

Volatility forecasting: the jumps do matter. Web appendix.

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1 Additional Material

$\gamma \downarrow$	$c_{\vartheta} \rightarrow$	3	4	5
	1	1.09436631	1.0564018	1.0373009
	4/3	1.1293574	1.07651376	1.05032092
	2	1.20547726	1.11890204	1.07730083
	4	1.49619193	1.26619608	1.16657727

Table 1: Reports the constant C in $Z_{\gamma}(x, y) = Cy^{\frac{\gamma}{2}}$, in the case $x^2 > y$, for the most relevant values of γ and c_{ϑ} .

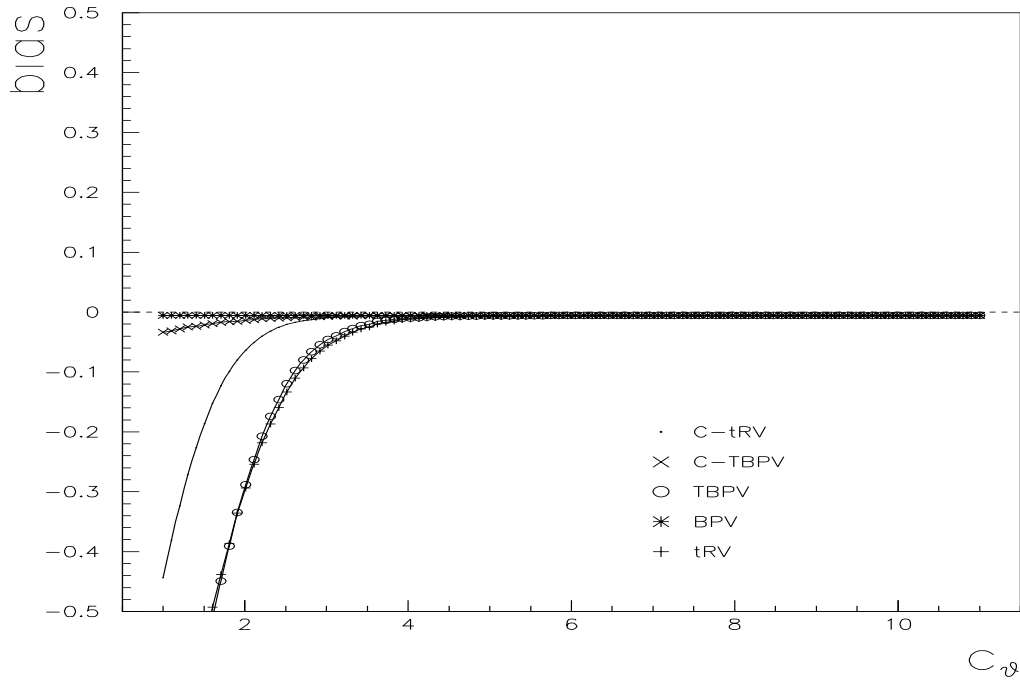


Figure 1: Bias of different estimators in estimating $\int \sigma_s^2 ds$ in absence of jumps, as a function of the threshold parameter c_{ϑ} .

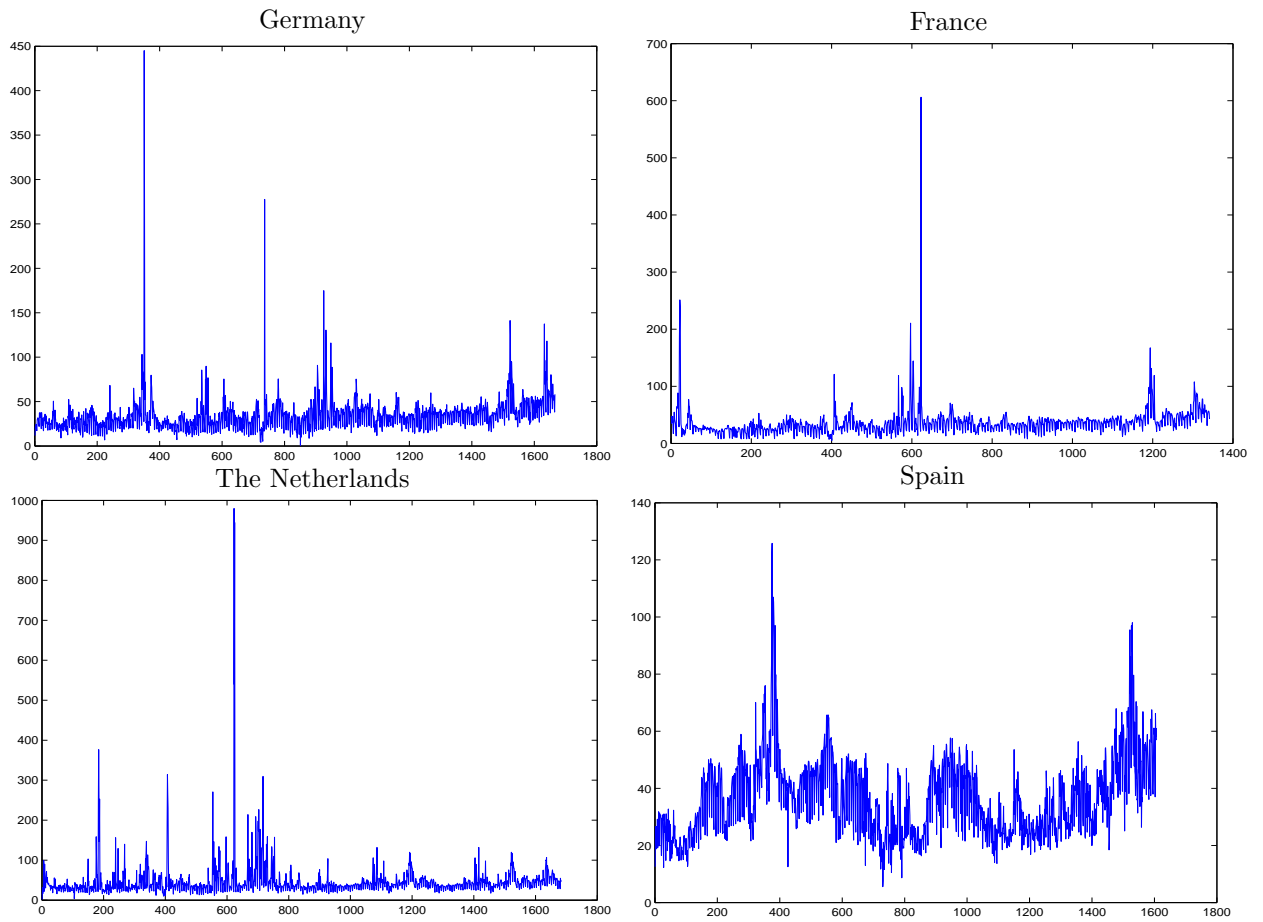


Figure 2: Time series of prices for the four European markets

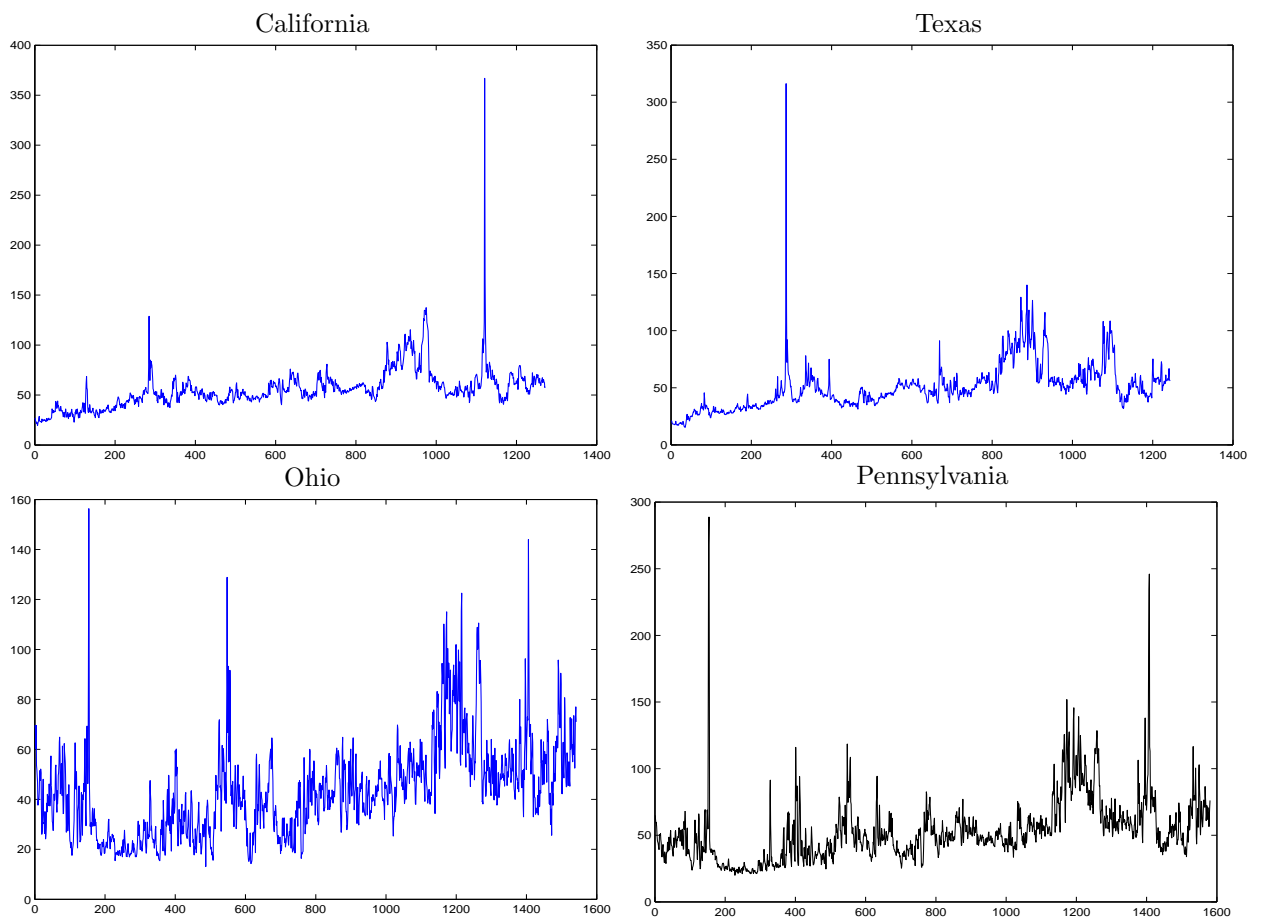


Figure 3: Time series of prices for the four American markets.

