

Mutual Funds, Hedge Funds and Factor Investing Conference

Lancaster University Management School, UK

3rd – 4th June 2019

PROGRAMME

Presentations: 18 minutes followed by 10 minutes discussion.

Session chairs and presenters should meet 10 minutes before the start of their session in order to upload their presentations.

Monday – 3rd June 2019

8:30-9:00 Registration/Coffee, LT2 & 3 Breakout Area

9:00-9:15 **Opening Remarks, Room LT3**

Plenary
Room : LT3

Chair: Chelsea Yaqiong Yao (Lancaster University Management School)

9:15-10:15 **Keynote Speech**

Susan Christoffersen (University of Toronto)
The market impacts of passive investing

10:15-10:30 Refreshment Break, LT2 & 3 Breakout Area

SESSION 1- **Mutual Funds and Market Efficiency**

Room: LT3

Chair: Spencer Martin (University of Melbourne)

10:30-12:30 *Cheaper Is Not Better: On the Superior Performance of High-Fee Mutual Funds.*

Terry Zhang (University of British Columbia), Jinfei Sheng (University of California-Irvine), Mikhail Simutin (University of Toronto)

Discussant - Nicholas Hirshey (London Business School)

Flow-induced Trades and Asset Pricing Factors.

Yang Song (University of Washington), Shiyang Huang & Hong Xiang, (University of Hong Kong)
Discussant - Paul Irvine, Texas (Christian University)

What Do Mutual Fund Managers Private Portfolios Tell Us About Their Skills?

Makus Ibert (Federal Reserve System)

Discussant - Yang Song (University of Washington)

The International Active Fund Management Industry: Concentration Cross Effects.

David Feldman (UNSW Sydney), Konark Saxena (UNSW Sydney) & Jingrui Xu (Xiamen University)
Discussant - Terry Zhang (University of British Columbia)

12:30-13:45 Lunch and Poster Session, Venue: LT2 & 3 Breakout Area

Monday – 3rd June 2019 – continued

SESSION 2 - **Factor Investing**

Room: LT3

Chair: Anastasios Kagkasis (Lancaster University Management School)

13:45-15:45	<p><i>Arbitrage Portfolios.</i></p> <p>Soohun Kim (Scheller College of Business), Robert A. Korajczyk, (Northwestern University) & Andreas Neuhierl (University of Notre Dame)</p> <p>Discussant - Zhuo Chen (Tsinghua University)</p> <p><i>Characteristics-Based Factors.</i></p> <p>Zhuo Chen (Tsinghua University), Bibo Liu (Tsinghua University), Huijun Wang (University of Delaware), Zhengwei Wang & Jianfeng Yu (Tsinghua University)</p> <p>Discussant - Soohun Kim (Georgia Institute of Technology)</p> <p><i>An Integrated Approach to Currency Factor Timing.</i></p> <p>Ananthalakshmi Pallasena Ranganathan (Lancaster University Management School), Sandra Nolte (Lancaster University Management School), Harald Lohre (Invesco Quantitative Strategies) & Houssem Braham (BlackRock)</p> <p>Discussant - Philip Howard (Wake Forest University)</p> <p><i>Active factor completion strategies.</i></p> <p>Harald Lohre (Invesco Quantitative Strategies), Hubert Dichtl, Wolfgang Drobetz (University of Hamburg) & Carsten Rother (Invesco Quantitative Strategies & University of Hamburg)</p> <p>Discussant - Zilong Niu (Tilburg University and CentER)</p>
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15:45-16:00	Refreshment Break, LT2 & 3 Breakout Area
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Plenary

Room: LT3

Chair: George Jiaguo Wang (Lancaster University Management School)

16:00-17:00	<p>Keynote Speech</p> <p>Russell Wermers (University of Maryland)</p> <p><i>Do ETFs Increase Liquidity?</i></p>
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18:00-21:30	<p>Drinks Reception and Conference Dinner</p> <p><i>Lancaster House Hotel, Green Lane, Bailrigg, Lancaster LA1 4GJ</i></p>
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Tuesday - 4th June 2019

