ALTERNATIVE INVESTING

Time Series Momentum: Factors, Monthly

April 30, 2024

This data set is related to "Time Series Momentum" (Moskowitz, Ooi and Pedersen, 2012), in which we document an asset-pricing anomaly we term "time series momentum," which we find to be consistent across different asset classes and markets. Specifically, we find strong positive predictability from a security's own past returns for a set of 58 diverse futures and forward contracts that include country equity indices, currencies, commodities and sovereign bonds over more than 25 years of data. We find that the past 12-month excess return of each instrument is a positive predictor of its future return. This time series momentum or "trend" effect persists for about a year and then partially reverses over longer horizons. These findings are robust across a number of sub-samples, look-back periods and holding periods. We find that 12-month time series momentum profits are positive not just on average across these assets, but for every asset contract we examine.

We provide monthly excess returns for long/short Time Series Momentum (TSMOM) factors, which are based on a 12-month time series momentum strategy with a 1-month holding period. We report factors for equity indices, currencies, commodities and developed government bond futures based on 58 underlying liquid instruments. This data set is an updated and extended version of the paper data, with TSMOM returns starting in January 1985 and updated monthly.