2 Empirical results: the case $c_\vartheta = 3$

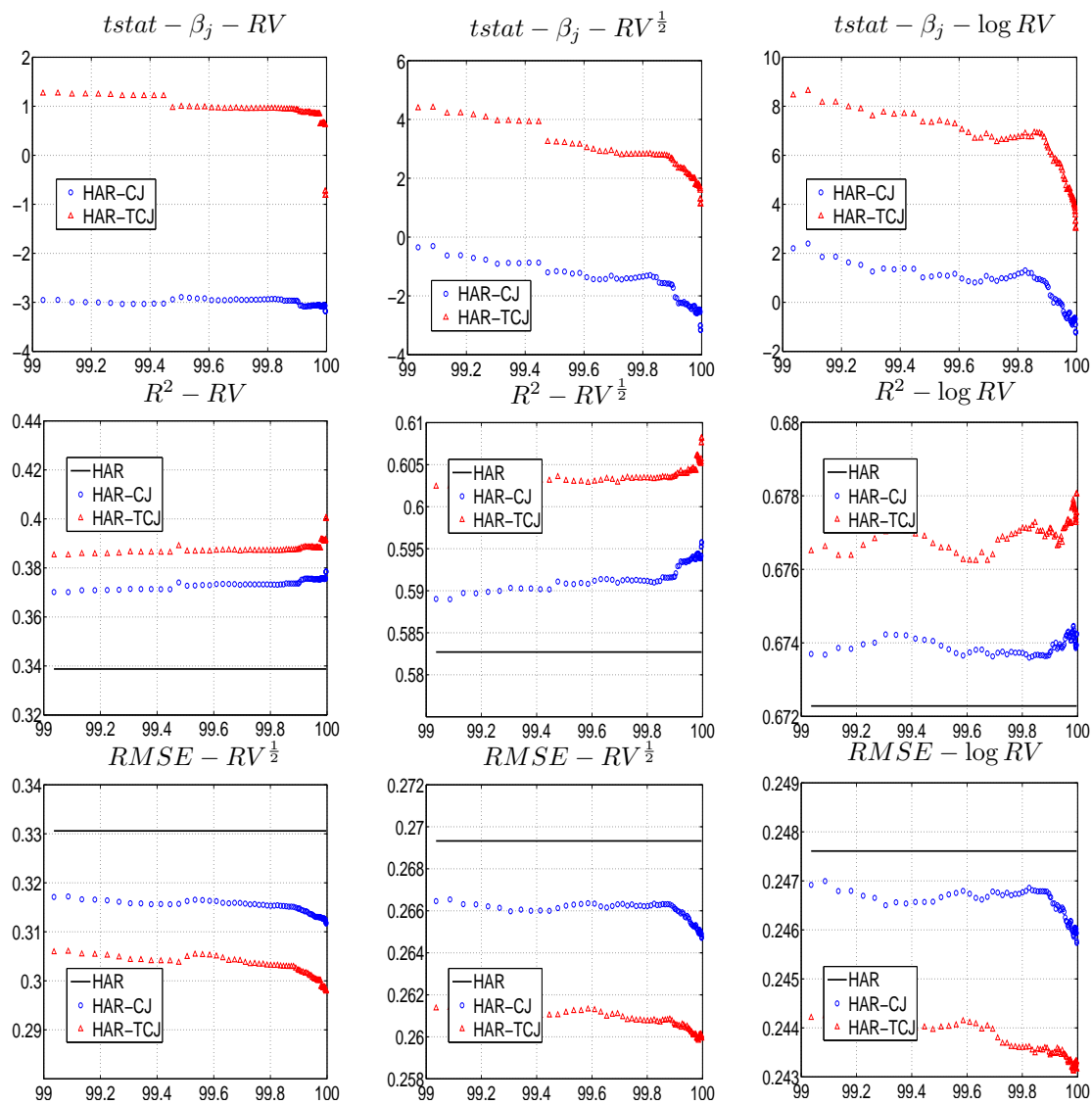


Figure 4: S&P500 data. Daily forecasts, $C - Tz$ statistics

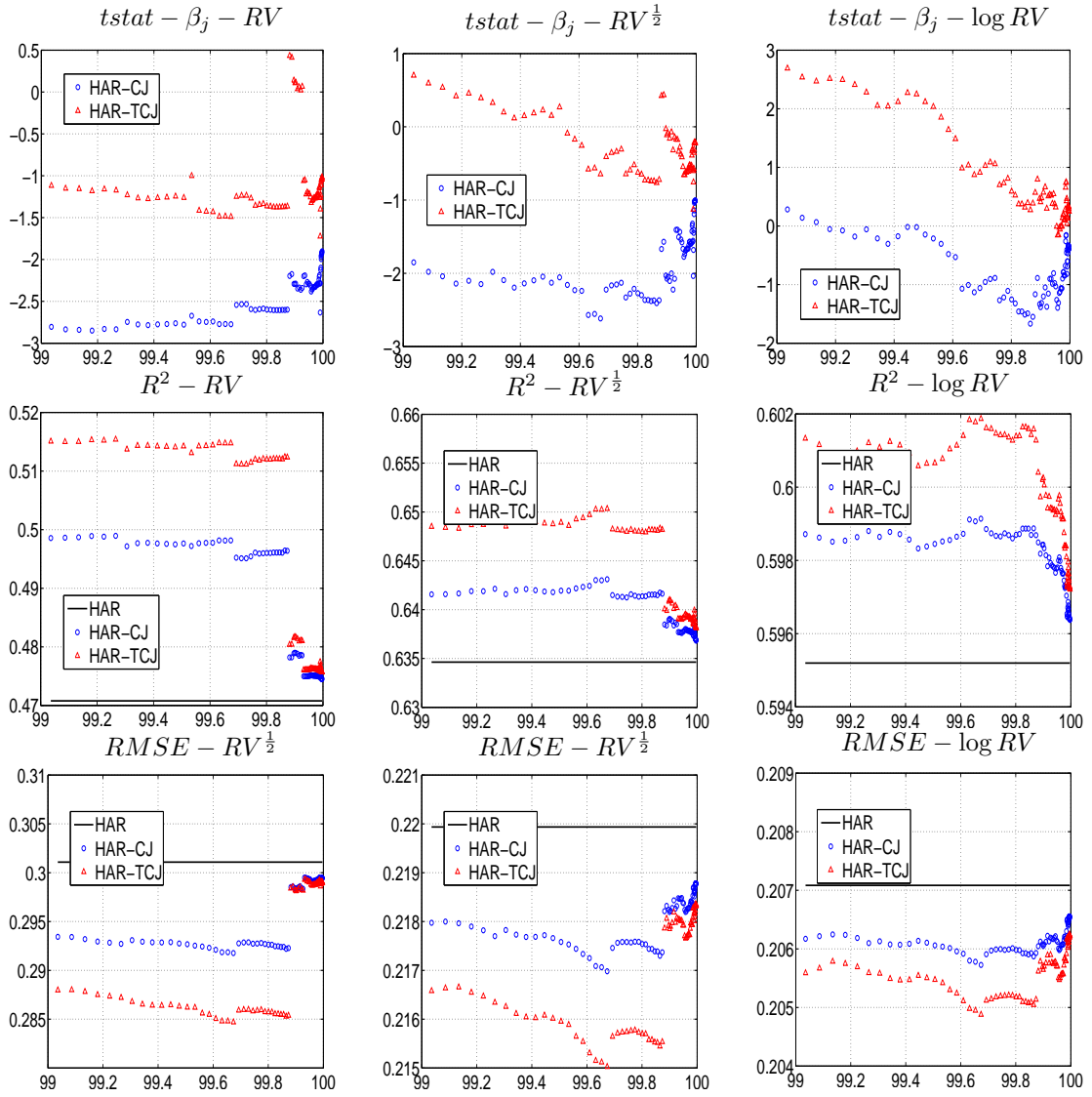


Figure 5: S&P500 data. Daily forecast, z statistics.

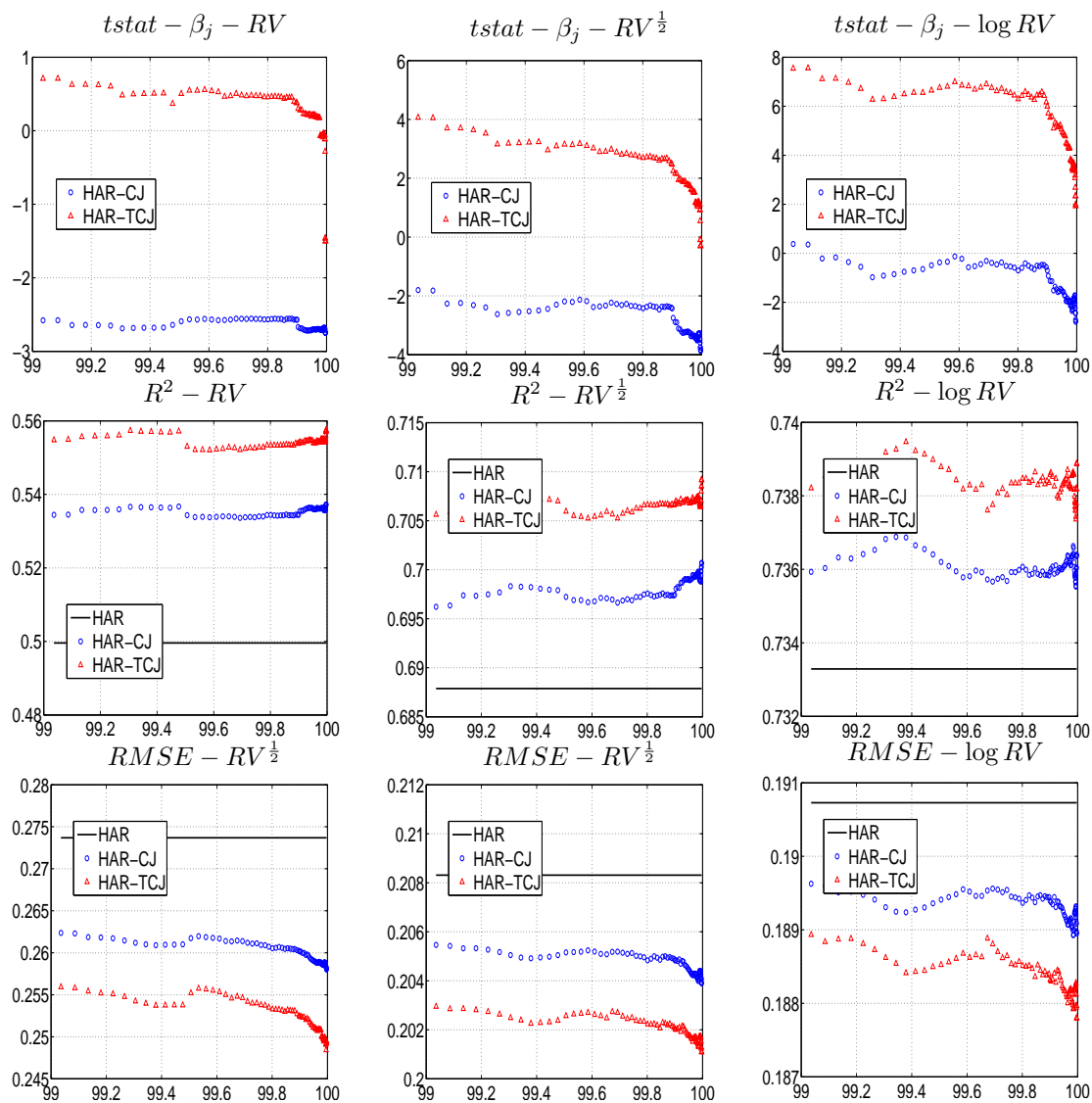


Figure 6: S&P500 data. Weekly forecast, $C - Tz$ statistics.

