

Table 1
Market momentum (expansionary period 1990–1999)

Market momentum is formed based on observation period J months and holding period K months for all stocks with a corporate governance score in the sample. Stocks are ranked based on their past performance over J months in ascending order. We form five equally weighted portfolios (Panel A) and 10 equally weighted portfolios (Panel B) are formed based on the past J months performance. P1 is the loser portfolio and P5/P10 is the winner portfolio. Stocks with the most returns over the observation period J months (P5/P10) are bought and stocks with the lowest performance over J months are sold (P1). The average monthly momentum return is the difference between the winner and loser.

Panel A						Panel B					
Momentum 5 portfolios						Momentum 10 portfolios					
<i>J</i>		3	6	9	12	<i>J</i>		3	6	9	12
3	Loser	0.0168	0.0153	0.0143	0.0144	3	Loser	0.017	0.0156	0.0153	0.0154
	Winner	0.0151	0.0152	0.0168	0.0172		Winner	0.018	0.0174	0.019	0.0194
	W-L	-0.0017	-0.0001	0.0024	0.0029		W-L	0.001	0.0018	0.0037	0.004
	Annual	-2.02%	-0.14%	2.95%	3.50%		Annual	1.22%	2.23%	4.57%	4.89%
6	Loser	0.0154	0.0135	0.013	0.0143	6	Loser	0.015	0.0139	0.014	0.0158
	Winner	0.0163	0.0178	0.0187	0.018		Winner	0.0195	0.0207	0.0216	0.0205
	W-L	0.0009	0.0043	0.0058	0.0037		W-L	0.0045	0.0068	0.0076	0.0047
	Annual	1.10%	5.28%	7.13%	4.56%		Annual	5.56%	8.53%	9.48%	5.82%
9	Loser	0.014	0.0124	0.0132	0.0149	9	Loser	0.0142	0.0134	0.0148	0.0169
	Winner	0.02	0.0203	0.0197	0.0184		Winner	0.0231	0.0233	0.0222	0.0206
	W-L	0.0059	0.0079	0.0065	0.0034		W-L	0.0088	0.0099	0.0074	0.0037
	Annual	7.34%	9.94%	8.15%	4.22%		Annual	11.15%	12.48%	9.30%	4.50%
12	Loser	0.0126	0.0126	0.014	0.0155	12	Loser	0.0138	0.014	0.0162	0.0178
	Winner	0.0206	0.0195	0.0188	0.0176		Winner	0.0233	0.0223	0.0209	0.0195
	W-L	0.0079	0.0069	0.0048	0.0022		W-L	0.0095	0.0083	0.0048	0.0016
	Annual	9.96%	8.58%	5.90%	2.62%		Annual	12.07%	10.44%	5.86%	1.94%

Table 2
Regression analysis of market momentum (expansionary period 1990–1999)

A regression analysis is conducted on all momentum returns along with the winner and loser portfolios for all companies with a corporate governance score in the sample. Panels A and B show alphas and p-values (in parenthesis) for 5-portfolio momentum returns regressed on the Fama and French (FF) three- and five-factor models, respectively. Panels C and D report alphas and p-values for the 10-portfolio momentum, winner and loser portfolio returns. Newey and West's heteroscedasticity and autocorrelation adjusted standard errors are used.

<i>J</i>	<i>K</i>	Panel A				Panel B			
		3 FF 5 Portfolios				5 FF 5 Portfolios			
		3	6	9	12	3	6	9	12
3	Loser	0.0005	-0.0008	-0.0015	-0.0013	-0.0001	-0.0013	-0.0018	-0.0018
	p-value	(0.8549)	(0.7292)	(0.4884)	(0.4910)	(0.9700)	(0.5908)	(0.3964)	(0.3710)
	Winner	0.0002	-0.0003	0.0015	0.0018	0.0005	-0.0002	0.0015	0.0017
	p-value	(0.8722)	(0.7621)	(0.1097)	(0.0591)	(0.6483)	(0.8239)	(0.1401)	(0.0852)
	W-L	-0.0040	-0.0031	-0.0007	-0.0006	-0.0031	-0.0026	-0.0003	-0.0002
	p-value	(0.2149)	(0.2341)	(0.7642)	(0.7793)	(0.3520)	(0.3430)	(0.8803)	(0.9205)
6	Loser	-0.0005	-0.0021	-0.0025	0.0022	-0.0010	-0.0025	-0.0028	0.0024
	p-value	(0.8661)	(0.4153)	(0.2822)	(0.4246)	(0.7489)	(0.3612)	(0.2400)	(0.4096)
	Winner	0.0011	0.0025	0.0034	0.0034	0.0013	0.0024	0.0032	0.0032
	p-value	(0.3765)	(0.0424)	(0.0038)	(0.0038)	(0.3020)	(0.0598)	(0.0078)	(0.0078)
	W-L	-0.0020	0.0010	0.0022	-0.0025	-0.0013	0.0012	0.0024	-0.0028
	p-value	(0.5784)	(0.7612)	(0.4246)	(0.2822)	(0.7239)	(0.7131)	(0.4096)	(0.2400)
9	Loser	-0.0013	-0.0029	-0.0020	-0.0002	-0.0016	-0.0031	-0.0023	-0.0006
	p-value	(0.6673)	(0.2772)	(0.4059)	(0.9249)	(0.6039)	(0.2564)	(0.3529)	(0.8121)
	Winner	0.0051	0.0051	0.0043	0.0028	0.0052	0.0050	0.0042	0.0025
	p-value	(0.0005)	(0.0003)	(0.0010)	(0.0191)	(0.0005)	(0.0006)	(0.0019)	(0.0381)
	W-L	0.0027	0.0043	0.0027	-0.0006	0.0032	0.0045	0.0029	-0.0005
	p-value	(0.4747)	(0.2049)	(0.3815)	(0.8216)	(0.4154)	(0.2014)	(0.3656)	(0.8570)
12	Loser	-0.0024	-0.0024	-0.0010	0.0005	-0.0027	-0.0027	-0.0013	0.0003
	p-value	(0.4101)	(0.3770)	(0.6954)	(0.8342)	(0.3780)	(0.3312)	(0.6309)	(0.9140)
	Winner	0.0053	0.0040	0.0030	0.0016	0.0054	0.0039	0.0028	0.0013
	p-value	(0.0005)	(0.0044)	(0.0198)	(0.1759)	(0.0005)	(0.0065)	(0.0379)	(0.2908)
	W-L	0.0040	0.0027	0.0004	-0.0025	0.0044	0.0030	0.0004	-0.0026
	p-value	(0.2916)	(0.4382)	(0.9079)	(0.4040)	(0.2611)	(0.4090)	(0.9057)	(0.4045)

