

8TH ANNUAL HEDGE FUND RESEARCH CONFERENCE

PARIS, 21-22 JANUARY 2016

Conference venue

Université Paris-Dauphine
House of Finance – Room A709 – Building A
Place du Maréchal de Lattre de Tassigny, 75116 Paris

Organizing committee

Serge Darolles (Université Paris-Dauphine & CREST), René Garcia (EDHEC Business School), Christian Gouriéroux (CREST & University of Toronto)

Scientific committee

Vikas Agarwal (Georgia State University), Charles Cao (Penn State University), Serge Darolles (Université Paris-Dauphine & CREST), René Garcia (Edhec Business School), Christian Gouriéroux (CREST & University of Toronto), Andrew Patton (Duke University), Ronnie Sadka (Boston College).

Partners



This conference received the financial support of the «Financial Econometric» Thematic Semester granted by the LABEX Louis Bachelier.

Welcome to the 8th Annual Hedge Fund Research Conference, which presents the latest research papers shaping the future of the asset management industry, from the most renowned academics.

With close to a hundred submissions from 50 universities in 17 countries, the 16 unpublished papers, which will be presented during the conference, were selected following a thorough screening process by a scientific committee of internationally respected academic professors.

Since its inception, this event has become a reference in the field of risk management and alternative investments research, now attracting the most reputable academics working on cutting-hedge topics. Over the last 7 years, the "Annual Hedge Fund Research Conference" has thus been a platform for international visibility. Indeed, out of a total of 107 research papers presented across the last 7 events, 50 of them have already been published in the most renowned academic publications.

Organizing Committee



SERGE DAROLLES, UNIVERSITÉ PARIS-DAUPHINE & CREST

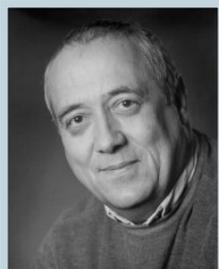
Serge Darolles is Professor of Finance at Université Paris-Dauphine where he teaches Financial Econometrics since 2012. Prior to joining Dauphine, he worked for Lyxor between 2000 and 2012, where he developed mathematical models for various investment strategies. He also held consultant roles at Caisse des Dépôts & Consignations, Banque Paribas and the French Atomic Energy Agency.

Mr. Darolles specializes in financial econometrics and has written numerous articles which have been published in academic journals. He holds a Ph.D. in Applied Mathematic from the University of Toulouse and a postgraduate degree from ENSAE, Paris.



RENÉ GARCIA, EDHEC BUSINESS SCHOOL

After his Ph.D. in Economics from Princeton University in 1992, René Garcia joined the Université de Montréal, where he held the Hydro-Québec Chair in Risk Management. He was also the scientific director of the Centre for Interuniversity Research and Analysis on Organizations (CIRANO). He joined EDHEC Business School in Nice (France) in 2007 where he is today Chair Professor of Finance. His most recent research focuses on the evaluation of asset pricing models accounting for higher moments, long-run asset pricing models, the use of cross-sectional variance of equity returns to measure idiosyncratic volatility, the analysis of hedge fund returns.



CHRISTIAN GOURIEROUX, CREST & UNIVERSITY OF TORONTO

Christian Gouriéroux is professor of Economics at the University of Toronto and director of the Finance-Insurance laboratory at CREST (Center for Research in Economics and Statistics in Paris). His current research interests are in Financial Econometrics, especially in credit risk, term structure of interest rates, longevity, hedge funds and regulation. Christian has been a scientific adviser for credit scoring at BnpParibas during 20 years, and consultant for Basel II at DEXIA and CIBC (Canada). He has published widely, about 200 articles, in Economics, Econometrics and Finance academic journals.

