[Working Paper No. 731]

Keep in mind

AUTHOR OR EDITOR

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Using data from the 2010 Colombia Demographic and Health Survey and of the National Survey of the [illegible] suggest that the Colombian indigenous group has a higher potential for growth in biological well-being if their socioeconomic status improves.

Using a set of 85 stocks from the S&P100, this paper finds that relaxing the long-term independence assumption results in significantly different estimations of beta. According to three tests herein implemented with a 99% confidence level, more than 60% of the stocks exhibit significantly different beta parameters. Hence, expected returns are biased; on average, the bias is about ± 60bps for a contemporary one-year investment horizon. Thus, as emphasized by Holton (1992), risk is a two-dimensional quantity, with holding period almost as important as asset class. The procedure herein proposed is valuable since it parsimoniously achieves an investment horizon dependent CAPM.