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The objective of this book is to provide an overview of the empirical research on the prediction of expected stock returns. The book is intended for use in academic-level courses over pricing characteristics by investors who are looking for a review of the most important predictions of future stock returns. A doctoral student reader should come away with a solid understanding of the most fundamental results in the field and those basic upon which to pursue future research in empirical asset pricing. For the reader whose intention is to apply the results presented in this book to practice, our hope is that the book provides a basis upon which investment strategies can be constructed as well as a strong understanding of the *most prevalent patterns of risk and return at the cross-section of stocks*.

I assumed that the reader of this book has at least an MBA level understanding of theoretical asset pricing and a solid grasp of basic econometric techniques. Numerous books on these topics have been written by Cochrane (2005), Campbell, Cox, and MacKinlay (1997), and Elton, Gruber, Brown, and Goetzmann (2014). More in-depth knowledge in either of these areas is obviously a benefit. While all of the analyses in this book are statistical in nature, the reader is not designed to be an econometric or statistics referee. Our discussions of statistical concepts, therefore, will be brief.

Finally, the book has been written on refined topics. And (2014) gives an in-depth critique of the book, which plays a large role in the size issue being pricing literature, and is used here to analyze this book. Asmussen (2013) gives a comprehensive overview of the empirical methods and modeling research. Peterson (2013) provides extensive references map the reading strategies used by various scholars have been taken in the previous discussion of diagnostic test. Cochrane (2005) provides a discussion and applied examples of empirical asset pricing, although