Scientific Committee

Vikas Agarwal

Georgia State University

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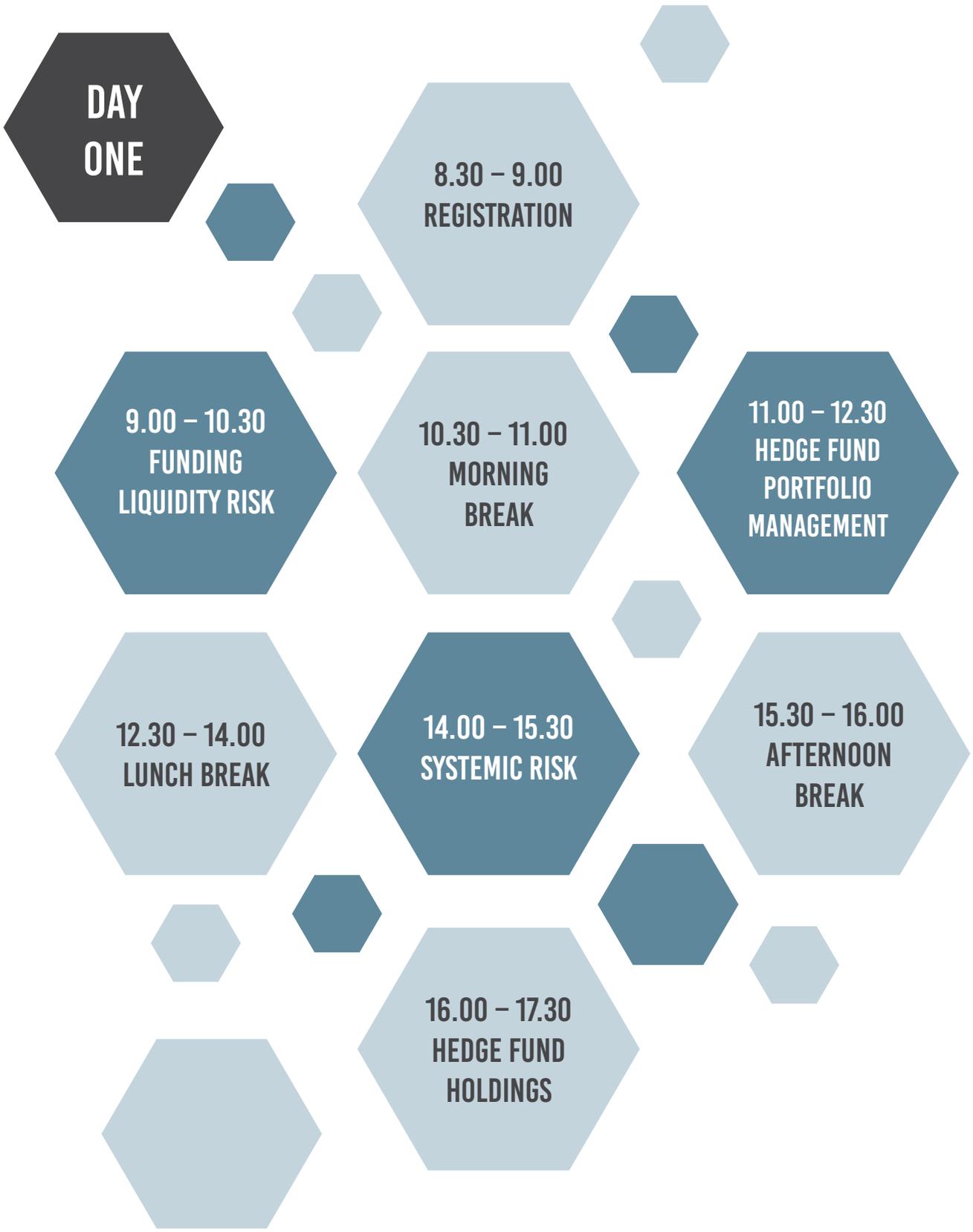
Andrew Patton

