Errata for Campbell, *Financial Decisions and Markets*, 1/29/2018.

Page xi, section title for Section 11.4.3 should be "Endogenous Margin Requirements".

Page 60, section 3.2.3, reference to "(Hansen and Richard 1987)" should be to "(Hansen and Richard 1987, Jagannathan and Wang 1996)".

Page 61, immediately before equation (3.40), reference to "Lewellen and Nagel (2006) and Boguth et al. (2011)" should be to "Jagannathan and Wang (1996) and Lewellen and Nagel (2006)". At the end of the paragraph below equation (3.40), reference to "Boguth et al." should be to "Boguth et al. (2011a)".

Page 69, footnote 10 should read "...growth if this ratio is less than the 30th NYSE percentile...".

Page 95, paragraph following equation (4.45), "Problem 8.2" should be "Problem 4.2".

Page 129, immediately below equation (5.16), "g_t" should be "G_t".

Page 142, the horizontal axis of Figure 5.3 is misaligned as can be seen by comparing the labeled dates with the dates marked on the axis.

Page 158, equation (5.98) should read

$$\widehat{R}_{t+1} = x_t - 1,$$

consistent with equation (5.87). Also delete footnote 11 and renumber footnote 12 on page 159 as footnote 11.

Page 169, the last term on the right hand side of equation (6.9) should be

$$\{\mathrm{E}[\exp((\lambda - \gamma)g)]\}^j,$$

with a left parenthesis following the exponent rather than preceding it.

Page 172, last complete paragraph of the page, two instances of "$c(0)$" should be "$\mathbf{c}(0)$" with a bold letter $\mathbf{c}$.

Page 194, equation (6.89) should be

$$M_{t+1} = \delta \left(\frac{S_{t+1}}{S_t}\right)^{-\gamma} \left(\frac{C_{t+1}}{C_t}\right)^{-\gamma}.$$

Page 208, second paragraph, three instances of "labor supply" should all be "labor demand".

Page 217, top line "sta ndard" should be "standard".

Page 223, line 14, "In the top panel" should be "In the bottom panel".

Page 223, line 18, "In the bottom panel" should be "In the top panel".

Page 234, section 8.1.2, line 5, "This pays \$1 at time $t + n$" should be "This pays \$1 at time $t + n + 1$".

Page 239, equations (8.25) and (8.26), the last summation should start from $i = 1$, so should be

$$\sum_{i=1}^{n-1} \left(1 - \frac{i}{n}\right) \Delta y_{1,t+i}.$$

Page 241, section 8.3, fourth line of text, "terminal condition $P_{0t} = 1$" should be "terminal condition $P_{0,t+n} = 1$".

Page 243, immediately following equation (8.38), "the second inequality" should be "the second equality".

Page 247, equation (8.57), λ_1 should not be transposed, so the equation should read

$$\Lambda_t = \Sigma^{-1}(\lambda_0 + \lambda_1 x_t).$$

Page 249, second paragraph, two instances of "dy_t^2" should be "$d(y_t^2)$".

Page 272, equation (9.7), "$\mathrm{Cov}_t\,(r_{p,t+1}, r_{p,K-1,t+1})$" should be "$\mathrm{Cov}_t\,(r_{p,t+1}, r_{p,K-1,t+K})$".

Page 290, reference to Boguth et al. (2011) should be (2011b).

Page 308, equation (10.1), the first line is missing a bracket and should read

$$\max - \log E[\exp(-A(W(1+R_f) + \tilde{Y} + \theta(\tilde{R} - R_f)))].$$

The second line is missing several brackets and a square in the last term. It should read

$$= A(W(1+R_f) + \overline{Y} + \theta(\overline{R} - R_f)) - \frac{1}{2}A^2\sigma_Y^2 - \frac{1}{2}A^2\theta^2\sigma_R^2 - A^2\theta\sigma_{YR}.$$

Page 308, equation (10.2) should be

$$\theta^* = \frac{(\overline{R} - R_f) - A\sigma_{YR}}{A\sigma_R^2} = \frac{(\overline{R} - R_f)}{A\sigma_R^2} - \beta_{YR}.$$

Page 342, equation (11.1), the last equality is missing a bracket and should be

$$= E_t[(R_{i,t+1} - R_{j,t+1})(1 - A_{kt}\Delta C_{k,t+1})].$$

Page 349, third line below equation (11.18), "SDF's" should be "SDFs".

Page 359, the section title for Section 11.4.3 should be "Endogenous Margin Requirements".

Page 377, third line below equation (12.21), "coefficients that would obtain" should be "coefficients that one would obtain".

Page 377, sixth line below equation (12.21), "in the limit where is no supply noise" should be "in the limit with no supply noise".

Page 381, the last two lines of equation (12.31) are bracketed incorrectly, and should be

$$\begin{aligned} = \quad & -c(1+R_f) + \mathrm{E}[v - (1+R_f)P]\mathrm{E}[X_I(P,s) - X_U(P)] \\ & + \mathrm{Cov}(v - (1+R_f)P, X_I(P,s) - X_U(P)). \end{aligned}$$

Page 390, on the first lines below equations (12.52), (12.54), and (12.56), "$\beta = 1/2\lambda$" and "$\alpha = -\mu/2\lambda$" should be "$\beta = 1/(2\lambda)$" and "$\alpha = -\mu/(2\lambda)$" respectively.

Page 393, in equation (12.61) the superscript in "C^i" should be a subscript, so it should be "C_i".

Page 393, on the third line before equation (12.63), "one must must rule out" should be "one must rule out".

Page 409, bibliography item for Boguth et al. (2011) should be (2011a). There should be a new bibliography item for these authors as follows: ____ (2011b), "Leverage and the Limits of Arbitrage Pricing: Implications for Dividend Strips and the Term Structure of Equity Risk Premia", unpublished paper.

Page 422, there should be a new bibliography item: Jagannathan, Ravi, and Zhenyu Wang, 1996, "The Conditional CAPM and the Cross-Section of Expected Returns," Journal of Finance 51, 3–53.