

Accepted Manuscript

Title: Can Macroeconomic Dynamics Explain the Time Variation of Risk-Return Trade-Offs in the U.S. Financial Market?

Author: Xiaochun Liu

PII: S1062-9769(17)30098-4
DOI: <http://dx.doi.org/doi:10.1016/j.qref.2017.03.006>
Reference: QUAECO 1026

To appear in: *The Quarterly Review of Economics and Finance*

Received date: 19-3-2016
Revised date: 7-3-2017
Accepted date: 7-3-2017

Please cite this article as: Xiaochun Liu, Can Macroeconomic Dynamics Explain the Time Variation of Risk-Return Trade-Offs in the U.S. Financial Market?, *Quarterly Review of Economics and Finance* (2017), <http://dx.doi.org/10.1016/j.qref.2017.03.006>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



Highlights

December 1, 2016

- The risk-return trade-off procyclically varies with business cycles.
- The risk-return trade-off asymmetrically responds to market timing.
- Modeling time-varying skewness lowers the level of the risk-return trade-off.
- Macroeconomic fluctuations significantly explain risk-return trade-off dynamics.
- The risk-return trade-off is nonlinearly related to macroeconomic dynamics.

Accepted Manuscript

Download English Version:

<https://daneshyari.com/en/article/7383575>

Download Persian Version:

<https://daneshyari.com/article/7383575>

[Daneshyari.com](https://daneshyari.com)