<i>J</i>	<i>K</i>	Panel C				Panel D			
		3 FF 10 portfolios				5 FF 10 portfolios			
		3	6	9	12	3	6	9	12
3	Loser	0.0009	-0.0005	-0.0003	-0.0003	0.0009	-0.0004	-0.0003	-0.0002
	p-value	(0.8030)	(0.8850)	(0.9157)	(0.9127)	(0.8024)	(0.8997)	(0.9136)	(0.9429)
	Winner	0.0044	0.0029	0.0045	0.0044	0.0036	0.0024	0.0040	0.0041
	p-value	(0.0054)	(0.0425)	(0.0016)	(0.0021)	(0.0239)	(0.0898)	(0.0036)	(0.0038)
	W-L	-0.0009	-0.0009	0.0007	0.0006	-0.0002	-0.0003	0.0011	0.0011
	p-value	(0.8271)	(0.8058)	(0.8143)	(0.8055)	(0.9702)	(0.9370)	(0.7180)	(0.6888)
6	Loser	-0.0009	-0.0018	-0.0017	0.0001	-0.0007	-0.0017	-0.0016	0.0002
	p-value	(0.8212)	(0.6307)	(0.6133)	(0.9822)	(0.8718)	(0.6500)	(0.6297)	(0.9484)
	Winner	0.0054	0.0060	0.0067	0.0056	0.0047	0.0056	0.0064	0.0053
	p-value	(0.0022)	(0.0007)	(0.0001)	(0.0003)	(0.0071)	(0.0012)	(0.0001)	(0.0005)
	W-L	0.0017	0.0036	0.0043	0.0014	0.0027	0.0042	0.0047	0.0019
	p-value	(0.7258)	(0.3965)	(0.2447)	(0.6805)	(0.5906)	(0.3424)	(0.2139)	(0.6027)
9	Loser	-0.0007	-0.0015	-0.0003	0.0017	-0.0007	-0.0017	-0.0004	0.0016
	p-value	(0.8761)	(0.7077)	(0.9303)	(0.6227)	(0.8686)	(0.6635)	(0.9042)	(0.6287)
	Winner	0.0092	0.0086	0.0075	0.0056	0.0084	0.0081	0.0070	0.0053
	p-value	(0.0000)	(0.0000)	(0.0001)	(0.0009)	(0.0000)	(0.0000)	(0.0001)	(0.0014)
	W-L	0.0055	0.0061	0.0038	0.0000	0.0062	0.0065	0.0042	0.0003
	p-value	(0.2985)	(0.1872)	(0.3735)	(0.9976)	(0.2510)	(0.1783)	(0.3462)	(0.9499)
12	Loser	-0.0007	-0.0008	0.0015	0.0030	-0.0010	-0.0009	0.0013	0.0029
	p-value	(0.8735)	(0.8512)	(0.6940)	(0.4041)	(0.8218)	(0.8173)	(0.7223)	(0.4090)
	Winner	0.0093	0.0077	0.0060	0.0041	0.0083	0.0070	0.0056	0.0038
	p-value	(0.0000)	(0.0001)	(0.0013)	(0.0185)	(0.0001)	(0.0004)	(0.0020)	(0.0226)
	W-L	0.0057	0.0043	0.0006	-0.0028	0.0063	0.0048	0.0009	-0.0026
	p-value	(0.2858)	(0.3768)	(0.8851)	(0.5029)	(0.2486)	(0.3422)	(0.8516)	(0.5382)

Table 3
Corporate governance momentum (expansionary period 1990–1999)

Corporate governance momentum is applied across stocks with a corporate governance score of 5 or less (democracy stocks) and a corporate governance score of 14 or more (dictatorship stocks). For each G-index group, momentum, loser, and winner portfolios for a 5-portfolio (Panel A) and 10-portfolio (Panel B) strategy are shown, with equally weighted average returns for each J and K month combination. As the strategy involves rolling portfolios, the momentum strategy is implemented each month. Monthly returns represent the equally weighted average returns from J months to K months. For each G-index group, the table shows the average returns of the winner and loser portfolios along with the average returns of the momentum strategy.

Panel A									
Momentum 5 portfolios									
J	K	3	6	9	12				
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0176	0.0189	0.0149	0.0168	0.0146	0.017	0.0168	0.017
	Winner	0.0143	0.0168	0.0151	0.0167	0.0167	0.0186	0.0154	0.0186
	W-L	-0.0033	-0.0021	0.0002	-0.0001	0.0021	0.0016	-0.0014	0.0016
	Annual	-3.90%	-2.50%	0.30%	-0.20%	2.50%	2.00%	-1.70%	1.90%
6	Loser	0.0143	0.0177	0.0119	0.0158	0.0129	0.0167	0.0147	0.0178
	Winner	0.0169	0.0187	0.018	0.0199	0.0187	0.0205	0.0179	0.0194
	W-L	0.0025	0.0009	0.0061	0.0041	0.0058	0.0038	0.0032	0.0015
	Annual	3.10%	1.10%	7.60%	5.10%	7.20%	4.70%	4.00%	1.90%
9	Loser	0.0129	0.0172	0.0118	0.0155	0.0132	0.0172	0.015	0.0186
	Winner	0.0204	0.0214	0.0195	0.0214	0.019	0.0202	0.0181	0.0191
	W-L	0.0075	0.0042	0.0077	0.0059	0.0058	0.003	0.0032	0.0004
	Annual	9.40%	5.20%	9.60%	7.30%	7.20%	3.70%	3.90%	0.50%
12	Loser	0.0107	0.0173	0.0116	0.0166	0.0142	0.018	0.0156	0.0197
	Winner	0.0205	0.0202	0.019	0.0186	0.0188	0.0183	0.0173	0.0178
	W-L	0.0097	0.0029	0.0074	0.0021	0.0046	0.0004	0.0017	-0.0018
	Annual	12.30%	3.60%	9.20%	2.50%	5.70%	0.40%	2.10%	-2.20%
Panel B									
Momentum 10 portfolios									
J	K	3	6	9	12				
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0193	0.0181	0.0155	0.0176	0.0162	0.0146	0.0178	0.0128
	Winner	0.0164	0.0085	0.0165	0.0105	0.018	0.0118	0.0183	0.0114
	W-L	-0.0029	-0.0096	0.0009	-0.0071	0.0018	-0.0028	0.0006	-0.0014
	Annual	-3.40%	-10.90%	1.10%	-8.10%	2.20%	-3.30%	0.70%	-1.60%
6	Loser	0.0121	0.0208	0.0107	0.0169	0.0135	0.0155	0.0163	0.0145
	Winner	0.0172	0.0093	0.0195	0.0114	0.019	0.0126	0.0181	0.0118
	W-L	0.005	-0.0115	0.0088	-0.0055	0.0054	-0.0029	0.0018	-0.0027
	Annual	6.20%	-13.00%	11.10%	-6.40%	6.70%	-3.40%	2.20%	-3.20%
9	Loser	0.013	0.0191	0.0122	0.016	0.016	0.0148	0.0184	0.0149
	Winner	0.0218	0.011	0.0212	0.0116	0.0203	0.0121	0.0196	0.0119
	W-L	0.0088	-0.0082	0.0089	-0.0044	0.0042	-0.0027	0.0012	-0.003
	Annual	11.10%	-9.40%	11.30%	-5.10%	5.20%	-3.20%	1.50%	-3.60%
12	Loser	0.0122	0.0167	0.0129	0.0154	0.0163	0.0135	0.0189	0.0133
	Winner	0.0194	0.011	0.0195	0.0115	0.0192	0.012	0.0174	0.0112
	W-L	0.0072	-0.0057	0.0066	-0.004	0.0029	-0.0015	-0.0015	-0.0022
	Annual	9.00%	-6.60%	8.20%	-4.70%	3.50%	-1.80%	-1.80%	-2.60%

Table 4**Regression analysis of corporate governance momentum (expansionary period 1990-1999)**

Momentum, winner, and loser portfolios are regressed on the three-factor (Panels A and C) and five-factor (Panels B and D) Fama and French (FF) models, with alphas and p-values (in parenthesis) reported. Analysis is performed separately for companies with strong shareholders rights (G5) and weak shareholders rights (G14). Winners and losers are based on a 5-portfolio split (Panels A and B) or 10-portfolio split (Panels C and D). Newey and West's heteroscedasticity and autocorrelation adjusted standard errors are used.

