	1.89040800	0.05559883	1.75702800	1.95098400	0.06829476
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.65021600	4.63310400	0.13172593
σ_{r_d}	27.20658744	26.62479296	0.81168566	21.87017147	21.52656963	0.29189777

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 62. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01824951	0.01771923	0.00086638
g_D	0.01870728	0.01833821	0.00095276	0.01818848	0.01844135	0.00083896
σ_C	0.03918457	0.03764040	0.00200690	0.03369141	0.03389359	0.00187138
σ_D	0.12231445	0.12023010	0.00611083	0.12011719	0.11527031	0.00520503
ω	0.14794922	0.15018164	0.00694094	0.15136719	0.15094750	0.00821306
γ	0.98632812	0.98511422	0.05145608	0.97656250	0.98368938	0.05006559
ρ	0.99972534	0.99783899	0.00163604	0.99987793	0.99847171	0.00130727
λ	2.17968750	2.24709750	0.11486810	2.28125000	2.24333250	0.11777696
k	9.82812500	9.86375625	0.53189914	10.06250000	9.85041500	0.55561603
b_0	2.00195312	2.00328703	0.10967111	1.91796875	1.99704406	0.12267408
η	0.91601562	0.89845969	0.04412695	0.83398438	0.87901516	0.03160034
r_f	1.75579200	1.91283600	0.05667617	1.74026400	1.83994800	0.04897200
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.75596000	5.08546800	0.14149816
σ_{r_d}	27.97748380	26.75881163	0.92424294	21.87113166	23.65836850	0.42421119

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 63. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01824951	0.01797261	0.00096523
g_D	0.01870728	0.01833821	0.00095276	0.01843262	0.01836944	0.00095803
σ_C	0.03918457	0.03764040	0.00200690	0.03271484	0.03355555	0.00164143
σ_D	0.12231445	0.12023010	0.00611083	0.11816406	0.11870445	0.00546821
ω	0.14794922	0.15018164	0.00694094	0.15332031	0.15058867	0.00779432
γ	0.98632812	0.98511422	0.05145608	0.99218750	0.98005938	0.04934600
ρ	0.99972534	0.99783899	0.00163604	0.99987793	0.99808459	0.00197343
λ	2.17968750	2.24709750	0.11486810	2.15625000	2.17399250	0.11665373
k	9.82812500	9.86375625	0.53189914	10.06250000	9.90334500	0.54065424
b_0	2.00195312	2.00328703	0.10967111	1.91015625	1.98443563	0.10104918
η	0.91601562	0.89845969	0.04412695	0.85351562	0.84901484	0.02652640
r_f	1.75579200	1.91283600	0.05667617	1.77021600	1.89856800	0.06493112
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.75563600	4.73256000	0.13030565
σ_{r_d}	27.97748380	26.75881163	0.92424294	22.72857233	22.53019308	0.30089354

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 64. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01923752	0.01913730	0.00056778
g_D	0.01870728	0.01833821	0.00095276	0.01812363	0.01845643	0.00066295
σ_C	0.03918457	0.03764040	0.00200690	0.03404236	0.03416586	0.00137083
σ_D	0.12231445	0.12023010	0.00611083	0.11257935	0.11363571	0.00300685
ω	0.14794922	0.15018164	0.00694094	0.15750122	0.15818467	0.00456260
γ	0.98632812	0.98511422	0.05145608	0.98754883	0.98208311	0.04133355
ρ	0.99972534	0.99783899	0.00163604	0.99984550	0.99931374	0.00043919
λ	2.17968750	2.24709750	0.11486810	2.11816406	2.28564180	0.12597245
k	9.82812500	9.86375625	0.53189914	9.94824219	9.61647891	0.32428464
b_0	2.00195312	2.00328703	0.10967111	1.99546814	1.98710898	0.00855849
η	0.91601562	0.89845969	0.04412695	0.87574387	0.87624300	0.00138077
r_f	1.75579200	1.91283600	0.05667617	1.85874000	1.89148800	0.02440806
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.77504000	4.94956800	0.08211999
σ_{r_d}	27.97748380	26.75881163	0.92424294	22.81465319	22.70160347	0.12437530