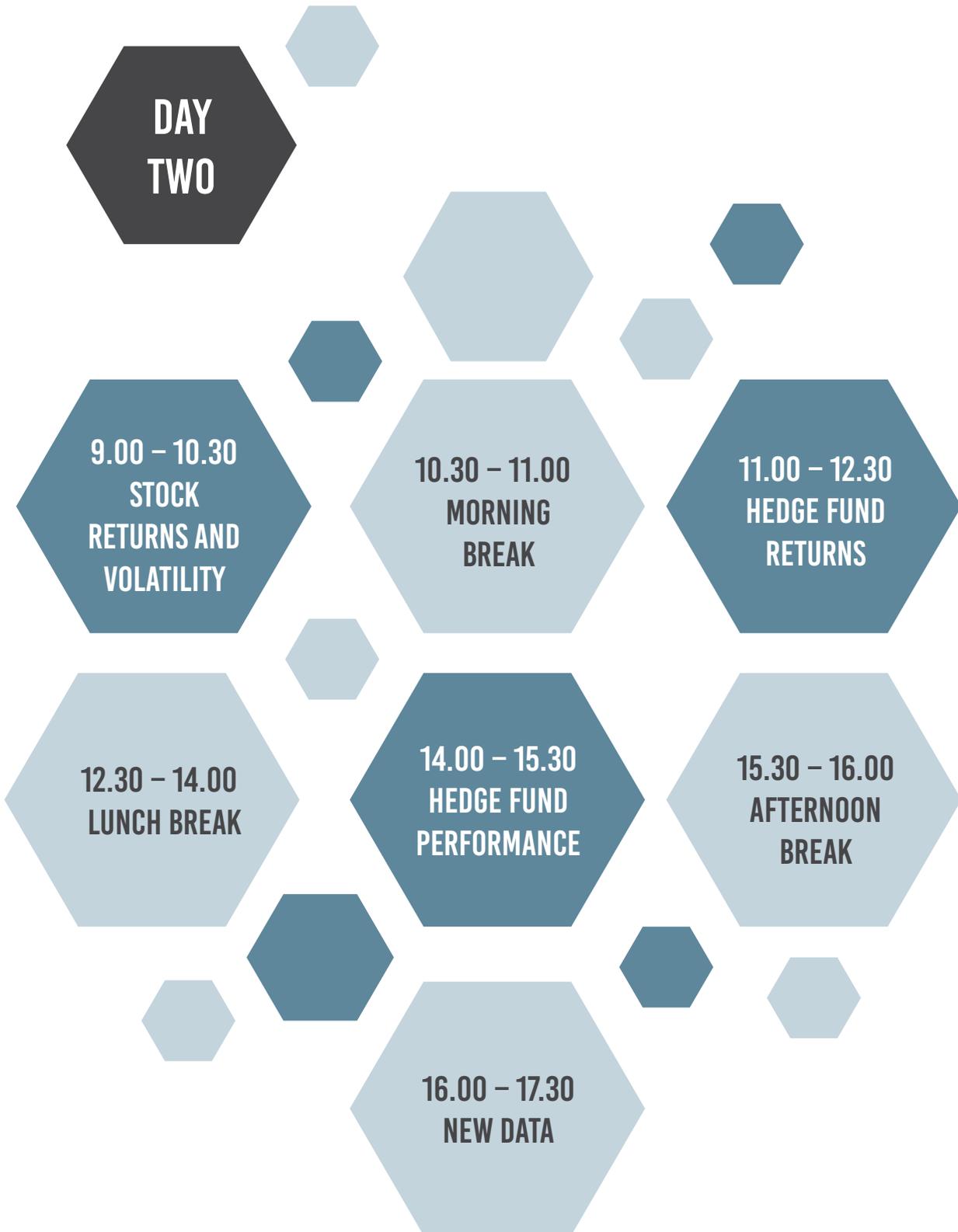
Duke University

Ronnie Sadka

Boston College

PROGRAM





DAY ONE

8.30 – 9.00 **Registration**

9.00 – 10.30 **Funding Liquidity Risk**

Chair: S. Darolles (Université Paris-Dauphine and CREST)

Strategic Interaction between Hedge Funds and Prime Brokers

N. Gerasimova (University of Lausanne)
E. Jondeau (University of Lausanne)

Speaker: E. Jondeau (University of Lausanne)

Discussant: M. Zoïcan (Université Paris-Dauphine)

We develop a framework of strategic interaction between prime brokers and hedge funds. The hedge fund optimally determines its cash holding and the fraction of shorted securities. The prime broker optimally determines the margin rate and the rehypothecation rate. The lending rate is determined at the equilibrium. We then explore the impact of the prime broker decisions on the hedge fund strategy. We calibrate the model using U.S. flow of funds data. Further, we derive empirical predictions for the heterogeneous fund styles.