Panel A									
3 FF 5 Portfolios									
<i>J</i>		3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0042	0.0031	0.0016	0.0007	0.0012	0.0014	0.0018	0.0018
	p-value	(0.3814)	(0.3399)	(0.7195)	(0.8195)	(0.7613)	(0.6071)	(0.6251)	(0.4956)
	Winner	-0.0003	0.0032	-0.0002	0.0018	0.0015	0.0035	0.0020	0.0026
	p-value	(0.8839)	(0.1456)	(0.9113)	(0.3436)	(0.4945)	(0.0397)	(0.3574)	(0.1069)
	W-L	-0.0081	-0.0039	-0.0055	-0.0025	-0.0034	-0.0016	-0.0034	-0.0028
	p-value	(0.1077)	(0.3671)	(0.2175)	(0.4631)	(0.3688)	(0.5916)	(0.2510)	(0.2860)
6	Loser	0.0016	0.0023	-0.0009	0.0005	0.0002	0.0017	0.0018	0.0029
	p-value	(0.7737)	(0.5265)	(0.8589)	(0.8870)	(0.9684)	(0.5688)	(0.6709)	(0.3161)
	Winner	0.0023	0.0037	0.0030	0.0047	0.0037	0.0047	0.0034	0.0030
	p-value	(0.3766)	(0.0988)	(0.2534)	(0.0131)	(0.1302)	(0.0093)	(0.1426)	(0.0738)
	W-L	-0.0029	-0.0022	0.0002	0.0005	-0.0001	-0.0007	-0.0021	-0.0036
	p-value	(0.6151)	(0.6281)	(0.9645)	(0.8904)	(0.9808)	(0.8377)	(0.5963)	(0.2620)
9	Loser	0.0006	0.0037	-0.0006	0.0015	0.0008	0.0029	0.0026	0.0041
	p-value	(0.9104)	(0.3398)	(0.9065)	(0.6651)	(0.8557)	(0.3472)	(0.5619)	(0.1601)
	Winner	0.0055	0.0071	0.0046	0.0060	0.0042	0.0044	0.0036	0.0027
	p-value	(0.0491)	(0.0027)	(0.0774)	(0.0056)	(0.0914)	(0.0241)	(0.1211)	(0.1188)
	W-L	0.0012	-0.0003	0.0015	0.0008	-0.0003	-0.0022	-0.0026	-0.0051
	p-value	(0.8318)	(0.9559)	(0.7647)	(0.8480)	(0.9526)	(0.5677)	(0.5590)	(0.1445)
12	Loser	-0.0013	0.0042	-0.0002	0.0026	0.0022	0.0040	0.0036	0.0054
	p-value	(0.8020)	(0.2637)	(0.9677)	(0.4431)	(0.6530)	(0.2154)	(0.4478)	(0.0781)
	Winner	0.0064	0.0043	0.0041	0.0022	0.0038	0.0018	0.0021	0.0009
	p-value	(0.0304)	(0.0588)	(0.1179)	(0.3048)	(0.1334)	(0.3670)	(0.3776)	(0.6260)
	W-L	0.0041	-0.0036	0.0007	-0.0041	-0.0021	-0.0058	-0.0051	-0.0082
	p-value	(0.4581)	(0.4569)	(0.8968)	(0.3432)	(0.6752)	(0.1491)	(0.2808)	(0.0268)

Panel B									
5 FF 5 portfolios									
<i>J</i>		3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0020	0.0029	-0.0005	0.0009	-0.0005	0.0013	0.0002	0.0014
	p-value	(0.6727)	(0.3812)	(0.9147)	(0.7577)	(0.9062)	(0.6449)	(0.9560)	(0.5949)
	Winner	0.0002	0.0034	0.0001	0.0025	0.0017	0.0038	0.0021	0.0027
	p-value	(0.9154)	(0.1318)	(0.9660)	(0.1890)	(0.4485)	(0.0237)	(0.3486)	(0.0905)
	W-L	-0.0054	-0.0032	-0.0031	-0.0021	-0.0014	-0.0012	-0.0017	-0.0024
	p-value	(0.2823)	(0.4745)	(0.4908)	(0.5554)	(0.7029)	(0.7017)	(0.5638)	(0.3860)
6	Loser	-0.0008	0.0023	-0.0032	0.0009	-0.0019	0.0017	0.0001	0.0025
	p-value	(0.8917)	(0.5397)	(0.5268)	(0.7871)	(0.6612)	(0.5907)	(0.9729)	(0.4029)
	Winner	0.0031	0.0045	0.0035	0.0050	0.0040	0.0047	0.0035	0.0029
	p-value	(0.2437)	(0.0487)	(0.1968)	(0.0068)	(0.1181)	(0.0077)	(0.1434)	(0.0825)
	W-L	0.0002	-0.0015	0.0030	0.0005	0.0022	-0.0006	-0.0003	-0.0032
	p-value	(0.9745)	(0.7589)	(0.5542)	(0.9083)	(0.6002)	(0.8664)	(0.9341)	(0.3231)
9	Loser	-0.0016	0.0045	-0.0028	0.0023	-0.0010	0.0028	0.0011	0.0037
	p-value	(0.7655)	(0.2574)	(0.5698)	(0.5112)	(0.8355)	(0.3759)	(0.8145)	(0.2200)
	Winner	0.0059	0.0077	0.0049	0.0060	0.0044	0.0042	0.0034	0.0024
	p-value	(0.0394)	(0.0013)	(0.0729)	(0.0052)	(0.0891)	(0.0290)	(0.1578)	(0.1755)
	W-L	0.0039	-0.0004	0.0040	0.0001	0.0017	-0.0023	-0.0013	-0.0050
	p-value	(0.5012)	(0.9304)	(0.4392)	(0.9817)	(0.7236)	(0.5750)	(0.7763)	(0.1680)
12	Loser	-0.0037	0.0049	-0.0024	0.0031	0.0005	0.0037	0.0023	0.0049
	p-value	(0.4816)	(0.2035)	(0.6391)	(0.3671)	(0.9240)	(0.2602)	(0.6386)	(0.1179)
	Winner	0.0067	0.0044	0.0042	0.0019	0.0036	0.0015	0.0018	0.0004
	p-value	(0.0287)	(0.0522)	(0.1245)	(0.3480)	(0.1592)	(0.4566)	(0.4618)	(0.8083)
	W-L	0.0068	-0.0041	0.0029	-0.0048	-0.0005	-0.0059	-0.0041	-0.0081
	p-value	(0.2238)	(0.4051)	(0.5811)	(0.2800)	(0.9265)	(0.1619)	(0.4024)	(0.0342)