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 65. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01838684	0.01819734	0.00102993
g_D	0.01870728	0.01833821	0.00095276	0.01933289	0.01829115	0.00084900
σ_C	0.03918457	0.03764040	0.00200690	0.03460693	0.03361190	0.00195344
σ_D	0.12231445	0.12023010	0.00611083	0.11437988	0.11578242	0.00522365
ω	0.14794922	0.15018164	0.00694094	0.15173340	0.15052784	0.00817389
γ	0.98632812	0.98511422	0.05145608	0.93066406	0.98327500	0.05532823
ρ	0.99972534	0.99783899	0.00163604	0.99961090	0.99863926	0.00093496
λ	2.17968750	2.24709750	0.11486810	2.14453125	2.17807500	0.11921869
k	9.82812500	9.86375625	0.53189914	9.74218750	9.81601875	0.54825944
b_0	2.00195312	2.00328703	0.10967111	2.06811523	2.05868504	0.05346305
η	0.91601562	0.89845969	0.04412695	0.87258911	0.88225893	0.00626268
r_f	1.75579200	1.91283600	0.05667617	1.69825200	1.86939600	0.03815708
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.90434000	5.10331200	0.10904992
σ_{r_d}	27.97748380	26.75881163	0.92424294	23.19505120	23.88821467	0.26426953

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 66. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1930–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01846313	0.01795106	0.00095215
g_D	0.01870728	0.01833821	0.00095276	0.01849365	0.01845027	0.00097794
σ_C	0.03918457	0.03764040	0.00200690	0.03295898	0.03356905	0.00201110
σ_D	0.12231445	0.12023010	0.00611083	0.11962891	0.11738381	0.00597238
ω	0.14794922	0.15018164	0.00694094	0.14892578	0.15015283	0.00801015
γ	0.98632812	0.98511422	0.05145608	0.96484375	0.97603082	0.04958596
ρ	0.99972534	0.99783899	0.00163604	0.99969482	0.99783430	0.00202090
λ	2.17968750	2.24709750	0.11486810	2.23437500	2.18521953	0.11761822
k	9.82812500	9.86375625	0.53189914	9.90625000	9.84252984	0.53634137
b_0	2.00195312	2.00328703	0.10967111	1.89355469	1.93699477	0.12735310
η	0.91601562	0.89845969	0.04412695	0.85375977	0.85965642	0.02405305
r_f	1.75579200	1.91283600	0.05667617	1.76136000	1.91498400	0.06495191
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.88326800	4.78360800	0.12334973
σ_{r_d}	27.97748380	26.75881163	0.92424294	22.90177286	22.79236714	0.29273615

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1930–2008.

Table 67. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_0$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01788330	0.01798780	0.00093552	0.01885986	0.01822660	0.00091583
g_D	0.01861572	0.01840450	0.00098167	0.01794434	0.01834926	0.00090177
σ_C	0.03869629	0.03761075	0.00198295	0.03076172	0.03172910	0.00205213
σ_D	0.12329102	0.12023092	0.00591034	0.11621094	0.11475453	0.00574973
ω	0.14990234	0.15021312	0.00748936	0.14941406	0.15058758	0.00738471
γ	0.98828125	0.98269625	0.04938903	0.97656250	0.98337750	0.05095808
ρ	0.99978638	0.99808471	0.00153966	0.99938965	0.99777104	0.00216305
λ	2.22656250	2.25292313	0.11430379	2.28125000	2.25962000	0.11547398
k	9.84375000	9.91143500	0.54414120	9.81250000	9.86837500	0.54041446
b_0	1.91406250	2.00114250	0.09829364	2.03906250	1.99460938	0.11035588
η	0.90429688	0.89820141	0.04246984	0.81445312	0.82396281	0.03258407
r_f	1.71561600	1.89040800	0.05559883	1.85772000	1.96645200	0.06799685
$r_d - r_f$	5.82360000	5.53437600	0.17280671	4.33316400	4.34617200	0.13566808
σ_{r_d}	27.20658744	26.62479296	0.81168566	19.90598905	20.22468788	0.30218851

