

Correlation example

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Video lecture: <https://youtu.be/-kFqRGfS1Es>

	ln_AAPL	ln_SPY	ln_DIA	ln_QQQ	ln_GLD	ln_SHY	ln_ELD	ln_EEM
ln_AAPL	1.0000							
ln_SPY	0.6824	1.0000						
ln_DIA	0.6356	0.9461	1.0000					
ln_QQQ	0.7920	0.9427	0.8467	1.0000				
ln_GLD	-0.1229	-0.1671	-0.1752	-0.1385	1.0000			
ln_SHY	-0.2635	-0.4781	-0.5053	-0.3707	0.4687	1.0000		
ln_ELD	0.2828	0.4385	0.4042	0.4361	0.2792	-0.0631	1.0000	
ln_EEM	0.6546	0.8021	0.7683	0.8128	0.0106	-0.3343	0.6271	1.0000

Source	SS	df	MS	Number of obs	=	95
				F(1, 93)	=	2.67
Model	.000086001	1	.000086001	Prob > F	=	0.1054
Residual	.002992168	93	.000032174	R-squared	=	0.0279
				Adj R-squared	=	0.0175
Total	.003078168	94	.000032746	Root MSE	=	.00567

ln_GLD	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
ln_SPY	-.1243706	.0760708	-1.63	0.105	-.2754321	.0266909
_cons	.0000354	.0005966	0.06	0.953	-.0011494	.0012201

Source	SS	df	MS	Number of obs	=	95
Model	8.4055e-06	1	8.4055e-06	F(1, 93)	=	27.56
Residual	.000028366	93	3.0501e-07	Prob > F	=	0.0000
Total	.000036771	94	3.9118e-07	R-squared	=	0.2286
				Adj R-squared	=	0.2203
				Root MSE	=	.00055

ln_SHY	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
ln_SPY	-.0388821	.0074067	-5.25	0.000	-.0535902 -.0241739
_cons	.0001796	.0000581	3.09	0.003	.0000642 .000295

Source	SS	df	MS	Number of obs	=	95
Model	.007027279	1	.007027279	F(1, 93)	=	167.82
Residual	.003894186	93	.000041873	Prob > F	=	0.0000
Total	.010921465	94	.000116186	R-squared	=	0.6434
				Adj R-squared	=	0.6396
				Root MSE	=	.00647

ln_EEM	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
ln_SPY	1.124243	.0867827	12.95	0.000	.9519094	1.296576
_cons	-.0013619	.0006806	-2.00	0.048	-.0027135	-.0000104