Frontiers of Factor Investing
Virtual Conference
Hosted by Lancaster University, UK
28th – 29th January 2021

PROGRAMME

Presentations: 25 minutes followed by 5 minutes general discussion

Thursday, 28th January 2021

9:00-9:05	Join Virtual Conference
9:05-9:15	*Opening Remarks:* **Angus Laing, Dean of Lancaster University Management School**
	SESSION 1 (Plenary) *Chair:tbc*
9:15-10:15	*Keynote Speech* **Söhnke Bartram, University of Warwick and CEPR** *Title:tbc*
10:15-10:25	Comfort Break
	SESSION 2 (Parallel)
10:25-12:25	*Parallel Session 2A: Factor Investing* *Chair: Chi-Yang Tsou* **Gregory Connor, Maynooth University** *Semi-strong Factors in Asset Returns* (with Robert Korajczyk, Northwestern University) **Rasmus Lönn, Erasmus University Rotterdam** *Optimizing Large Portfolios using Factors and Sparse Hedging* **David Happersberger, Lancaster University Management School & Invesco Quantitative Strategies** *The Relevance of High-frequency News Analytics for Lower-frequency Investment Strategies* (with Harald Lohre, Invesco Quantitative Strategies, Ingmar Nolte, Lancaster University Management School, Carsten Rother, Invesco Quantitative Strategies & University of Hamburg) **Chi-Yang Tsou, Hong Kong University of Science and Technology** *The Asset Durability Premium* (with Kai Li, Hong Kong University of Science and Technology)

10:25-12:25   *Parallel Session 2B: Bond Markets*
Chair: Alexey Ivashchenko

Jonas Nygaard Eriksen, Aarhus University
Predicting Bond Return Predictability (with Daniel Borup, Aarhus University, Mads M. Kjær, Aarhus University, Martin Thyrsgaard, Northwestern University)

Hendrik Kaufmann, Quoniam Asset Management GmbH
Factor Investing in Credit (with Harald Henke, Philip Messow & Jieyan Fang-Klingler, Quoniam Asset Management GmbH)

Lennart Dekker, Tilburg University
Factor Investing in Emerging Market Credits (with Patrick Houweling & Frederik Muskens, Robeco Investment Research)

Alexey Ivashchenko, VU Amsterdam
Corporate Bond Price Reversals

10:25-12:25   *Parallel Session 2C: Asset Pricing*

Chair: Yongjin Kim

Alessandro Melone, Vienna University of Economics and Business
Factor Models with Drifting Prices (with Carlo A. Favero, Bocconi University & Andrea Tamoni, Rutgers Business School)

Gabor Pinter, Bank of England
Fama, meets Sims

Mykola Babiak, Lancaster University Management School
Parameter Learning in Production Economies (with Roman Kozhan, Warwick Business School)

Yongjin Kim, City University of Hong Kong
Collective Learning about Systematic Risk (with Kai Li, Hong Kong University)

12:25-13:25   Break and Poster Session I

SESSION 3 (Plenary)
Chair: tbc

13:25-14:25   *Keynote Speech*
Guofu Zhou, Washington University in St. Louis
Title: Factor Models: Limitations and Extensions

SESSION 4 (Parallel)

14:25-15:55   *Parallel Session 4A: Current Markets 1*
Chair: Hsuan Fu

My T. Nguyen, University of Warwick
U.S. Populist Rhetoric and Currency Returns (with Ilias Filippou, Washington University & University of Warwick, Arie E. Gozluklu, University of Warwick, Mark P. Taylor, Washington University)

Huichou Huang, City University of Hong Kong
Characteristics as Signal Processes: Asset Prices, Carry, and Risk Premia (with Joon Woo Bae, Case Western Reserve University, Serhiy Kozak, University of Maryland)

Hsuan Fu, Laval University
US Political Cycles and International Stock Returns (with Pasquale Della Corte, Imperial Collage London)

14:25-15:55   *Parallel Session 4B: High Frequency Financial Econometrics 1*
Chair: Khaladdin Rzayev