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_0. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 68. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_1$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01885986	0.01819439	0.00096141
g_D	0.01870728	0.01833821	0.00095276	0.01843262	0.01835021	0.00086683
σ_C	0.03918457	0.03764040	0.00200690	0.03271484	0.03173961	0.00205064
σ_D	0.12231445	0.12023010	0.00611083	0.11621094	0.11490297	0.00595469
ω	0.14794922	0.15018164	0.00694094	0.15136719	0.15093742	0.00755071
γ	0.98632812	0.98511422	0.05145608	0.99218750	0.98232125	0.04948071
ρ	0.99972534	0.99783899	0.00163604	0.99987793	0.99767006	0.00222521
λ	2.17968750	2.24709750	0.11486810	2.28125000	2.25452750	0.11475802
k	9.82812500	9.86375625	0.53189914	10.06250000	9.87704500	0.52897614
b_0	2.00195312	2.00328703	0.10967111	2.01171875	1.98863313	0.10695833
η	0.91601562	0.89845969	0.04412695	0.82617188	0.82585922	0.03385318
r_f	1.75579200	1.91283600	0.05667617	1.83078000	1.97161200	0.06938942
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.52380800	4.36833600	0.14055246
σ_{r_d}	27.97748380	26.75881163	0.92424294	20.61891365	20.36924152	0.31733067

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_1. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 69. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_2$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01824951	0.01821485	0.00091220
g_D	0.01870728	0.01833821	0.00095276	0.01794434	0.01834998	0.00089644
σ_C	0.03918457	0.03764040	0.00200690	0.03271484	0.03177734	0.00199353
σ_D	0.12231445	0.12023010	0.00611083	0.11621094	0.11519875	0.00580704
ω	0.14794922	0.15018164	0.00694094	0.14941406	0.15024539	0.00736437
γ	0.98632812	0.98511422	0.05145608	0.99218750	0.98249125	0.04909538
ρ	0.99972534	0.99783899	0.00163604	0.99987793	0.99776667	0.00214017
λ	2.17968750	2.24709750	0.11486810	2.28125000	2.25388750	0.11483048
k	9.82812500	9.86375625	0.53189914	10.18750000	9.86591000	0.53177527
b_0	2.00195312	2.00328703	0.10967111	1.94921875	1.99339406	0.10658751
η	0.91601562	0.89845969	0.04412695	0.83007812	0.83578234	0.03494003
r_f	1.75579200	1.91283600	0.05667617	1.77021600	1.96428000	0.06886980
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.56117600	4.50452400	0.14521168
σ_{r_d}	27.97748380	26.75881163	0.92424294	20.84822295	20.98508041	0.36656629

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_2. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 70. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_3$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01896667	0.01875501	0.00053709
g_D	0.01870728	0.01833821	0.00095276	0.01875305	0.01847163	0.00065569
σ_C	0.03918457	0.03764040	0.00200690	0.03521729	0.03268323	0.00154309
σ_D	0.12231445	0.12023010	0.00611083	0.11364746	0.11693716	0.00371930
ω	0.14794922	0.15018164	0.00694094	0.15710449	0.15438143	0.00487524
γ	0.98632812	0.98511422	0.05145608	1.00878906	1.00201346	0.04869670
ρ	0.99972534	0.99783899	0.00163604	0.99982452	0.99931284	0.00043850
λ	2.17968750	2.24709750	0.11486810	2.23046875	2.30634578	0.12966346
k	9.82812500	9.86375625	0.53189914	10.11328125	9.66208992	0.33233749
b_0	2.00195312	2.00328703	0.10967111	1.99090576	1.98514511	0.00864512
η	0.91601562	0.89845969	0.04412695	0.87471008	0.87655619	0.00143531
r_f	1.75579200	1.91283600	0.05667617	1.86777600	1.89448800	0.02650038
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.99666800	5.14666800	0.08811635
σ_{r_d}	27.97748380	26.75881163	0.92424294	22.93250968	23.45337502	0.15426477