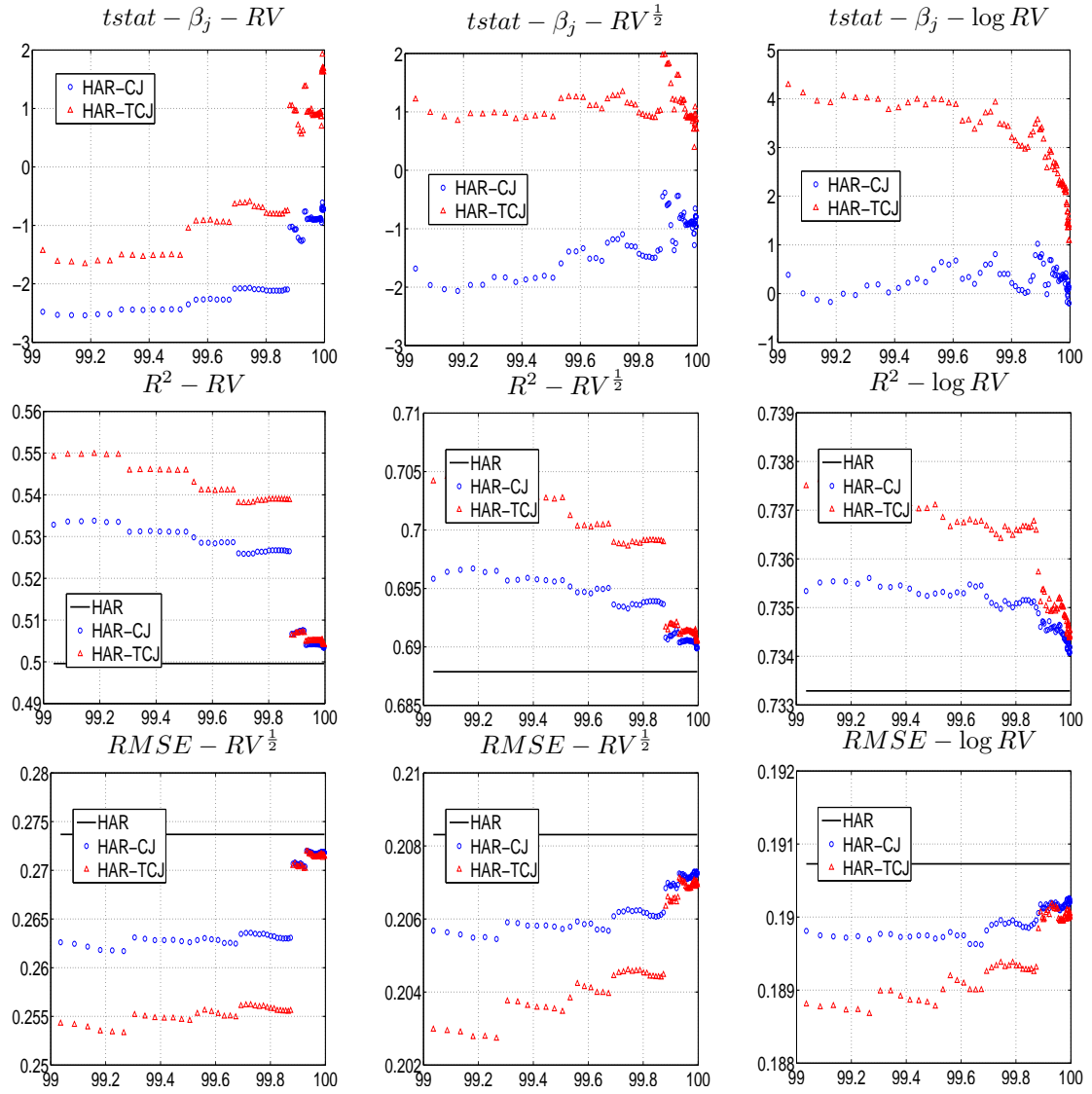


Figure 7: S&P500 data. Weekly forecast, z statistics.

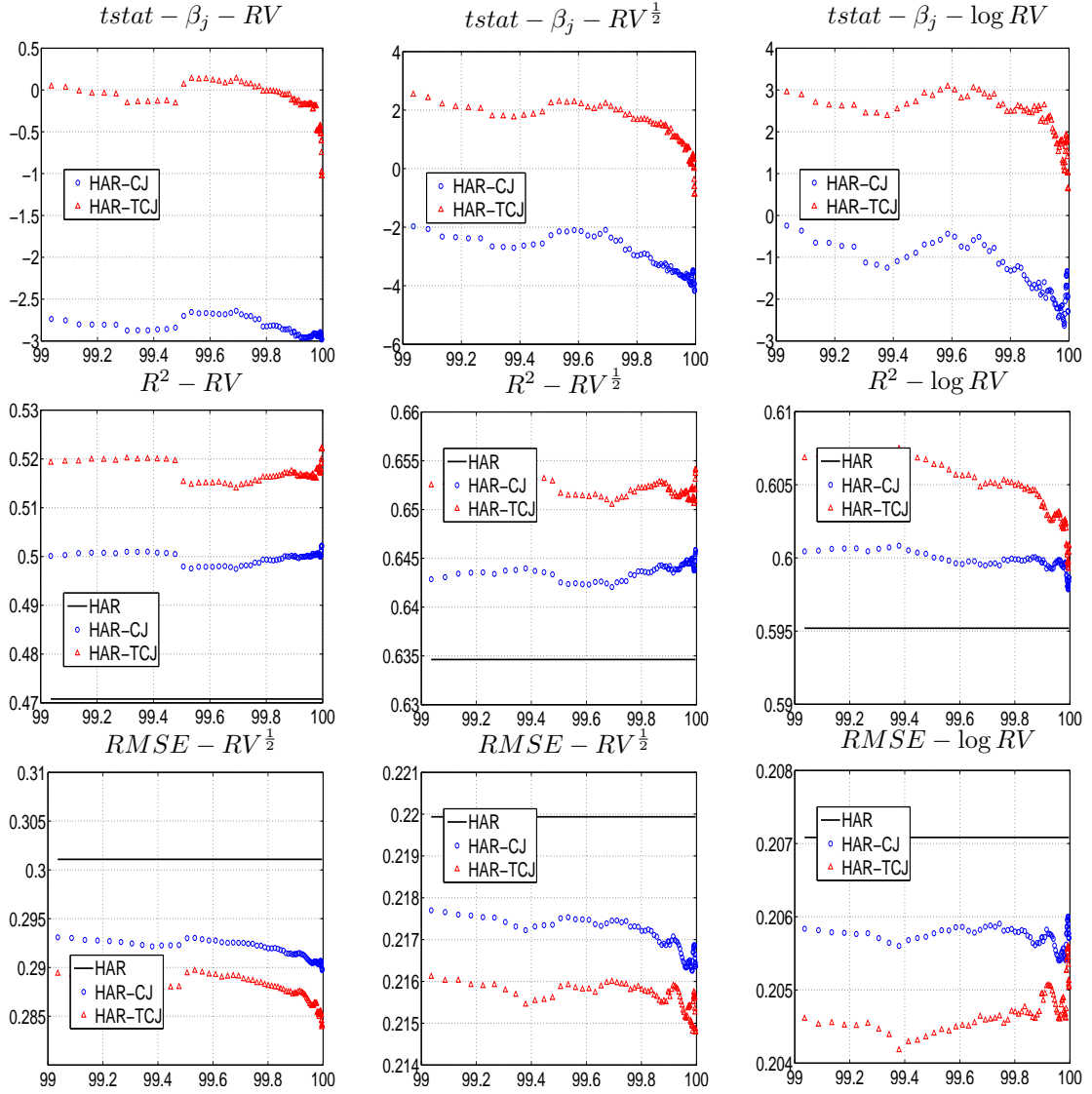


Figure 8: S&P500 data. Monthly forecast, $C - Tz$ statistics.

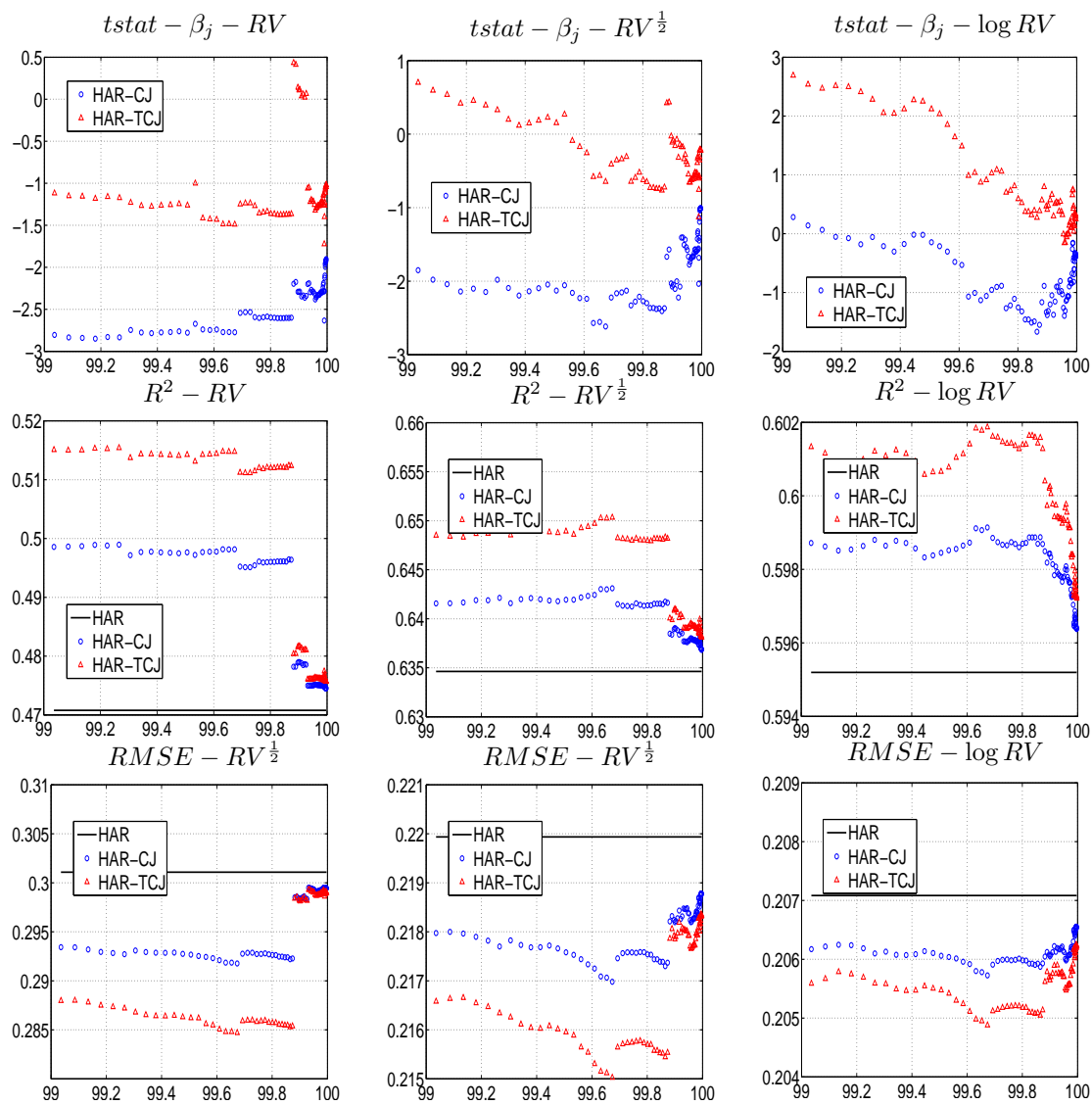


Figure 9: S&P500 data. Monthly forecast, z statistics.