Manh Cuong Pham, Lancaster University Management School
A Descriptive Study of High-Frequency Trade and Quote Option Data (with Torben Andersen & Viktor Todorov, Northwestern Kellogg, Ilya Archakovb & Nikolaus Hautsch, University of Vienna, Sergey Nasekin, University of Berlin, Stephen Taylor, Lancaster University Management School)

Aleksey Kolokolov, Alliance Manchester Business School
Realized moments: identification and pricing (with Federico M. Bandi, John Hopkins University, Davide Pirino, Università degli Studi di Roma, Roberto Renò, Università di Verona)

Khaladdin Rzayev, London School of Economics
Fast and furious: the market quality implications of speed in cross-border trading (with Gbenga Ibikunle, University of Edinburgh, Tom Steffen, Osmosis Investment Management)

14:25-15:55   *Parallel Session 4C: Multi Asset Investments*
Chair: Charles Chevalier

Gonçalo Faria, Universidade Católica Portuguesa
Frequency-domain information for active portfolio management (with Fabio Verona, Bank of Finland)

Daniele Massacci, King's College London
Common Factors and Regime Shifts in Stock and Bond Comovement (with Mirco Rubin, EDHEC Business School, Dario Ruzzi, Bank of Italy)

Charles Chevalier, Universite Paris-Dauphine, PSL Research University and Key Quant
Diversifying Trends (with Serge Darolles, Universite Paris-Dauphine)

15:55-16:05	Comfort Break

SESSION 5 (Parallel)

16:05-17:35   *Parallel Session 5A: Macro Factors*
Chair: Amar Soebhag

Livia Amato, HEC Paris
A Diversifying Macroeconomic Risk Factors - for Better or Worse (with Harald Lohre, Invesco Quantitative Strategies & Lancaster University Management School)

Emmanuel Jurczenko, Glion Institute of Higher Education
Macro Factor Mimicking Portfolios (with Jérôme Teiletche, Unigestion)

Amar Soebhag, Erasmus University Rotterdam
Caught by Surprise: How Markets Respond to Macroeconomic News
(with Guido Baltussen. Robeco & Erasmus University Rotterdam)

16:05-17:35   *Parallel Session 5B: High Frequency Financial Econometrics 2*
Chair: Paul van Rensburg

Jordi Llorens, Universitat Pompeu Fabra and Barcelona Graduate School of Economics
Projected Dynamic Conditional Correlations (with Christian Timothy Brownlees, Universitat Pompeu Fabra and Barcelona Graduate School of Economics)

Rodrigo, Hizmeri, Lancaster University Management School
A Generalized Heterogeneous Autoregressive Model using the Market Index (Marwan Izzeldin & Ingmar Nolte, Lancaster University Management School, Vasileios Pappas, University of Kent)

Paul Van Rensburg, University of Cape Town
A Crisis of Confidence: Adjusting p-values for Multiple Hypothesis Testing

16:05-17:35 *Parallel Session 5C: Mutual Funds*
Chair: James Sefton

John Kim, Emory University
Capital Allocation and the Market for Mutual Funds: Inspecting the Mechanism (with Jules H. van Binsbergen, University of Pennsylvania and NBER, Soohun Kim, Georgia Institute of Technology)

Robert Czech, Bank of England
Informed Trading in Government Bond Markets (with Shiyang Huang, University of Hong Kong, Dong Lou, London School of Economics and CEPR, Tianyu Wang, Tsinghua University)

James Sefton, Imperial College Business School
Agency and Rising Volatility (with Mobeen Iqbal, Imperial College Business School)

17:35- 17:45   **Best Paper Award: Invesco IQS Factor Investing Prize**

Friday – 29th January 2021

SESSION 6 (Parallel)

09:00-10:30 *Parallel Session 6A: Volatility*
Chair: Jiadong Liu

Simon Walther, Karlsruhe Institute of Technology (KIT)
Forward-looking P (with Maxim Ulrich, Karlsruhe Institute of Technology (KIT), Jonas Rothfuss, ETH Zurich, Fabio Ferreira, Karlsruhe Institute of Technology (KIT))

Yulong Sun, Bocconi University
A History Doesn't Repeat, But It Rhymes - Cash Flow Risk and Expected Returns