Funding Risk, Patient Capital, and the Dynamics of Hedge Fund Lockups

A. Aiken (Elon University)
C. Clifford (University of Kentucky)
J. Ellis (North Carolina State University)
Q. Huang (University of Kentucky)

Speaker: C. Clifford (University of Kentucky)

Discussant: K. Rinne (University of Luxembourg)

We take advantage of the dynamic nature of hedge fund lockups and create a novel proxy for funding liquidity risk that is both a fund-level and time-varying measure. Unlike past studies that compare funds with and without a lockup, our measure allows us to identify changes in funding risk within funds, enabling us to better identify the connections between funding liquidity risk, performance, and risk-taking in the cross section of hedge funds. Fund performance increases following decreases in funding risk, as measured by the proportion of fund capital that is restricted from investor withdrawals. This effect is not driven by changes in factor risk alone, and is consistent with reduced funding risk improving hedge funds' flexibility to capitalize on risky mispricing. We also find evidence of a lockup fixed effect: lockup funds have lower outflows, lower outflow volatility, and better performance than non-lockup funds, regardless of how much capital they have locked up. Our results suggest that, in addition to directly restricting withdrawals, lockup provisions may also reduce funding risk by encouraging the formation of a patient investor clientele.

10.30 – 11.00 **Morning break**

11.00 – 12.30 **Hedge Fund Portfolio Management**

Chair: M. Brière (AMUNDI, Université Paris-Dauphine, Université Libre de Bruxelles)

Portfolio Choice with Model Misspecification: A Foundation for Alpha and Beta Portfolios

R. Uppal (EDHEC Business School)
P. Zaffaroni (Imperial College)

Speaker: R. Uppal (EDHEC Business School)

Discussant: C. Gouriéroux (University of Toronto and CREST)

In this paper, we provide a rigorous foundation for “alpha” and “beta” portfolio strategies and characterize their properties when the number of assets is asymptotically large and returns are given by the Arbitrage Pricing Theory (APT). Our first contribution is to extend the interpretation of the APT to show that it can capture not just small pricing errors that are independent of factors but also large pricing errors that arise from mismeasured or missing factors. Our second contribution is to show that under the APT, the optimal mean-variance portfolio in the presence of a risk-free asset can be decomposed into two components: an “alpha” portfolio that depends only on pricing errors and a “beta” portfolio that depends only on factor risk premia and their loadings. Our third contribution is to characterize alpha and beta portfolios when the number of assets is asymptotically large: in this setting, we show that the portfolio weights of the alpha portfolio typically dominate the weights of the beta portfolio. Our fourth contribution is to show how these results about the decomposition of various portfolio weights, together with the restriction arising from the extended APT, can and should be used to improve the estimation of portfolio weights in the presence of model misspecification.

Hedge Fund Portfolio Management with Illiquid Assets

S. Darolles (Université Paris-Dauphine and CREST)
G. Roussellet (New York University)

Speaker: G. Roussellet (New York University)

Discussant: R. Garcia (EDHEC Business School)

We study hedge fund optimal portfolios in the presence of market and funding liquidity risk. We consider a two-period economy with a single hedge fund. The fund has access to cash, which is available every period and to an illiquid asset, which pays off only at the end of the second period. Funding liquidity risk takes the form of a random proportion of the fund's assets under management being withdrawn by clients in period one. The fund can then liquidate a part of the illiquid position by bidding on a secondary market with a random haircut on the effective selling price. We solve the allocation problem of the hedge fund manager and find the optimal portfolio. Whereas the cash buffer is monotonously decreasing in the secondary market liquidity, we show that the fund's default probability is non-monotonic. Finally, we apply our model in an asset-pricing framework for different hedge fund strategies to see how both risks are priced over time.