3 Empirical results: the case $c_\vartheta = 4$

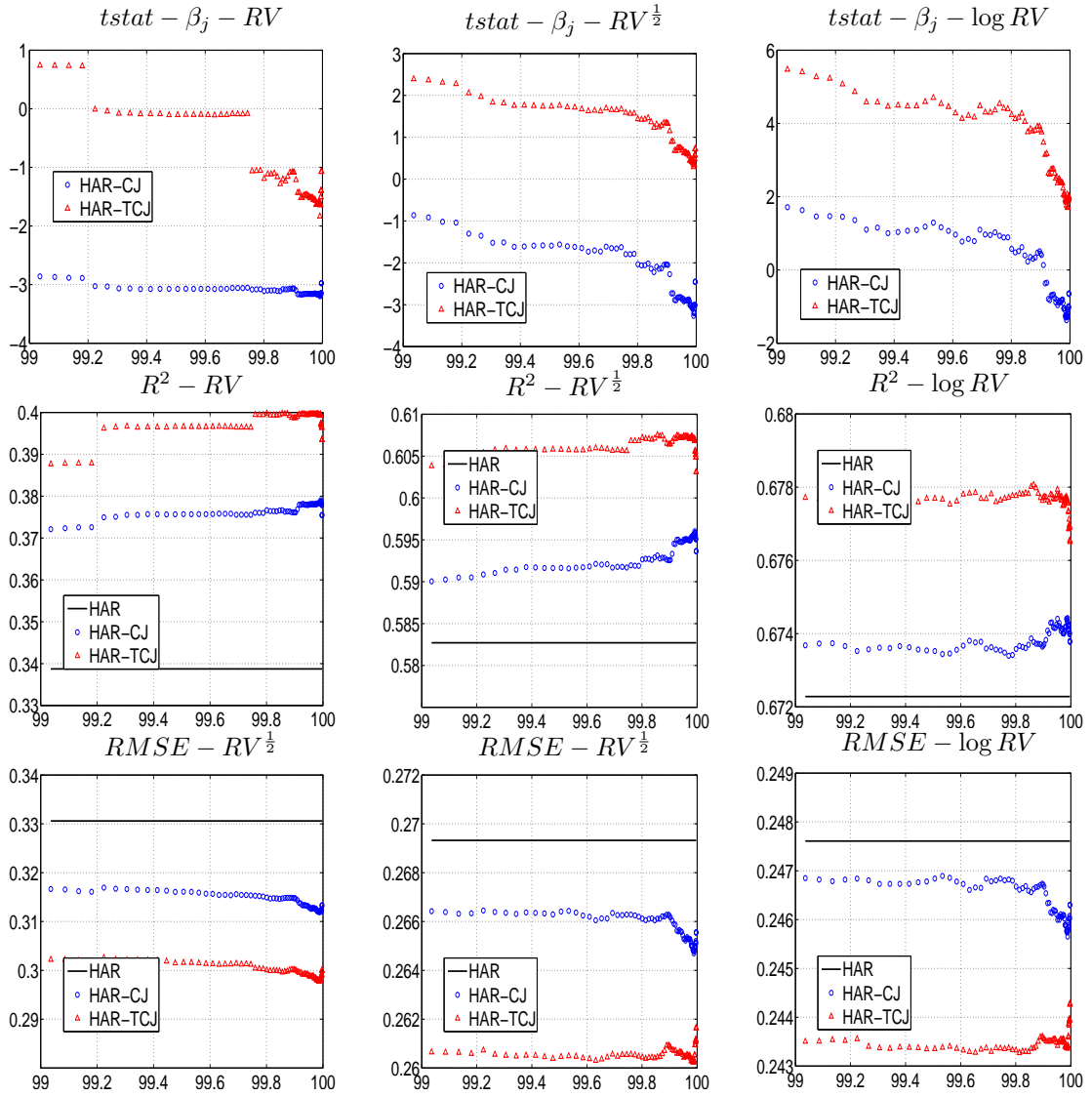


Figure 10: S&P500 data. Daily forecasts, $C - Tz$ statistics

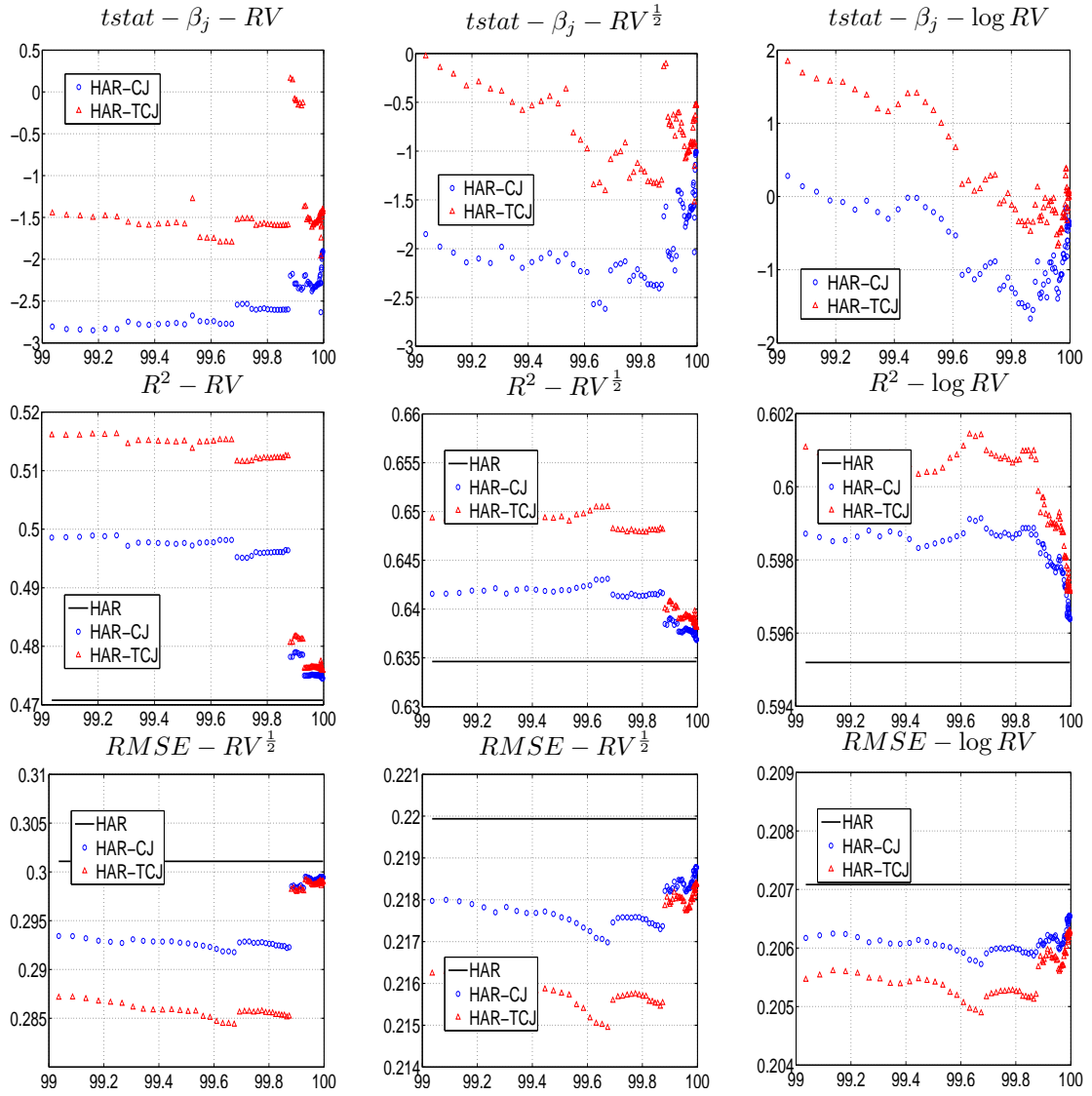


Figure 11: S&P500 data. Daily forecast, z statistics.

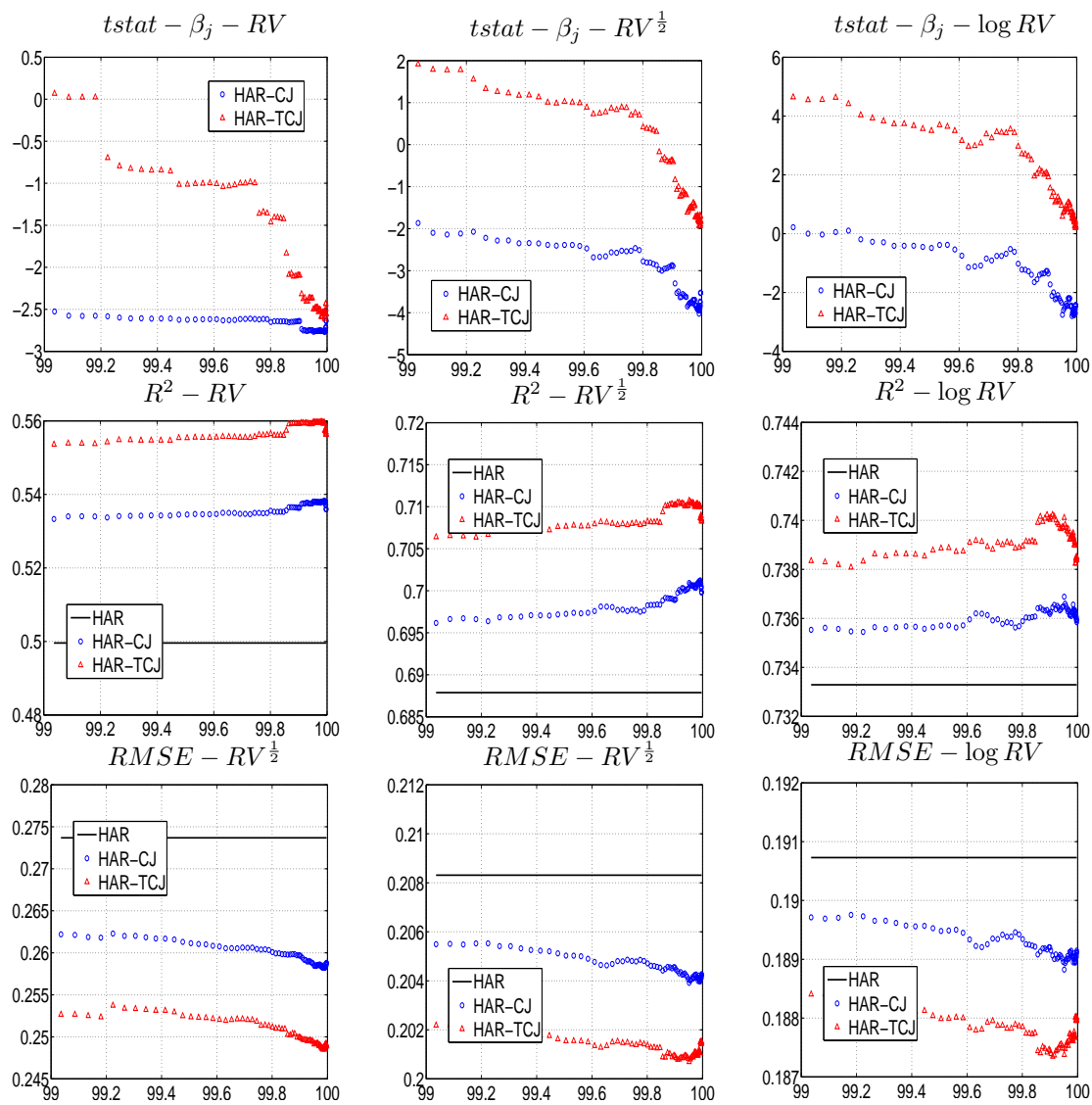


Figure 12: S&P500 data. Weekly forecast, $C - Tz$ statistics.