Jiadong Liu, Queen's University Belfast
Momentum and the Cross-section of Stock Volatility (with Minyou Fan & Fearghal Kearney, Queen's University Belfast, Youwei Li, University of Hull)

09:00-11:00 *Parallel Session 6B: Forecasting*
Chair: Lair Thibault

Michael Halling, Stockholm School of Economics and Swedish House of Finance
Valuation Ratios and Shape Predictability in the Distribution of Stock Returns (with Paolo Giordani, BI Norwegian Business School)

Daniele Bianchi, Queen Mary University of London
What Matters When? Time-Varying Sparsity in Expected Returns (with Andrea Tamoni, Rutgers Business School, Matthias Buechner, Warwick Business School)

Tobias Stein, Deutsche Bundesbank and Goethe University Frankfurt
Out-of-Sample Equity Premium Prediction: Combination Forecasts with Frequency-Decomposed Variables

Lair Thibault, EDHEC Business School
Scarcity risk premium

09:00-11:00   *Parallel Session 6C: Machine Learning*
Chair: Amine Raboun

Chulwoo Han, Durham University Business School
Bimodal Characteristic Returns and Enhancing Predictability via Machine Learning

Alejandro Lopez-Lira, University of Pennsylvania
Risk Factors that Matter: Textual Analysis of Risk Disclosures for the Cross-Section of Returns
Term and Stochasticity Risk Premia (with Paul Schneider, University of Lugano)

Martin Hronec, Charles University
Does It Pay to Follow Anomalies Research? Machine Learning Approach with International Evidence (with Ondrej Tobek, University of Cambridge)

Amine Raboun, Paris Dauphine University
Modelling Transaction Costs when Trades May Be Crowded: A Bayesian Network Using Partially Observable Orders Imbalance (with Marie Brière, Paris Dauphine University, Charles-Albert Lehalle, Imperial College London, Tamara Nefedovaz, Paris Dauphine University)

11:00-11:10	Comfort Break

SESSION 7 (Parallel)

11:10-12:10   *Parallel Session 7A: Currency Markets 2*
Chair: Ruirui Liu

Sofonias Alemu Korsaye, University of Geneva
The Global Factor Structure of Exchange Rates (with Fabio Trojaniz, University of Geneva, Andrea Vedolin, Boston University, NBER and CEPR)

Ruirui Liu, King's College London
Optimal Factor Investing in a Data-Rich Environment: Additive Gradients and Model Sparsity with an Application to FX Markets (with Georgios Chortareas & George Kapetanios, King's College London)

11:10-12:40   *Parallel Session 7B: Tail and Break Risk*
Chair: Matej Nevrla

Yifan Li, University of Manchester
Disclosure of Private In-house Meetings and Stock Crash Risk: Evidence from China (with Hang Zhou, University of Edinburgh, Rong Ding, University of Warwick, Yuxin Sun, Queen's University Belfast)

Alex Gibberd, Lancaster University
When "Structural Change" meets "Transaction Cost" in Volatility Timing (with Yin Liao, Queensland University of Technology, Di Bu, Macquarie University)

Matej Nevrla, Charles University
Quantile Spectral Beta: A Tale of Tail Risks, Investment Horizons, and Asset Prices (with Jozef Barunik, The Czech Academy)

11:10-12:40   *Parallel Session 7C: Hedge Funds & Institutional Investors*
Chair: Kirsty Jansen

Xinyu Cui, University of Manchester
Hedge Funds and Quasi-Indexers: Where do Alphas Come from? (with Olga Kolokolova, University of Manchester, Jiaguo (George) Wang, Lancaster University Management School)

Farouk Jivraj, Barclays Investment Back
Systematic 13F Hedge Fund Alpha (with Luca Angelini, Norvus Partners Inc, Mobeen Iqbal, Barclays Investment Bank)

Kristy Jansen, Tilburg University
Liability-Driven Investors (with Dirk W.G.A. Broeders, Maastricht University and De Nederlandsche Bank)