Panel C									
3 FF 10 Portfolios									
<i>J</i>		3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0075	0.0039	0.0036	0.0031	0.0041	0.0006	0.0053	-0.0018
	p-value	(0.3179)	(0.3272)	(0.6010)	(0.4206)	(0.5211)	(0.8770)	(0.3406)	(0.6009)
	Winner	0.0026	-0.0063	0.0017	-0.0050	0.0028	-0.0042	0.0039	-0.0050
	p-value	(0.4507)	(0.0630)	(0.5973)	(0.0739)	(0.3595)	(0.0898)	(0.2341)	(0.0426)
	W-L	-0.0086	-0.0139	-0.0056	-0.0118	-0.0049	-0.0084	-0.0051	-0.0068
	p-value	(0.2582)	(0.0085)	(0.4001)	(0.0046)	(0.3963)	(0.0210)	(0.2421)	(0.0263)
6	Loser	0.0033	0.0057	-0.0005	0.0030	0.0021	0.0017	0.0046	-0.0003
	p-value	(0.6916)	(0.2699)	(0.9519)	(0.5098)	(0.7563)	(0.6930)	(0.4891)	(0.9440)
	Winner	0.0033	-0.0069	0.0045	-0.0058	0.0044	-0.0050	0.0040	-0.0058
	p-value	(0.3580)	(0.0735)	(0.2196)	(0.0697)	(0.1907)	(0.0821)	(0.1956)	(0.0376)
	W-L	-0.0036	-0.0163	0.0013	-0.0125	-0.0014	-0.0104	-0.0043	-0.0092
	p-value	(0.6749)	(0.0113)	(0.8642)	(0.0197)	(0.8299)	(0.0350)	(0.4871)	(0.0248)
9	Loser	0.0032	0.0059	0.0025	0.0019	0.0061	0.0008	0.0080	0.0002
	p-value	(0.7182)	(0.2772)	(0.7544)	(0.6966)	(0.4181)	(0.8640)	(0.2849)	(0.9548)
	Winner	0.0079	-0.0046	0.0066	-0.0056	0.0057	-0.0050	0.0054	-0.0055
	p-value	(0.0604)	(0.2506)	(0.0877)	(0.1006)	(0.1166)	(0.1164)	(0.1194)	(0.0675)
	W-L	0.0010	-0.0142	0.0005	-0.0111	-0.0040	-0.0094	-0.0063	-0.0094
	p-value	(0.9114)	(0.0341)	(0.9543)	(0.0623)	(0.5894)	(0.0936)	(0.3841)	(0.0479)
12	Loser	0.0042	0.0023	0.0044	0.0020	0.0068	-0.0001	0.0094	-0.0011
	p-value	(0.6357)	(0.6777)	(0.5950)	(0.7011)	(0.3819)	(0.9839)	(0.2238)	(0.7925)
	Winner	0.0059	-0.0056	0.0050	-0.0061	0.0047	-0.0055	0.0025	-0.0066
	p-value	(0.1528)	(0.1497)	(0.1734)	(0.0738)	(0.1813)	(0.0907)	(0.4710)	(0.0394)
	W-L	-0.0020	-0.0115	-0.0030	-0.0117	-0.0057	-0.0090	-0.0106	-0.0091
	p-value	(0.8279)	(0.0819)	(0.7154)	(0.0574)	(0.4660)	(0.1186)	(0.1734)	(0.0655)

Panel D									
5 FF 10 portfolios									
<i>J</i>		3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0046	0.0029	0.0008	0.0014	0.0017	-0.0012	0.0032	-0.0038
	p-value	(0.5478)	(0.4855)	(0.9128)	(0.7257)	(0.7950)	(0.7473)	(0.5722)	(0.2770)
	Winner	0.0034	-0.0070	0.0025	-0.0064	0.0036	-0.0056	0.0043	-0.0067
	p-value	(0.3290)	(0.0359)	(0.4409)	(0.0220)	(0.2656)	(0.0212)	(0.2003)	(0.0056)
	W-L	-0.0104	-0.0140	-0.0019	-0.0114	-0.0018	-0.0081	-0.0025	-0.0066
	p-value	(0.1339)	(0.0034)	(0.7755)	(0.0076)	(0.7585)	(0.0326)	(0.5569)	(0.0385)
6	Loser	0.0004	0.0037	-0.0033	0.0011	-0.0008	-0.0002	0.0024	-0.0023
	p-value	(0.9638)	(0.4840)	(0.6654)	(0.8183)	(0.9069)	(0.9602)	(0.7275)	(0.5684)
	Winner	0.0044	-0.0072	0.0056	-0.0067	0.0052	-0.0060	0.0046	-0.0072
	p-value	(0.2347)	(0.0702)	(0.1396)	(0.0440)	(0.1321)	(0.0448)	(0.1496)	(0.0119)
	W-L	0.0004	-0.0145	0.0052	-0.0114	0.0023	-0.0094	-0.0014	-0.0085
	p-value	(0.9642)	(0.0266)	(0.4897)	(0.0388)	(0.7175)	(0.0634)	(0.8184)	(0.0442)
9	Loser	-0.0007	0.0039	-0.0014	-0.0002	0.0032	-0.0009	0.0057	-0.0015
	p-value	(0.9359)	(0.4779)	(0.8611)	(0.9717)	(0.6732)	(0.8510)	(0.4582)	(0.7215)
	Winner	0.0093	-0.0049	0.0079	-0.0062	0.0066	-0.0058	0.0057	-0.0068
	p-value	(0.0312)	(0.2366)	(0.0483)	(0.0759)	(0.0791)	(0.0743)	(0.1092)	(0.0265)
	W-L	0.0063	-0.0124	0.0057	-0.0097	-0.0003	-0.0086	-0.0036	-0.0089
	p-value	(0.4916)	(0.0660)	(0.4838)	(0.1113)	(0.9693)	(0.1401)	(0.6246)	(0.0691)
12	Loser	0.0005	0.0010	0.0012	0.0006	0.0042	-0.0015	0.0073	-0.0029
	p-value	(0.9552)	(0.8547)	(0.8820)	(0.9118)	(0.5928)	(0.7605)	(0.3580)	(0.5052)
	Winner	0.0068	-0.0059	0.0057	-0.0068	0.0052	-0.0065	0.0027	-0.0081
	p-value	(0.1097)	(0.1366)	(0.1317)	(0.0527)	(0.1575)	(0.0511)	(0.4529)	(0.0135)
	W-L	0.0026	-0.0106	0.0008	-0.0110	-0.0027	-0.0065	-0.0083	-0.0088
	p-value	(0.7704)	(0.1184)	(0.9205)	(0.0835)	(0.7351)	(0.0511)	(0.2992)	(0.0857)

Table 5
Market momentum (recessionary period 2000–2003)

Market momentum is formed based on observation period J months and holding period K months for all stocks with a corporate governance score in the sample. Stocks are ranked based on their past performance over J months in ascending order. We form five equally weighted portfolios (Panel A) and 10 equally weighted portfolios (Panel B) are formed based on the past J months performance. P1 is the loser portfolio and P5/P10 is the winner portfolio. Stocks with the most returns over the observation period J months (P5/P10) are bought and stocks with the lowest performance over J months are sold (P1). The average monthly momentum return is the difference between the winner and loser.