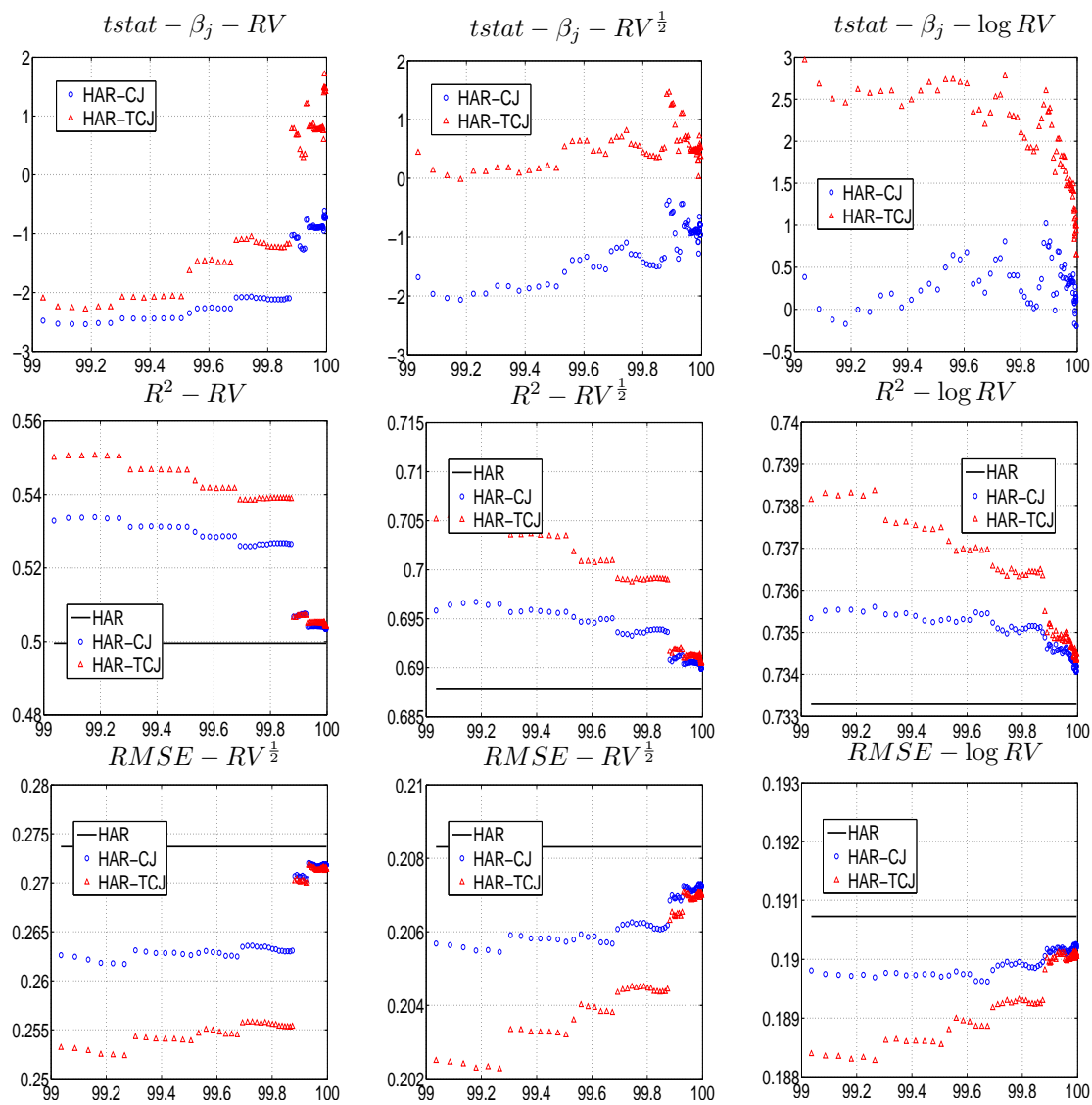


Figure 13: S&P500 data. Weekly forecast, z statistics.

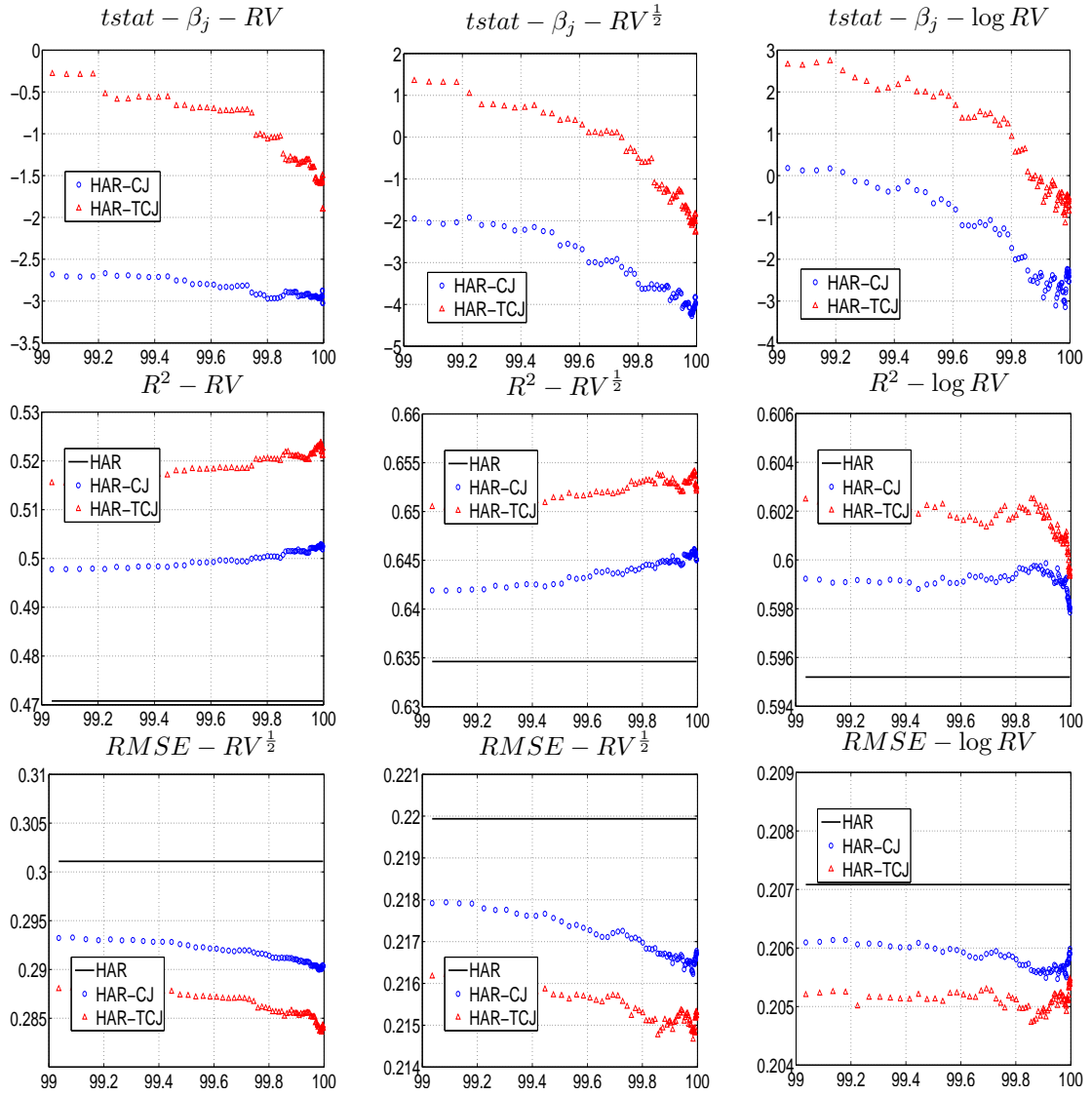


Figure 14: S&P500 data. Monthly forecast, $C - Tz$ statistics.

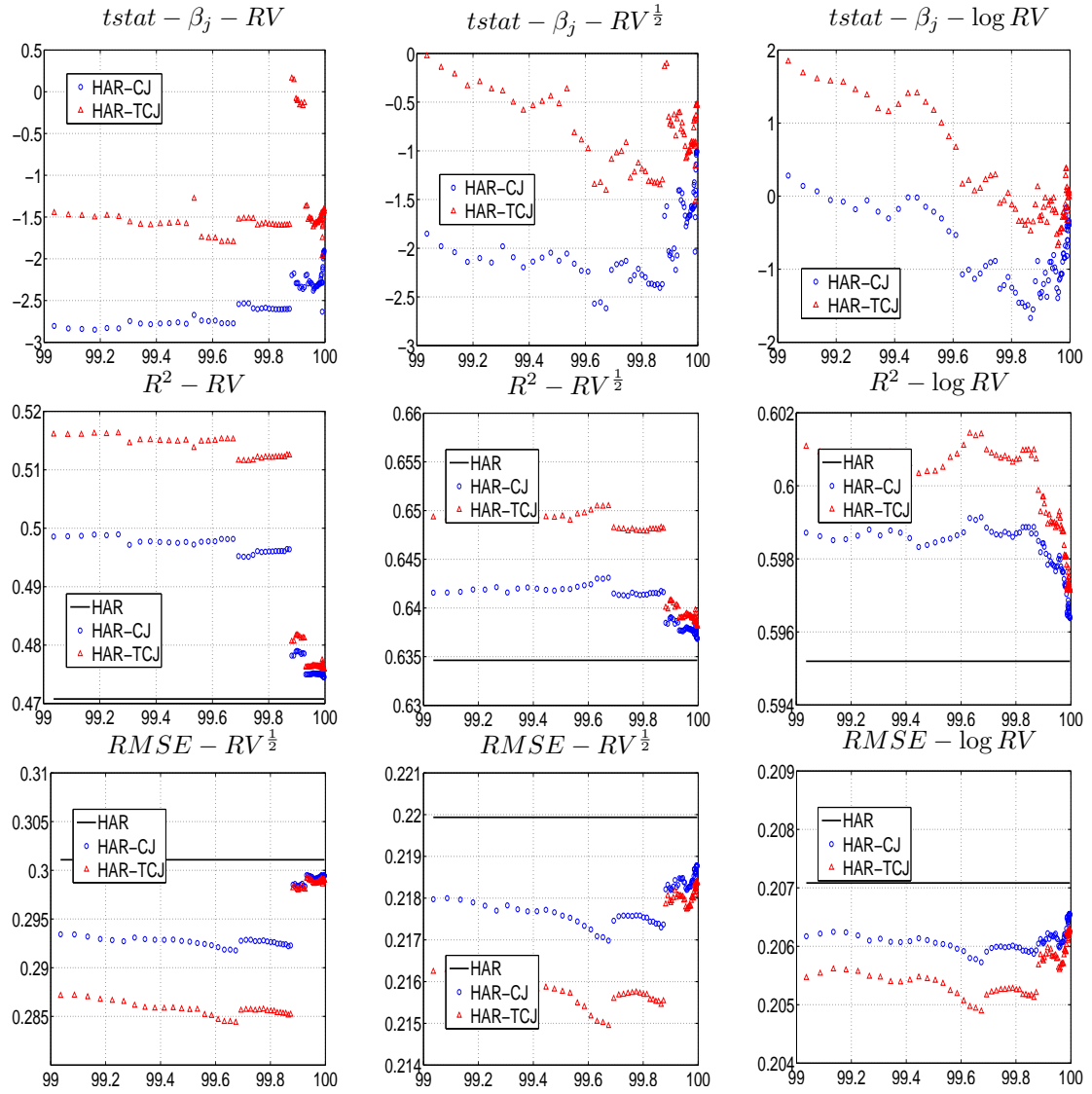


Figure 15: S&P500 data. Monthly forecast, z statistics.