12:40-13:40	Break and Poster Session 2

<div align="right">**SESSION 8 (Plenary)**</div>

13:40-14:40   *Keynote Speech*
Tarun Gupta, Invesco Quantitative Strategies
Title: Alternative Data: Applications for Factor Investing

POSTER SESSION I
Thursday, 28th January 2021

Sofonias A. Korsaye, University of Geneva
Smart Stochastic Discount Factors (with Alberto Quaini & Fabio Trojani, University of Geneva)

Jonas Tobias Schmitz, Bamberg University
Does Mitigated Verbalization of Hedge Funds Affect Abnormal Stock Returns? (with Andreas Oehler, Bamberg University)

Saba Malik, Lincoln University, Christchurch
Portfolio Style, Sorting, Diversification & Robustness of Asset-Pricing Models: Evidence from the Australian Market (with Sazali Adidin, Lincoln University, Christchurch, JD van Heerden, Synlait Milk Ltd)

Peterson Owusu Junior, University of the Witwatersrand
Connectedness of Cryptocurrencies and Gold returns: Evidence from Frequency-dependent Quantile Regressions (with Anokye M. Adam, University of Cape Coast, George Tweneboah, University of the Witwatersrand)

Thang Ho, Lancaster University Management School
Bear Market Risk and the Cross-section of Hedge Fund Returns (with Anastasios Kagkadis & George Wang, Lancaster University Management School)

Wenjie Ding, Cardiff Business School
Volatility Timing, Sentiment, and the Short-term Profitability of VIX-based Cross-sectional Trading Strategies (with Khelifa Mazouz, Cardiff Business School, Qingwei Wang, Cardiff Business School & Centre for European Economic Research (ZEW))

Ulrich Hammerich, University of Bremen
Asset Pricing Risk Factors and Cultural Dimensions: The Hidden Steady State Variables? (with Thorsten Poddig, University of Bremen)

Aya Nasreddine, Paris Nanterre Universit
Corporate Social Responsibility as a Common Risk Factor (with Souad Lajili Jarjir, University Paris-Est, Marc Desban, University Paris-Est)

Kaiwen Tian, Lancaster University Management School
Trading Suspension Bias in China Stock Market Data

Christoph Frey, Erasmus University Rotterdam
Bayesian Sequential Stock Return Prediction Through Copulas (with Audrone Virbickaite, Universitat de les Illes Balears, Demian N. Macedo, Universitat de les Illes Balears)

Chi-Yang Tsou, Hong Kong University of Science and Technology
Learning and the Capital Age Premium (with Kai Li & Chenjie Xu, Hong Kong University of Science and Technology)

Juan Arismendi Zambrano, National University of Ireland
Multifactor Empirical Asset Pricing Under Higher-Order Moment Variations (with Martin Lozano, University of Monterrey, Massimo Guidolin, Manchester Business School, & Bocconi University)

Lili Yan, University of Greenwich
The Impact of Chinese Stock Market Turbulence (with Neil Kellard, University of Essex, Lyudmyla Lambercy, University of Essex)

Zeming Li, University of Southampton
Intraday Time Series Momentum: International Evidence (with Athanasios Sakkas, University of Nottingham, Andrew Urquhart, University of Reading)

Swasti Gupta-Mukherjee, Loyola University Chicago
Investor Sentiment, Fund Pricing, Performance, and Survival

Josef Kurka, Charles University in Prague
Horizon-specific risks, higher moments, and asset prices (with Jozef Barunik, The Czech Academy of Sciences)

Rui Gong, The Ohio State University
Return Chasing by Hedge Fund Investors

Sebastian Stöckl, University of Liechtenstein
Parameter Uncertainty, Financial Turbulence and Aggregate Stock Returns

Gordon Dash, University of Rhode Island
Multiobjective Behavioral Portfolio Selection with Efficient ESG Factors and Learning Network Estimation of Asset Returns (with Nina Kajiji, University of Rhode Island)

William J. Klubinski, University of Essex
Gender differences in hedge fund performance (with Thanos Verousisa, University of Essex, Fanis Tsoligkas, University of Bath)

Alexander Swade, Lancaster University Management School
Why do equally weighted portfolios beat the value weighted?