J	K	Panel A				Panel B			
		Momentum 5 portfolios				Momentum 10 portfolios			
		3	6	9	12	3	6	9	12
3	Loser	0.0194	0.0223	0.023	0.0221	0.025	0.028	0.029	0.028
	Winner	0.017	0.0167	0.015	0.0152	0.02	0.02	0.017	0.017
	W-L	-0.0024	-0.0056	-0.008	-0.0069	-0.0044	-0.0089	-0.012	-0.0104
	Annual	-3.00%	-7.00%	-9.00%	-8.00%	-5.20%	-10.10%	-13.40%	-11.80%
6	Loser	0.0238	0.0253	0.0239	0.0231	0.03	0.033	0.031	0.029
	Winner	0.016	0.016	0.0149	0.0145	0.018	0.018	0.016	0.016
	W-L	-0.0078	-0.0093	-0.009	-0.0086	-0.0118	-0.0153	-0.0152	-0.0135
	Annual	-9.00%	-11.00%	-10.00%	-10.00%	-13.30%	-16.90%	-16.80%	-15.00%
9	Loser	0.0244	0.0253	0.0236	0.0227	0.033	0.033	0.031	0.029
	Winner	0.0164	0.0149	0.0139	0.0137	0.018	0.016	0.014	0.014
	W-L	-0.008	-0.0105	-0.0097	-0.009	-0.0141	-0.0172	-0.017	-0.015
	Annual	-9.00%	-12.00%	-11.00%	-10.00%	-15.70%	-18.80%	-18.60%	-16.60%
12	Loser	0.0237	0.0246	0.0233	0.0222	0.03	0.032	0.03	0.029
	Winner	0.0134	0.0128	0.0124	0.013	0.013	0.012	0.012	0.013
	W-L	-0.0103	-0.0118	-0.0109	-0.0093	-0.0168	-0.0198	-0.0182	-0.0157
	Annual	-12.00%	-13.00%	-12.00%	-11.00%	-18.40%	-21.30%	-19.80%	-17.30%

Table 6
Regression analysis of market momentum (recessionary period 2000–2003)

A regression analysis is conducted on all momentum returns along with the winner and loser portfolios for all companies with a corporate governance score in the sample. Panels A and B show alphas and p-values (in parenthesis) for 5-portfolio momentum returns regressed on the Fama and French (FF) three- and five-factor models, respectively. Panels C and D report alphas and p-values for the 10-portfolio momentum, winner and loser portfolio returns. Newey and West's heteroscedasticity and autocorrelation adjusted standard errors are used.

		Panel A				Panel B			
		3 FF 5 portfolios				5 FF 5 portfolios			
<i>J</i>		3	6	9	12	3	6	9	12
3	Loser	0.0133	0.0154	0.0152	0.0129	0.0106	0.0120	0.0132	0.0120
	p-value	(0.2086)	(0.1276)	(0.1063)	(0.0729)	(0.3295)	(0.2064)	(0.1236)	(0.0480)
	Winner	0.0026	0.0025	0.0016	0.0025	0.0027	0.0025	0.0004	0.0008
	p-value	(0.4938)	(0.5053)	(0.5284)	(0.2255)	(0.5427)	(0.5827)	(0.8782)	(0.7071)
	W-L	-0.0118	-0.0140	-0.0147	-0.0115	-0.0090	-0.0106	-0.0139	-0.0123
	p-value	(0.3565)	(0.2425)	(0.1509)	(0.1004)	(0.5322)	(0.4019)	(0.1806)	(0.0593)
6	Loser	0.0185	0.0181	0.0151	0.0136	0.0147	0.0164	0.0149	0.0144
	p-value	(0.1704)	(0.1071)	(0.0426)	(0.0679)	(0.2413)	(0.1019)	(0.0839)	(0.0152)
	Winner	0.0019	0.0019	-0.0001	0.0018	0.0024	0.0009	0.0019	-0.0003
	p-value	(0.7032)	(0.6341)	(0.9573)	(0.3325)	(0.6887)	(0.8448)	(0.4216)	(0.8869)
	W-L	-0.0177	-0.0174	-0.0163	-0.0129	-0.0134	-0.0166	-0.0142	-0.0158
	p-value	(0.3087)	(0.2106)	(0.0638)	(0.1087)	(0.4504)	(0.2260)	(0.1382)	(0.0155)
9	Loser	0.0170	0.0161	0.0137	0.0128	0.0174	0.0177	0.0164	0.0154
	p-value	(0.1584)	(0.0727)	(0.0826)	(0.0664)	(0.1154)	(0.0253)	(0.0129)	(0.0079)
	Winner	0.0023	0.0016	0.0012	0.0012	0.0003	-0.0007	-0.0014	-0.0012
	p-value	(0.6223)	(0.5808)	(0.6011)	(0.5333)	(0.9605)	(0.8352)	(0.5160)	(0.4823)
	W-L	-0.0159	-0.0156	-0.0137	-0.0128	-0.0182	-0.0194	-0.0189	-0.0177
	p-value	(0.3138)	(0.1547)	(0.1337)	(0.1055)	(0.2442)	(0.0576)	(0.0129)	(0.0047)
12	Loser	0.0139	0.0144	0.0132	0.0122	0.0171	0.0180	0.0167	0.0153
	p-value	(0.1268)	(0.0776)	(0.0678)	(0.0722)	(0.0370)	(0.0083)	(0.0064)	(0.0084)
	Winner	0.0008	0.0004	0.0001	0.0008	-0.0018	-0.0021	-0.0024	-0.0014
	p-value	(0.8149)	(0.8604)	(0.9527)	(0.6642)	(0.6231)	(0.3452)	(0.1716)	(0.3792)
	W-L	-0.0143	-0.0151	-0.0143	-0.0125	-0.0200	-0.0211	-0.0202	-0.0178
	p-value	(0.2281)	(0.1234)	(0.0871)	(0.1016)	(0.0670)	(0.0076)	(0.0018)	(0.0024)