4 Empirical results: the case $c_\vartheta = 5$

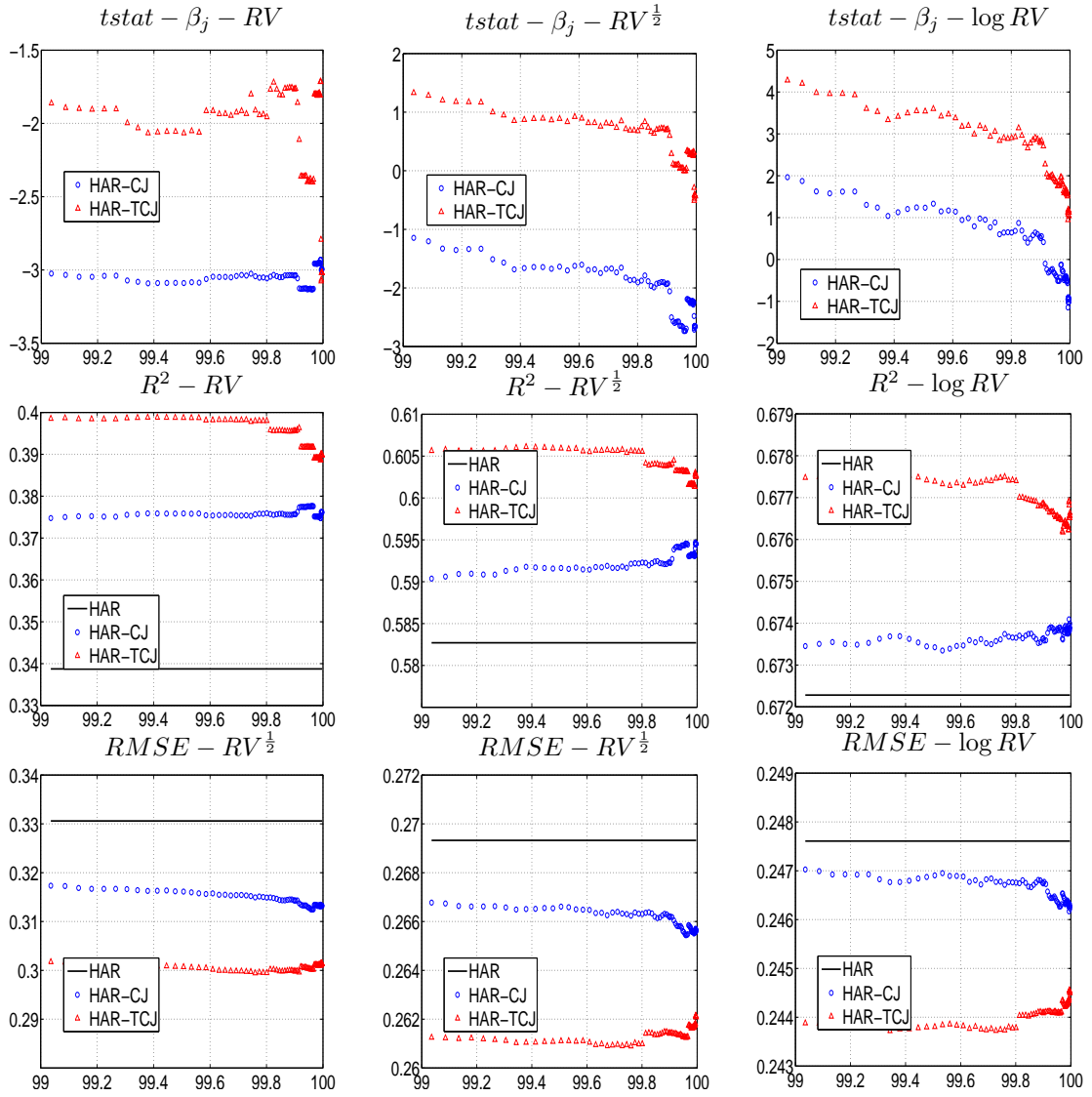


Figure 16: S&P500 data. Daily forecasts, $C - Tz$ statistics

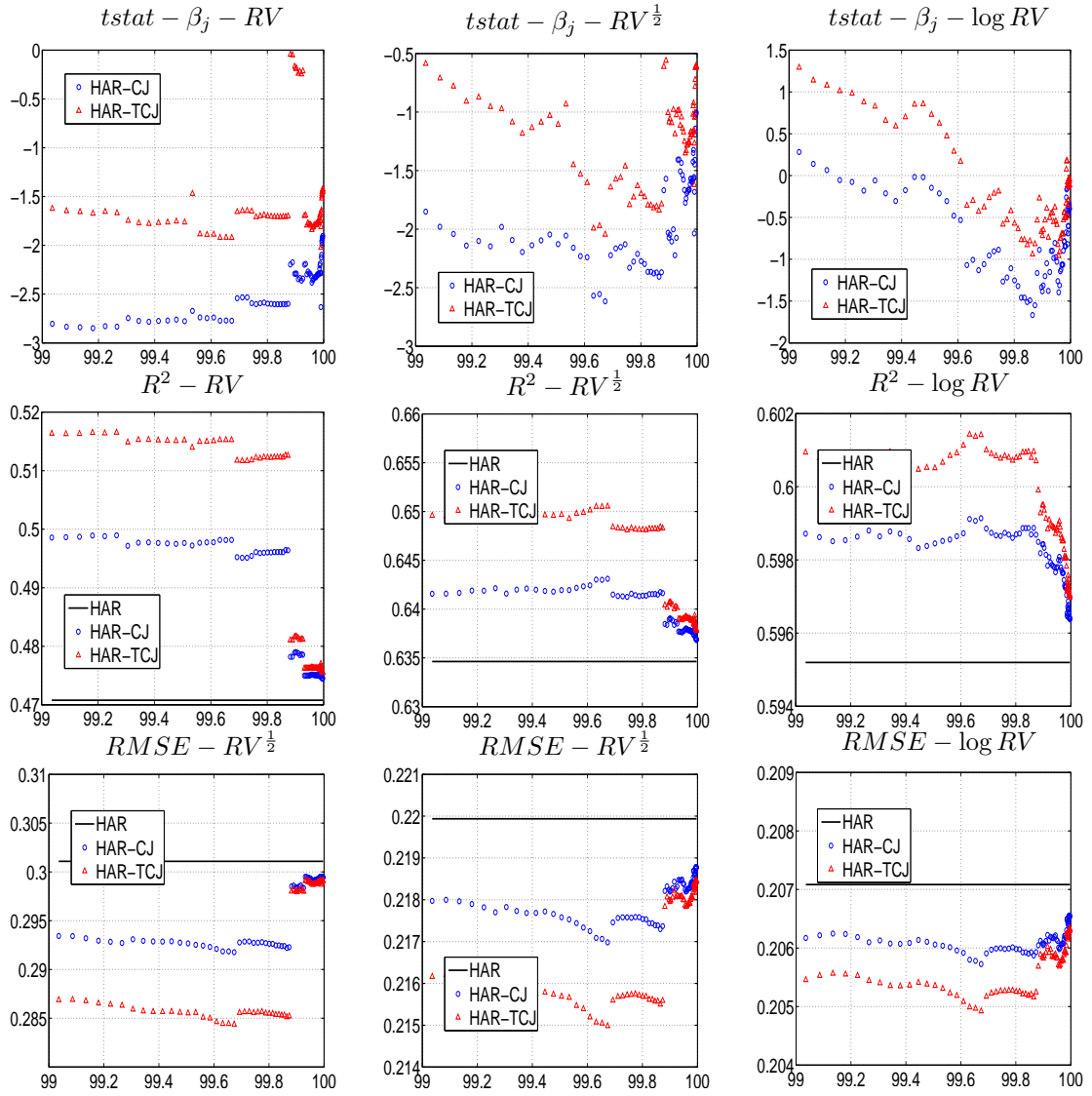


Figure 17: S&P500 data. Daily forecast, z statistics.

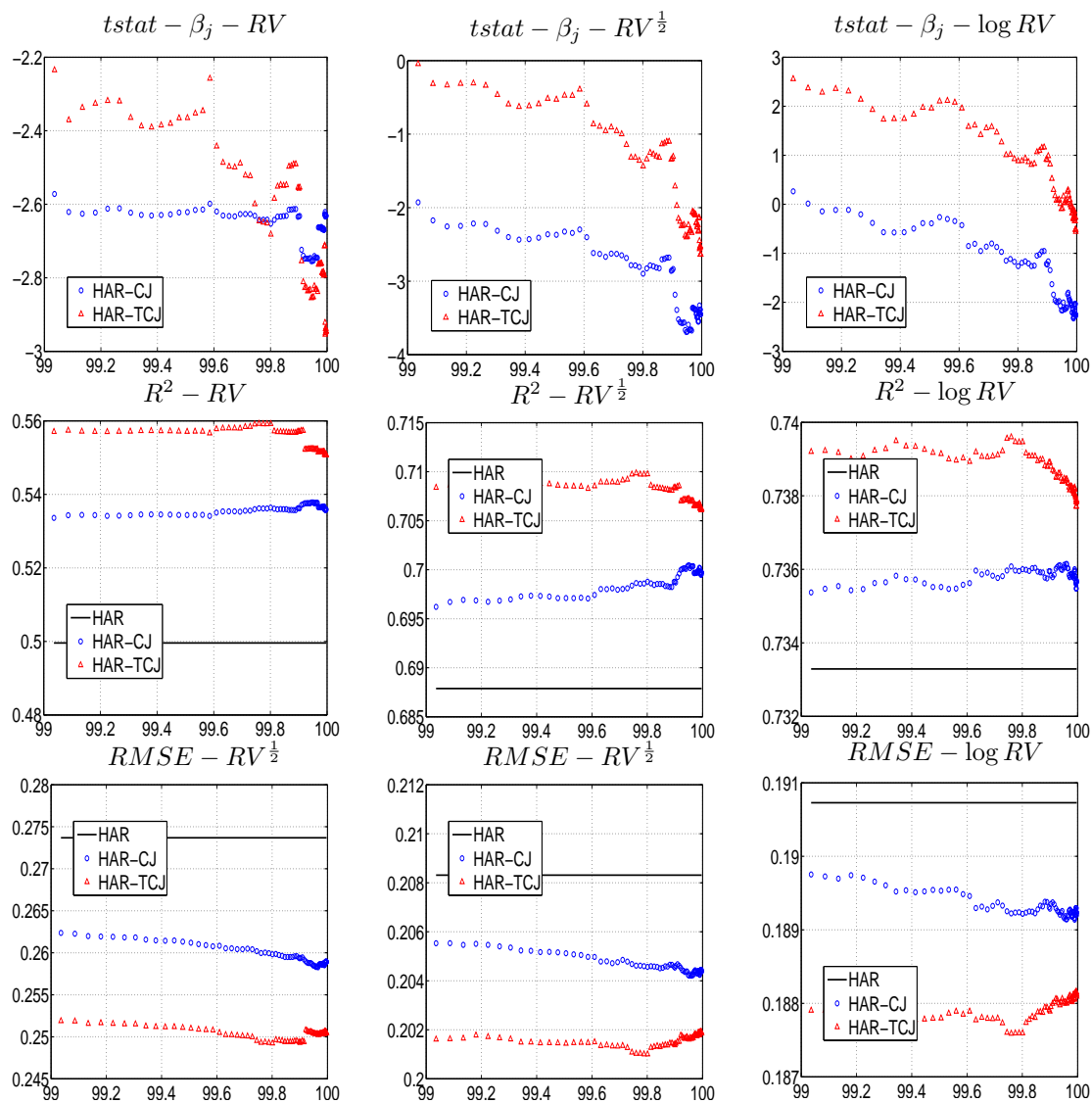


Figure 18: S&P500 data. Weekly forecast, $C - Tz$ statistics.