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_3. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 71. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_4$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01826477	0.01830696	0.00115531
g_D	0.01870728	0.01833821	0.00095276	0.01924133	0.01837688	0.00102330
σ_C	0.03918457	0.03764040	0.00200690	0.03179932	0.03172497	0.00230510
σ_D	0.12231445	0.12023010	0.00611083	0.11096191	0.11283297	0.00499660
ω	0.14794922	0.15018164	0.00694094	0.15100098	0.15138633	0.00767851
γ	0.98632812	0.98511422	0.05145608	0.97167969	0.99603625	0.05113099
ρ	0.99972534	0.99783899	0.00163604	0.99953461	0.99835201	0.00115006
λ	2.17968750	2.24709750	0.11486810	2.28515625	2.27421219	0.13442147
k	9.82812500	9.86375625	0.53189914	9.74218750	9.78452562	0.54161355
b_0	2.00195312	2.00328703	0.10967111	2.02661133	1.92287785	0.09722379
η	0.91601562	0.89845969	0.04412695	0.87442017	0.88368422	0.01050809
r_f	1.75579200	1.91283600	0.05667617	1.77356400	1.93836000	0.04625268
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.89445200	4.98368400	0.12231743
σ_{r_d}	27.97748380	26.75881163	0.92424294	22.22495894	23.05083079	0.27967608

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_4. The data are annual consumption growth and stock returns for the years 1950–2008.

Table 72. Prior and Posterior Prospect Theory Model Parameters (consumption growth and stock returns, 1950–2008, $f=f_5$)

	Prior			Posterior		
Parameter	Mode	Mean	Std.Dev.	Mode	Mean	Std.Dev.
g_C	0.01828003	0.01792775	0.00093413	0.01828003	0.01823593	0.00108052
g_D	0.01870728	0.01833821	0.00095276	0.01812744	0.01842099	0.00094714
σ_C	0.03918457	0.03764040	0.00200690	0.03100586	0.03179314	0.00217931
σ_D	0.12231445	0.12023010	0.00611083	0.11181641	0.11446559	0.00590763
ω	0.14794922	0.15018164	0.00694094	0.14697266	0.15042301	0.00754053
γ	0.98632812	0.98511422	0.05145608	0.99609375	0.98010656	0.04918468
ρ	0.99972534	0.99783899	0.00163604	0.99871826	0.99754458	0.00215700
λ	2.17968750	2.24709750	0.11486810	2.26562500	2.26343375	0.10844464
k	9.82812500	9.86375625	0.53189914	9.84375000	9.82355000	0.55751571
b_0	2.00195312	2.00328703	0.10967111	1.95605469	1.95622516	0.12668016
η	0.91601562	0.89845969	0.04412695	0.85668945	0.85412277	0.03738791
r_f	1.75579200	1.91283600	0.05667617	1.90142400	1.98378000	0.06872431
$r_d - r_f$	5.92353600	5.49249600	0.19235810	4.59565200	4.67685600	0.15275649
σ_{r_d}	27.97748380	26.75881163	0.92424294	21.15820408	21.84271961	0.45242931

Parameter values are for the annual frequency. Returns are annualized. Mode is the mode of the multivariate density. It actually occurs in the MCMC chain whereas the mean may not even satisfy support conditions. In the data, $r_d - r_f = 5.59 - 0.89 = 4.7$ and $\sigma_{r_d} = 19.72$. The auxiliary model is f_5. The data are annual consumption growth and stock returns for the years 1950–2008.