SESSION 3 - **Informed Trading**

Room: LT3

Chair: *Vikas Raman (Lancaster University Management School)*

09:00-10:30	<p><i>Trading on Overshooting.</i> Min Kim (University of Texas at Austin) Discussant - Aleksandra Rzeźnik (WU Vienna University of Economics and Business)</p> <p><i>Fast and slow arbitrage: Smart money, dumb money and mispricing in the frequency domain.</i> Namho Kang (Bentley University), Xi Dong (Baruch College, CUNY) & Joel Peress (INSEAD) Discussant - Min Kim (University of Texas at Austin)</p> <p><i>Informed Trading and Co-Illiquidity.</i> Aleksandra Rzeźnik (WU Vienna University of Economics and Business), Soren Hvidkjaer (Copenhagen Business School), Massimo Massa (INSEAD) Discussant - Xi Dong (Baruch College, CUNY)</p>
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10:30-10:45 Refreshment Break, LT2 & 3 Breakout Area

SESSION 4 - **ETF**

Room: LT3

Chair: *Shaun Davies (University of Colorado at Boulder)*

10:45-12:15	<p><i>Do ETFs Increase the Commonality in Liquidity of Underlying Stocks?</i> Paul Hanouna (Villanova University), Vikas Agarwal (Georgia State University), Rabih Moussawi (Villanova University) & Christof W. Stahe (Investment Company Institute) Discussant - Shaun Davies, (University of Colorado at Boulder)</p> <p><i>Short Selling Equity Exchange Traded Funds and its Effect on Stock Market Liquidity.</i> Egle Karmaziene (University of Groningen), Valeri Sokolovski (HEC Montréal) Discussant - Paul Hanouna, (Villanova University)</p> <p><i>Investor Demand for Leverage: Evidence from Closed-End Funds and the Launch of Levered Exchange-Traded Funds.</i> Shaun Davies, Robert Dam & Katie Moon (University of Colorado at Boulder) Discussant - Egle Karmaziene, (University of Groningen)</p>
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12:15-13:30 *Lunch and Poster Session, Venue: LT2 & 3 Breakout Area*

Plenary

Room: LT3

Chair: *Mark Shackleton (Lancaster University Management School)*

13:30-14:30	<p>Keynote Speech Elroy Dimson (University of Cambridge) <i>120 years of evidence on investing for the long term</i></p>
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14:30-14:45 Refreshment Break, LT2 & 3 Breakout Area

Tuesday – 4th June 2019 – continued

SESSION 5 - **Responsible Investments**

Room: LT3

Chair: Chelsea Yaqiong Yao (Lancaster University Management School)

14:45-16:45 *Corporate Ethical Behaviours and Firm Equity Value and Ownership: evidence from the GPFG's ethical exclusions.*
Vaska Atta-Darkua (University of Cambridge)
Discussant - Yuxiang Jiang (Southwestern University of Finance and Economics)
In the Eyes of the beholder: Shareholder Connection and ESG Rating Inflation.
Jiali Yan (Lancaster University Management School), Mark Shackleton (Lancaster University Management School), Dragon Yongjun Tang (The University of Hong Kong) & Chelsea Yaqiong Yao (Lancaster University Management School)
Discussant - Lucia Spotorno (Bocconi University)
Mutual Fund Voting on Environmental and Social Proposals.
Yazhou Ellen He, Bige Kahraman (Oxford University), Michelle Lowry (Drexel University)
Discussant - Vaska Atta-Darkua (University of Cambridge)
Socially Responsible Investments: Costs and Benefits for University Endowment Funds.
Yuxiang Jiang (Southwestern University of Finance and Economics), George Aragon (Arizona State University), Juha Joenväärä (University of Oulu) & Cristian Ioan Tiu (University at Buffalo)
Discussant - Yazhou Ellen He (Oxford University)

16:45

End of Conference

POSTER SESSION

Monday, 3rd June 2019 - 12:30-13:45 hrs

Venue: LT2 & 3 Breakout Area

Mutual Funds and Derivatives: Evidence from Linked Fund-Trade Data

Daniel Bias (Technical University of Munich), Claudia Guaglianob, Martin Haferkornb, (European Securities and Markets Authority), Michael Haimanna & Christoph Kaserer (Technical University of Munich)