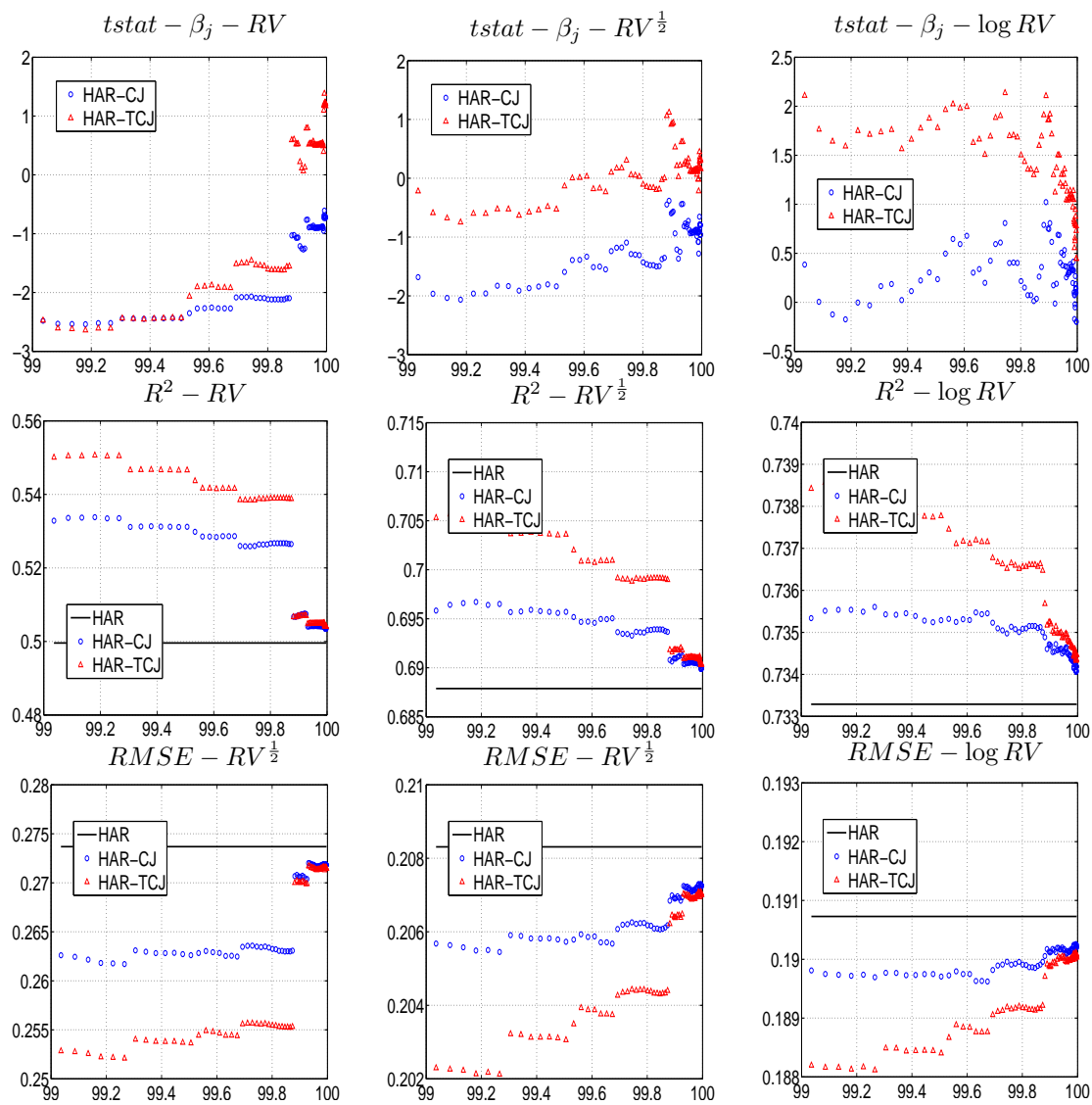


Figure 19: S&P500 data. Weekly forecast, z statistics.

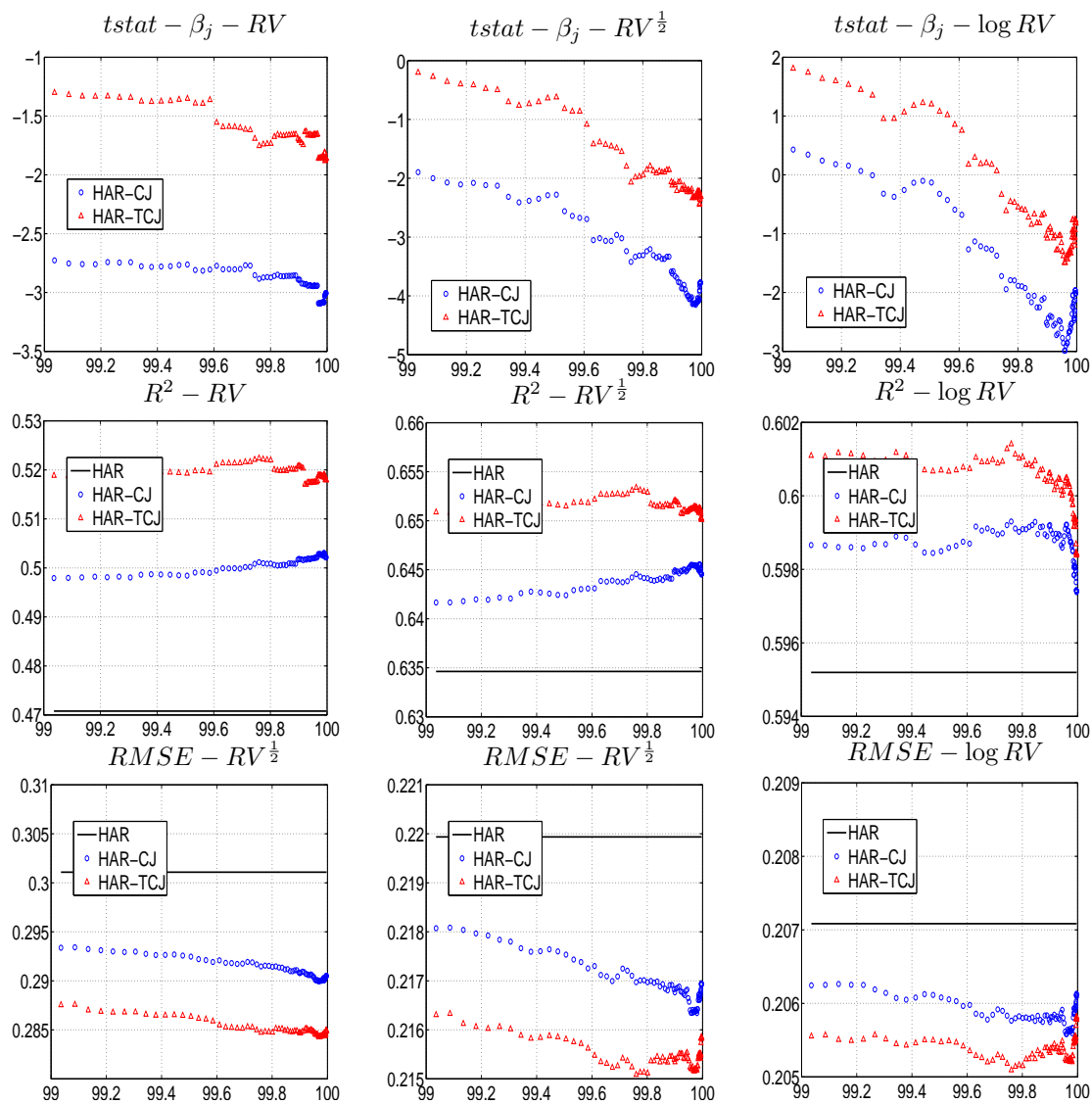


Figure 20: S&P500 data. Monthly forecast, $C - Tz$ statistics.

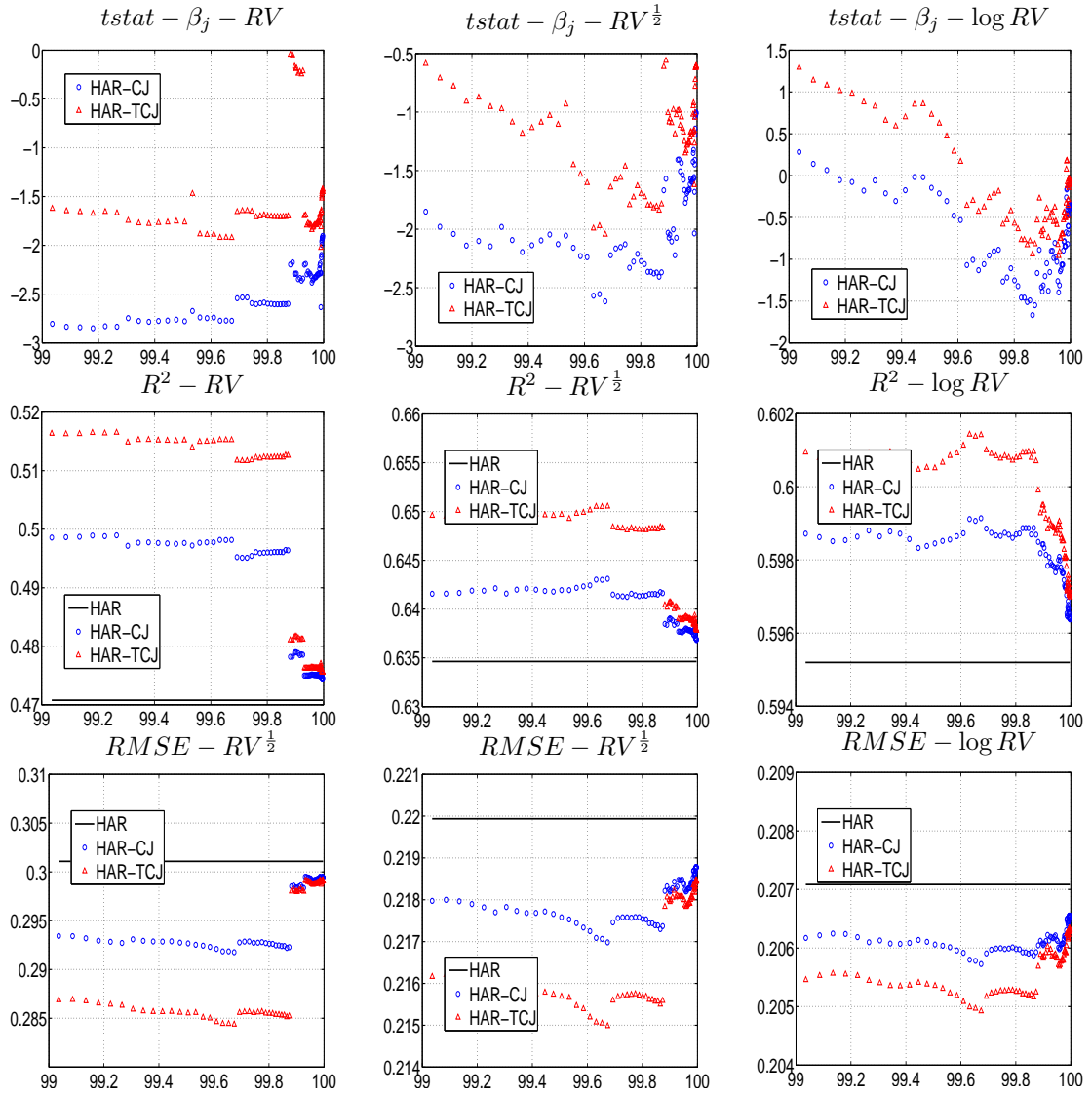


Figure 21: S&P500 data. Monthly forecast, z statistics.

