Factor Zoo (.zip)

In this paper, the authors build on the work of Jensen, Kelly, and Pedersen (2023) to answer a crucial question: How many factors do we really need to simplify the factor zoo without losing much information? They propose a straightforward yet effective method to identify the factors that capture most of the available "alpha".

By Alexander Swade, Matthias X. Hanauer, Harald Lohre, and David Blitz

Click here to access the full paper on the *Journal of Portfolio Management* website.

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