The impact of return shocks on mutual funds' flows: an example based on French bond mutual funds

Laura-Dona Capota, Raphaëlle Bellando & Sébastien Galanti (**University of Orléans**)

Funding Liquidity and Arbitrage Efficacy

Jingzhi Chen & Yongcheol Shin (**University of York**)

How Do Bond Investors Measure Performance? Evidence from Mutual Flows

Thuy Duong Dang, Fabian Hollstein & Marcel Prokopczuk (**Leibniz University Hannover**)

Price, Cultural Dimensions, and the Cross-Section of Expected Stock Returns

Ulrich Hammerich (University of Bremen)

Managing the Risk of Momentum

Steffen Windmüller & Matthias Hanauer (**Technical University of Munich**)

How Well Do Traders Condition on the Uniqueness of Their Signals?

Nicholas Hirschev (London Business School) & Chishen Wei (Singapore Management School)

Crowded Trades and Tail Risk

Philip Howard (Wake Forest University), Gregory Brown & Christian Lundblad (University of North Carolina)

The Beta Anomaly and Mutual Fund Performance

Paul Irvine & Jue Ren (**Texas Christian University**) & Jeong Ho Kim (Emory University)

The Dynamic Impact of Anonymity on Unsophisticated Liquidity under Changing Information Asymmetry

Yijie Li (Aalto University School of Business)

Mutual Fund Selection for Realistically Short Samples

Ole Linnemann Nielsen, Charlotte Christiansen & Niels S. Grønborg (**Aarhus University**)

Underreaction to Macroeconomic News Announcements and the Downward-Sloping Security Market Line

Zilong Niu (Tilburg University and CentER)

Local Economic Conditions and Local Equity Preferences: Evidence from Mutual Funds during the US Housing Boom and Bust

Aleksandra Rzeźnik (WU Vienna University of Economics and Business), Ben Sand (York University) & Chandler Lutz (Copenhagen Business School)

Fragile Factor Premia

Yang Song (University of Washington), Shiyang Huang & Hong Xiang (The University of Hong Kong)

Willingness to Take Risk and Fund Flow Dynamics

Zhongyan Zhu (Monash University) & Woon Sau Leung (The University of Edinburgh)

POSTER SESSION

Tuesday, 4th June 2019 - 12:15-13:30 hrs

LT2 & 3 Breakout Area

Gamma Trading Skills in Hedge Funds

Boris Fays, Georges Hubner & Marie Lambert (University of Liege)

Does gender diversity impact performance and corporate social responsibility investment decisions in mutual funds?

Lidan Grossmass (Düsseldorf Institute of Competition Economics), Ming-Tsung Lin (De Montfort University) & Ser Huang Poon (University of Manchester)

What do hedge funds say?

Juha Joenväärä, Jari Karppinen (University of Oulu) & Cristian Tiu (University at Buffalo)

Peer Effects in Investment Manager Selection: Evidence from University Endowments

Charikleia Kaffe (University of Cambridge)

Revealed Heuristics: Evidence from Investment Consultants' Search Behavior

Soohun Kim, Sudheer Chava & Daniel Weagley (Georgia Institute of Technology)

Hedge Fund Performance Persistence: Do the country of domicile and the investment strategy matter?

William Klubinski & Thanos Verousis (University of Essex)

Does Intensified Letter-Communication of Hedge Funds Affect Abnormal Returns?

Jonas Tobias Schmitz & Andreas Oehler (University of Bamberg)

Does organization design affect delegated investment performance?

Lucia Spotorno (Bocconi University) & Giacomo Nocera (Audencia Business School)

Signaling or Marketing? The Role of Discount Control Mechanisms in Closed-End Funds

Denitsa Stefanova, Roman Kräussl (Université du Luxembourg) & Joshua Pollet (University of Illinois)

Investor Sentiment and the Pricing of Macro Risks for Hedge Funds

Xiaoquan Zhu & Zhuo Chen (Tsinghua University) & Andrea Lu (University of Melbourne)