<i>J</i>		Panel C				Panel D			
		3 FF 10 portfolios				5 FF 10 portfolios			
		3	6	9	12	3	6	9	12
3	Loser	0.0218	0.0232	0.0225	0.0193	0.0216	0.0219	0.0229	0.0207
	p-value	(0.1246)	(0.0936)	(0.0872)	(0.0543)	(0.1418)	(0.0957)	(0.0588)	(0.0165)
	Winner	0.0054	0.0043	0.0025	0.0034	0.0064	0.0050	0.0015	0.0016
	p-value	(0.3063)	(0.3865)	(0.4512)	(0.2101)	(0.2828)	(0.3841)	(0.6846)	(0.5666)
	W-L	-0.0175	-0.0200	-0.0212	-0.0169	-0.0164	-0.0180	-0.0225	-0.0202
	p-value	(0.2893)	(0.2073)	(0.1284)	(0.0743)	(0.3823)	(0.2870)	(0.1108)	(0.0256)
6	Loser	0.0276	0.0278	0.0236	0.0211	0.0272	0.0294	0.0269	0.0251
	p-value	(0.1456)	(0.0739)	(0.0577)	(0.0473)	(0.1368)	(0.0407)	(0.0154)	(0.0048)
	Winner	0.0025	0.0017	0.0012	0.0017	0.0040	0.0012	-0.0003	-0.0001
	p-value	(0.7217)	(0.7593)	(0.6848)	(0.4675)	(0.6423)	(0.8497)	(0.9304)	(0.9705)
	W-L	-0.0262	-0.0273	-0.0236	-0.0206	-0.0243	-0.0293	-0.0283	-0.0263
	p-value	(0.2761)	(0.1482)	(0.0829)	(0.0697)	(0.3367)	(0.1310)	(0.0302)	(0.0080)
9	Loser	0.0271	0.0252	0.0230	0.0208	0.0316	0.0313	0.0298	0.0271
	p-value	(0.1231)	(0.0565)	(0.0530)	(0.0439)	(0.0529)	(0.0078)	(0.0037)	(0.0021)
	Winner	0.0020	0.0004	-0.0001	0.0000	0.0004	-0.0016	-0.0024	-0.0020
	p-value	(0.7482)	(0.9146)	(0.9660)	(0.9972)	(0.9537)	(0.7111)	(0.3853)	(0.3348)
	W-L	-0.0262	-0.0259	-0.0243	-0.0220	-0.0323	-0.0340	-0.0334	-0.0302
	p-value	(0.2351)	(0.0959)	(0.0670)	(0.0541)	(0.1461)	(0.0205)	(0.0039)	(0.0015)
12	Loser	0.0211	0.0218	0.0221	0.0211	0.0280	0.0216	0.0300	0.0280
	p-value	(0.0489)	(0.1246)	(0.0520)	(0.0489)	(0.0029)	(0.1418)	(0.0026)	(0.0029)
	Winner	-0.0004	0.0054	-0.0017	-0.0004	-0.0022	0.0064	-0.0035	-0.0022
	p-value	(0.8552)	(0.3063)	(0.4716)	(0.8552)	(0.3253)	(0.2828)	(0.1431)	(0.3253)
	W-L	-0.0227	-0.0175	-0.0250	-0.0227	-0.0313	-0.0164	-0.0346	-0.0313
	p-value	(0.0548)	(0.2893)	(0.0482)	(0.0548)	(0.0015)	(0.3823)	(0.0012)	(0.0015)

Table 7
Corporate governance momentum (recessionary period 2000–2003)

Corporate governance momentum is applied to stocks with a corporate governance score of 5 or less (democracy stocks) and a corporate governance score of 14 or more (dictatorship stocks). For each G-index group, momentum, loser, and winner portfolios for a 5-portfolio (Panel A) and 10-portfolio (Panel B) strategy are shown, with equally weighted average returns for each J and K month combination. As the strategy involves rolling portfolios, the momentum strategy is implemented each month. Monthly returns represent the equally weighted average returns from J months to K months. For each G-index group, the table shows the average returns of the winner and loser portfolios along with the average returns of the momentum strategy.

Panel A									
Momentum 5 portfolios									
<i>J</i>		3	6	9	12				
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0165	0.0242	0.0163	0.0277	0.0158	0.0286	0.0131	0.0283
	Winner	0.0200	0.0188	0.0201	0.0191	0.0186	0.0186	0.0191	0.0169
	W-L	0.0035	-0.0054	0.0037	-0.0086	0.0028	-0.0099	0.0060	-0.0114
	Annual	4.0%	-6.0%	5.0%	-10.0%	3.0%	-11.0%	7.0%	-13.0%
6	Loser	0.0167	0.0286	0.0147	0.0331	0.0125	0.0326	0.0129	0.0312
	Winner	0.0207	0.0189	0.0219	0.0195	0.0195	0.0176	0.0170	0.0162
	W-L	0.0040	-0.0097	0.0072	-0.0136	0.0071	-0.0151	0.0040	-0.0150
	Annual	5.0%	-11.0%	9.0%	-15.0%	9.0%	-17.0%	5.0%	-17.0%
9	Loser	0.0182	0.0336	0.0126	0.0362	0.0132	0.0340	0.0143	0.0305
	Winner	0.0227	0.0194	0.0212	0.0170	0.0170	0.0153	0.0165	0.0150
	W-L	0.0045	-0.0141	0.0087	-0.0192	0.0038	-0.0187	0.0022	-0.0155
	Annual	5.0%	-16.0%	11.0%	-21.0%	5.0%	-20.0%	3.0%	-17.0%
12	Loser	0.0101	0.0343	0.0122	0.0355	0.0141	0.0330	0.0154	0.0290
	Winner	0.0225	0.0150	0.0182	0.0143	0.0164	0.0142	0.0161	0.0142
	W-L	0.0124	-0.0193	0.0059	-0.0212	0.0023	-0.0188	0.0008	-0.0148
	Annual	16.0%	-21.0%	7.0%	-23.0%	3.0%	-20.0%	1.0%	-16.0%
Panel B									
Momentum 10 portfolios									
<i>J</i>		3	6	9	12				
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0210	0.0280	0.0200	0.0280	0.0180	0.0260	0.0140	0.0240
	Winner	0.0240	0.0240	0.0230	0.0220	0.0220	0.0250	0.0220	0.0180
	W-L	0.0031	-0.0046	0.0035	-0.0064	0.0039	-0.0016	0.0077	-0.0060
	Annual	3.80%	-5.40%	4.30%	-7.40%	4.80%	-1.90%	9.70%	-7.00%
6	Loser	0.0230	0.0330	0.0190	0.0330	0.0170	0.0290	0.0190	0.0270
	Winner	0.0260	0.0120	0.0290	0.0140	0.0250	0.0130	0.0220	0.0130
	W-L	0.0034	-0.0215	0.0097	-0.0193	0.0074	-0.0152	0.0032	-0.0135
	Annual	4.10%	-22.90%	12.20%	-20.90%	9.30%	-16.80%	3.90%	-15.00%
9	Loser	0.0180	0.0380	0.0160	0.0370	0.0190	0.0300	0.0200	0.0270
	Winner	0.0330	0.0220	0.0270	0.0160	0.0210	0.0150	0.0210	0.0120
	W-L	0.0147	-0.0163	0.0110	-0.0207	0.0021	-0.0150	0.0007	-0.0151
	Annual	19.10%	-17.90%	14.00%	-22.20%	2.50%	-16.60%	0.80%	-16.70%
12	Loser	0.0200	0.0370	0.0220	0.0390	0.0210	0.0320	0.0250	0.0270
	Winner	0.0260	0.0150	0.0210	0.0120	0.0200	0.0100	0.0190	0.0090
	W-L	0.0067	-0.0218	-0.0017	-0.0264	-0.0014	-0.0214	-0.0057	-0.0184
	Annual	8.40%	-23.30%	-2.00%	-27.40%	-1.60%	-22.80%	-6.60%	-20.00%

Table 8**Regression analysis of corporate governance momentum (recessionary period 2000–2003)**

Momentum returns as well as winner and loser portfolios for companies with strong shareholders rights (G5) and weak shareholders rights (G14) are regressed on the three-factor (Panels A and C) and five-factor (Panels B and D) Fama and French (FF) models, with alphas and p-values (in parenthesis) reported. Momentum, winner, and loser portfolios are defined based on a 5-portfolio sort (Panels A and B) or 10-portfolio sort (Panels C and D). Newey and West's heteroscedasticity and autocorrelation adjusted standard errors are used.