5 A selection of single days in S&P500

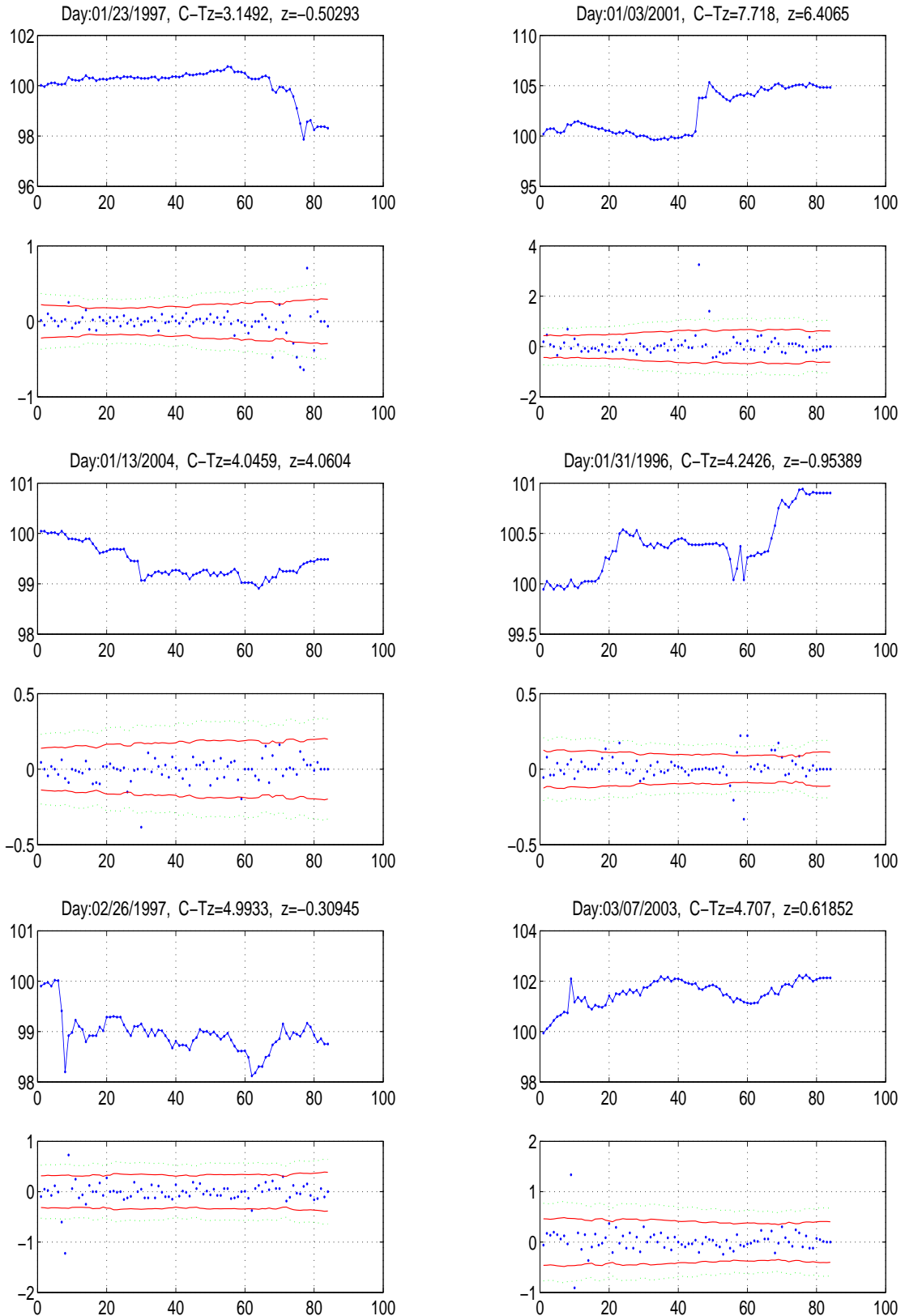


Figure 22: Selected days of S&P 500; cumulated time series (up) and returns (bottom).

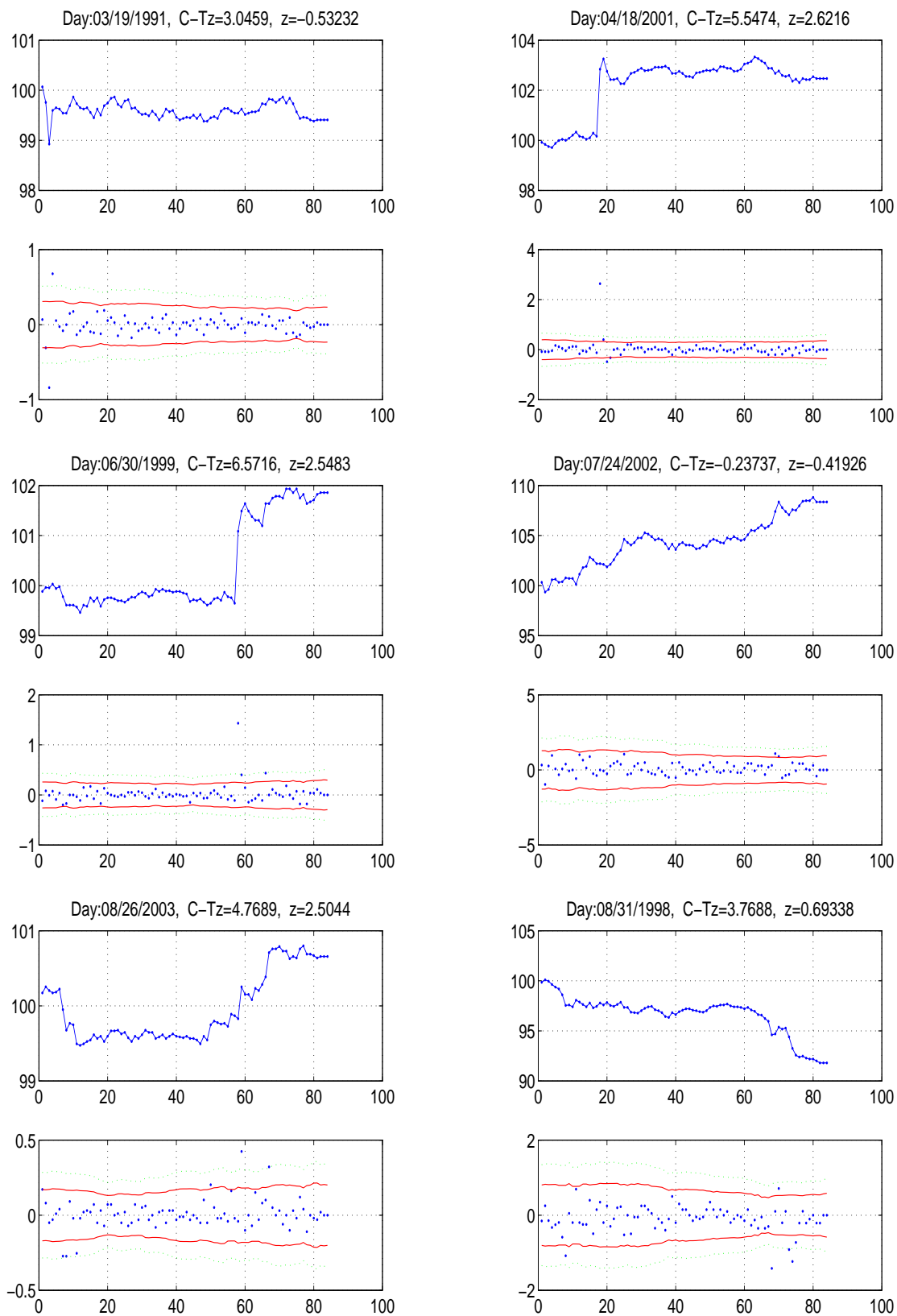


Figure 23: Selected days of S&P 500; cumulated time series (up) and returns (bottom).

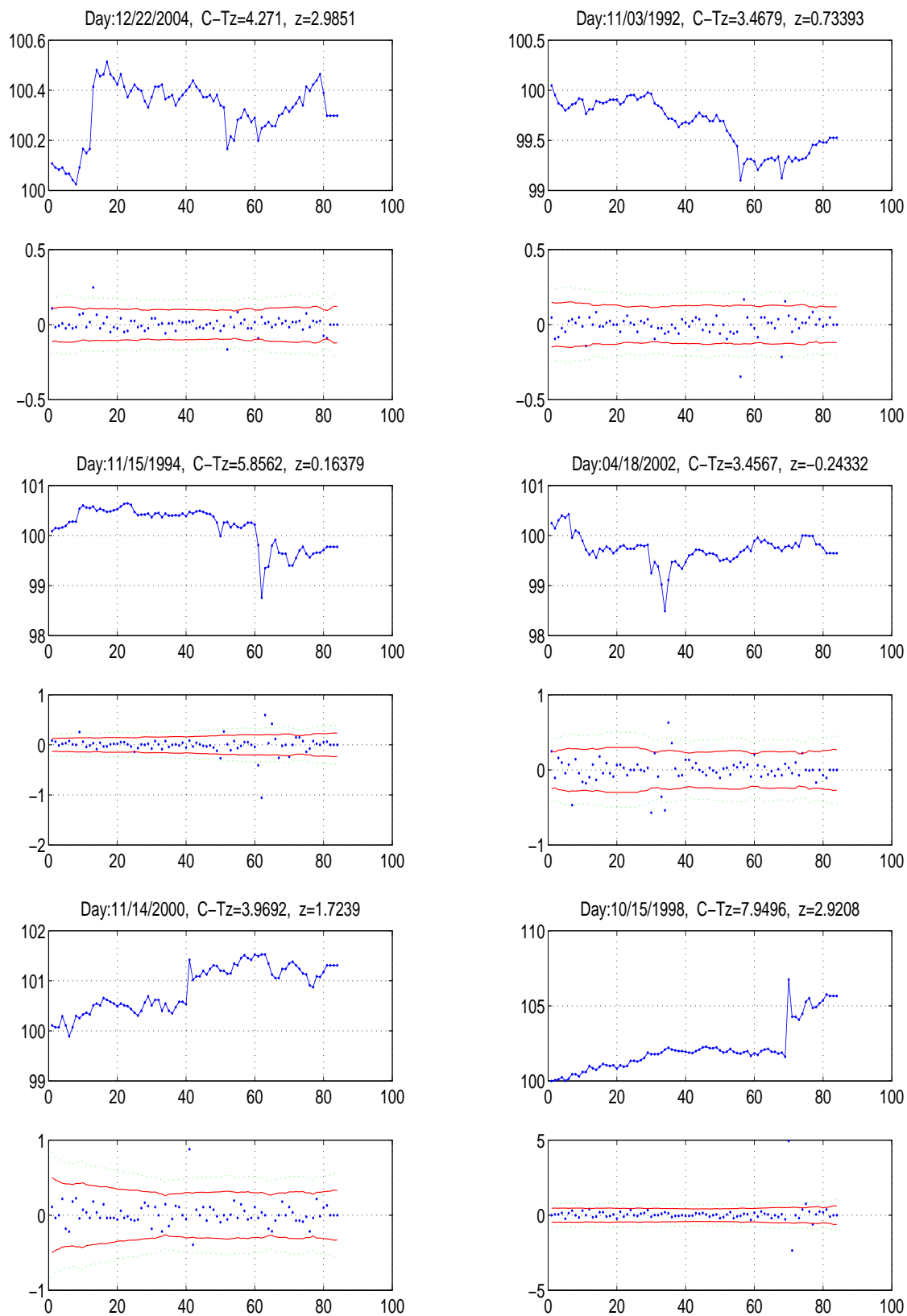


Figure 24: Selected days of S&P 500; cumulated time series (up) and returns (bottom).