Panel A									
3 FF 5 portfolios									
<i>J</i>	<i>K</i>	3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0059	0.0214	0.0061	0.0223	0.0056	0.0223	0.0026	0.0199
	p-value	(0.6514)	(0.1227)	(0.5766)	(0.0950)	(0.5917)	(0.0806)	(0.7733)	(0.0339)
	Winner	0.0044	0.0034	0.0050	0.0035	0.0040	0.0037	0.0054	0.0026
	p-value	(0.5545)	(0.5311)	(0.3510)	(0.5152)	(0.2570)	(0.2913)	(0.0909)	(0.3482)
	W-L	-0.0027	-0.0192	-0.0022	-0.0199	-0.0027	-0.0197	0.0017	-0.0184
	p-value	(0.8786)	(0.2008)	(0.8633)	(0.1783)	(0.8105)	(0.1255)	(0.8491)	(0.0413)
6	Loser	0.0089	0.0242	0.0055	0.0263	0.0022	0.0228	0.0034	0.0212
	p-value	(0.5457)	(0.1855)	(0.6702)	(0.0723)	(0.8558)	(0.0396)	(0.7741)	(0.0159)
	Winner	0.0054	0.0040	0.0067	0.0041	0.0052	0.0031	0.0032	0.0020
	p-value	(0.4541)	(0.5917)	(0.1556)	(0.4699)	(0.1164)	(0.3550)	(0.3258)	(0.5019)
	W-L	-0.0046	-0.0213	0.0001	-0.0233	0.0019	-0.0208	-0.0013	-0.0203
	p-value	(0.8144)	(0.3411)	(0.9958)	(0.1763)	(0.8923)	(0.0891)	(0.9218)	(0.0377)
9	Loser	0.0105	0.0266	0.0037	0.0270	0.0042	0.0235	0.0055	0.0202
	p-value	(0.4827)	(0.0791)	(0.7856)	(0.0103)	(0.7584)	(0.0089)	(0.6751)	(0.0051)
	Winner	0.0074	0.0042	0.0064	0.0027	0.0027	0.0015	0.0026	0.0015
	p-value	(0.3269)	(0.4648)	(0.1723)	(0.5079)	(0.4916)	(0.6538)	(0.4620)	(0.6282)
	W-L	-0.0042	-0.0235	0.0016	-0.0254	-0.0027	-0.0231	-0.0041	-0.0198
	p-value	(0.8263)	(0.2154)	(0.9218)	(0.0406)	(0.8636)	(0.0265)	(0.7814)	(0.0192)
12	Loser	0.0011	0.0234	0.0036	0.0247	0.0053	0.0222	0.0068	0.0186
	p-value	(0.9447)	(0.0158)	(0.8165)	(0.0059)	(0.7209)	(0.0048)	(0.6262)	(0.0086)
	Winner	0.0102	0.0015	0.0051	0.0011	0.0032	0.0012	0.0027	0.0015
	p-value	(0.1448)	(0.7157)	(0.2577)	(0.7682)	(0.3948)	(0.7413)	(0.4278)	(0.6724)
	W-L	0.0079	-0.0230	0.0003	-0.0247	-0.0032	-0.0221	-0.0052	-0.0182
	p-value	(0.6905)	(0.0520)	(0.9858)	(0.0159)	(0.8419)	(0.0126)	(0.7329)	(0.0228)

Panel B									
5 FF 5 portfolios									
<i>J</i>	<i>K</i>	3		6		9		12	
		G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥	G 5 ≤	G 14 ≥
3	Loser	0.0088	0.0171	0.0119	0.0164	0.0127	0.0193	0.0095	0.0181
	p-value	(0.4764)	(0.2439)	(0.2434)	(0.1864)	(0.1833)	(0.1090)	(0.2267)	(0.0401)
	Winner	0.0086	0.0043	0.0072	0.0029	0.0041	0.0023	0.0040	0.0011
	p-value	(0.3301)	(0.4329)	(0.2507)	(0.6339)	(0.3185)	(0.5617)	(0.2454)	(0.7196)
	W-L	-0.0014	-0.0139	-0.0058	-0.0146	-0.0097	-0.0181	-0.0066	-0.0181
	p-value	(0.9405)	(0.4189)	(0.6739)	(0.3539)	(0.3905)	(0.1682)	(0.4272)	(0.0433)
6	Loser	0.0171	0.0183	0.0151	0.0233	0.0131	0.0230	0.0135	0.0228
	p-value	(0.2490)	(0.2726)	(0.2290)	(0.0728)	(0.2360)	(0.0287)	(0.1945)	(0.0071)
	Winner	0.0081	0.0048	0.0071	0.0030	0.0042	0.0015	0.0020	-0.0004
	p-value	(0.3376)	(0.5854)	(0.2027)	(0.6509)	(0.2806)	(0.7066)	(0.5979)	(0.8969)
	W-L	-0.0102	-0.0146	-0.0091	-0.0213	-0.0100	-0.0226	-0.0126	-0.0243
	p-value	(0.6220)	(0.5346)	(0.5700)	(0.2234)	(0.4423)	(0.0621)	(0.3081)	(0.0084)
9	Loser	0.0209	0.0277	0.0165	0.0301	0.0175	0.0289	0.0175	0.0258
	p-value	(0.1553)	(0.0491)	(0.1777)	(0.0033)	(0.1473)	(0.0019)	(0.1255)	(0.0010)
	Winner	0.0083	0.0022	0.0065	0.0001	0.0023	-0.0015	0.0024	-0.0014
	p-value	(0.3460)	(0.7425)	(0.2418)	(0.9758)	(0.6085)	(0.6628)	(0.5685)	(0.6255)
	W-L	-0.0137	-0.0266	-0.0111	-0.0310	-0.0163	-0.0315	-0.0162	-0.0283
	p-value	(0.4987)	(0.1560)	(0.4692)	(0.0104)	(0.2563)	(0.0016)	(0.2135)	(0.0006)
12	Loser	0.0156	0.0287	0.0189	0.0307	0.0197	0.0297	0.0190	0.0255
	p-value	(0.2737)	(0.0081)	(0.1594)	(0.0016)	(0.1183)	(0.0008)	(0.1096)	(0.0015)
	Winner	0.0097	0.0000	0.0048	-0.0010	0.0027	-0.0015	0.0023	-0.0018
	p-value	(0.2287)	(0.9993)	(0.3544)	(0.7782)	(0.5326)	(0.6419)	(0.5573)	(0.5065)
	W-L	-0.0070	-0.0298	-0.0151	-0.0328	-0.0182	-0.0324	-0.0178	-0.0284
	p-value	(0.6989)	(0.0188)	(0.3234)	(0.0009)	(0.1945)	(0.0002)	(0.1700)	(0.0004)

Panel C									
3 FF 10 portfolios									
<i>J</i>	<i>K</i>	3		6		9		12	
		<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥
3	Loser	0.0128	0.0149	0.0102	0.0137	0.0080	0.0125	0.0045	0.0097
	p-value	(0.4959)	(0.2954)	(0.5314)	(0.2385)	(0.5990)	(0.2397)	(0.7407)	(0.3393)
	Winner	0.0080	0.0096	0.0062	0.0089	0.0052	0.0107	0.0063	0.0047
	p-value	(0.5147)	(0.4185)	(0.4056)	(0.4287)	(0.3195)	(0.2570)	(0.1682)	(0.4902)
	W-L	-0.0059	-0.0064	-0.0051	-0.0059	-0.0040	-0.0029	0.0007	-0.0062
	p-value	(0.8116)	(0.6812)	(0.7875)	(0.5894)	(0.8079)	(0.7373)	(0.9600)	(0.3706)
6	Loser	0.0167	0.0189	0.0112	0.0175	0.0077	0.0129	0.0109	0.0105
	p-value	(0.4046)	(0.1853)	(0.5458)	(0.1671)	(0.6659)	(0.2738)	(0.5260)	(0.3664)
	Winner	0.0092	0.0028	0.0106	0.0027	0.0079	0.0005	0.0058	-0.0002
	p-value	(0.3300)	(0.8415)	(0.0698)	(0.8041)	(0.0816)	(0.9539)	(0.1984)	(0.9808)
	W-L	-0.0087	-0.0171	-0.0018	-0.0159	-0.0010	-0.0135	-0.0062	-0.0118
	p-value	(0.7358)	(0.3042)	(0.9336)	(0.2329)	(0.9614)	(0.1996)	(0.7497)	(0.2012)
9	Loser	0.0104	0.0217	0.0077	0.0193	0.0111	0.0133	0.0128	0.0112
	p-value	(0.6421)	(0.1475)	(0.7169)	(0.1863)	(0.5934)	(0.3537)	(0.5028)	(0.4290)
	Winner	0.0169	0.0086	0.0113	0.0029	0.0056	0.0017	0.0056	-0.0023
	p-value	(0.1038)	(0.3686)	(0.0857)	(0.7036)	(0.2995)	(0.8047)	(0.2647)	(0.6687)
	W-L	0.0054	-0.0142	0.0025	-0.0176	-0.0066	-0.0127	-0.0083	-0.0146
	p-value	(0.8428)	(0.2758)	(0.9179)	(0.1695)	(0.7747)	(0.3060)	(0.6958)	(0.2787)
12	Loser	0.0156	0.0205	0.0171	0.0232	0.0148	0.0179	0.0190	0.0152
	p-value	(0.5044)	(0.2477)	(0.4524)	(0.1762)	(0.4921)	(0.2930)	(0.3420)	(0.4371)
	Winner	0.0116	0.0014	0.0057	-0.0009	0.0043	-0.0027	0.0038	-0.0102
	p-value	(0.2278)	(0.8394)	(0.3009)	(0.8846)	(0.3736)	(0.5751)	(0.4384)	(0.0257)
	W-L	-0.0051	-0.0202	-0.0125	-0.0252	-0.0116	-0.0217	-0.0164	-0.0265
	p-value	(0.8523)	(0.2103)	(0.6034)	(0.1042)	(0.6047)	(0.1848)	(0.4257)	(0.1723)

Panel D									
5 FF 10 portfolios									
<i>J</i>	<i>K</i>	3		6		9		12	
		<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥	<i>G</i> 5 ≤	<i>G</i> 14 ≥
3	Loser	0.0164	0.0159	0.0189	0.0116	0.0181	0.0115	0.0152	0.0097
	p-value	(0.3530)	(0.3490)	(0.2192)	(0.3914)	(0.1944)	(0.3607)	(0.1952)	(0.4207)
	Winner	0.0144	0.0098	0.0079	0.0094	0.0045	0.0095	0.0042	0.0036
	p-value	(0.3144)	(0.4573)	(0.3586)	(0.4483)	(0.4430)	(0.3669)	(0.3801)	(0.6375)
	W-L	-0.0031	-0.0073	-0.0121	-0.0033	-0.0147	-0.0031	-0.0121	-0.0072
	p-value	(0.9101)	(0.6920)	(0.5558)	(0.7916)	(0.3798)	(0.7443)	(0.3707)	(0.3772)
6	Loser	0.0310	0.0195	0.0283	0.0166	0.0254	0.0129	0.0270	0.0112
	p-value	(0.1254)	(0.2498)	(0.1093)	(0.2694)	(0.1082)	(0.3567)	(0.0801)	(0.4217)
	Winner	0.0125	0.0030	0.0118	0.0017	0.0075	-0.0008	0.0054	-0.0022
	p-value	(0.2544)	(0.8578)	(0.0891)	(0.8981)	(0.1629)	(0.9370)	(0.3126)	(0.7566)
	W-L	-0.0197	-0.0176	-0.0176	-0.0160	-0.0190	-0.0148	-0.0226	-0.0145
	p-value	(0.4664)	(0.3690)	(0.4276)	(0.3072)	(0.3199)	(0.2337)	(0.2235)	(0.1774)
9	Loser	0.0333	0.0217	0.0309	0.0186	0.0325	0.0144	0.0313	0.0130
	p-value	(0.1083)	(0.2206)	(0.1066)	(0.2834)	(0.0830)	(0.4021)	(0.0727)	(0.4404)
	Winner	0.0178	0.0087	0.0110	0.0029	0.0050	-0.0009	0.0047	-0.0069
	p-value	(0.1469)	(0.4423)	(0.1560)	(0.7414)	(0.4270)	(0.9139)	(0.4176)	(0.2350)
	W-L	-0.0165	-0.0141	-0.0209	-0.0168	-0.0287	-0.0163	-0.0276	-0.0210
	p-value	(0.5359)	(0.3621)	(0.3584)	(0.2688)	(0.1841)	(0.2689)	(0.1596)	(0.1857)
12	Loser	0.0406	0.0218	0.0410	0.0233	0.0370	0.0200	0.0374	0.0123
	p-value	(0.0586)	(0.2972)	(0.0559)	(0.2518)	(0.0652)	(0.3223)	(0.0426)	(0.4516)
	Winner	0.0101	0.0015	0.0066	-0.0020	0.0052	-0.0062	0.0047	-0.0047
	p-value	(0.3706)	(0.8512)	(0.3129)	(0.7662)	(0.3735)	(0.2300)	(0.4166)	(0.3013)
	W-L	-0.0316	-0.0214	-0.0354	-0.0265	-0.0329	-0.0274	-0.0338	-0.0182
	p-value	(0.2210)	(0.2654)	(0.1208)	(0.1520)	(0.1196)	(0.1598)	(0.0776)	(0.2699)