DAY ONE

12.30 – 14.00 **Lunch break**

14.00 – 15.30 **Systemic Risk**

Chair: F. Riva (Université Paris-Dauphine)

Monitoring systemic risk in the hedge fund sector

F. Hespeler (European Securities and Markets Authority)
L. Loiacono (European Securities and Markets Authority)

Speaker: F. Hespeler (European Securities and Markets Authority)

Discussant: S. Benoit (Université Paris Dauphine)

We propose new measures for systemic risk generated through intra-sectorial interdependencies in the hedge fund sector. These measures are based on variations in the average cross-effects of funds showing significant interdependency between their individual returns and the moments of the sector's return distribution. The proposed measures display a high ability to identify periods of financial distress, are robust to modifications in the underlying econometric model and are consistent with intuitive interpretation of the results. As so far no proxies for intra-sectorial generation of systemic risks within the hedge fund industry have been proposed, our measures deliver an innovation in the monitoring of systemic risks in the fund industry.

Hedge fund leverage, asset liquidity, and financial fragility

E. Dudley (Queen's University)
M. Nimalendran (University of Florida)

Speaker: E. Dudley (Queen's University)

Discussant: J. Joenväärä (University of Oulu)

Using newly available data on hedge fund leverage that specifies the type of leverage employed (e.g. gross or net), we examine the potential for a credit spiral and financial fragility in hedge funds. We find that funds belonging to fund families that are highly levered, have multiple prime brokers or whose holdings are illiquid have outflows that are over two times more sensitive to prior poor performance than the average hedge fund. Furthermore, negative returns predict future poor returns, and this return persistence is strongest in illiquid and highly leveraged funds. Despite the apparent risks of high leverage that we document, aggregate hedge fund leverage at the end of 2014 exceeded its pre-crisis level even though financial-sector leverage declined over the same period.

15.30 – 16.00 **Afternoon break**

16.00 – 17.30 **Hedge Fund Holdings**

Chair: C. Gouriéroux (University of Toronto and CREST)

Arbitrage Trading: The Long and the Short of It

Y. Chen (Texas A&M University)
Z. Da (University of Notre Dame)
D. Huang (University of North Carolina at Greensboro)

Speaker: Y. Chen (Texas A&M University)

Discussant: J. Hombert (HEC Paris)

We measure arbitrage trading on both the long- and the short-sides by merging hedge fund equity holdings with short interest. Over time, aggregate hedge fund holdings track aggregate short interest well, and both have grown dramatically since the early 1990s. In the cross section, net arbitrage trading, defined as the difference between abnormal hedge fund holdings and abnormal short interest on a stock, strongly predicts future stock returns. This predictability is not due to temporary price pressure, cannot be produced using total institutional holdings, but is consistent with information advantage and copycat trading. When examining a broad set of return anomalies, we find anomaly returns to come exclusively from the anomaly stocks that are traded by arbitrageurs, and such stocks are hard to arbitrage on average. Overall, our findings confirm that arbitrage trading is informative about mispricing.

Leveraged Speculators and Asset Prices

W. Jiang (The Chinese University of Hong Kong)

Speaker: W. Jiang (The Chinese University of Hong Kong)

Discussant: A. Fulop (ESSEC Business School)

I test the hypothesis that the use of leverage by market speculators can increase the likelihood and magnitude of a crash in asset prices. Using a novel leverage measure derived from public filings, I find that stocks held by highly levered hedge funds subsequently have more negatively skewed returns than stocks held by less levered funds. This finding extends to the aggregate U.S. market index. I relate this effect to fire sales: highly levered funds are more likely to liquidate long positions when experiencing negative fundamental shocks to the assets they hold and when experiencing funding liquidity shocks.

DAY TWO

9.00 – 10.30 **Stock Returns and Volatility**

Chair: R. Garcia (EDHEC Business School)

Volatility and Liquidity

D. Amiramy (Columbia Business School)
B. Csernaz (University of Frankfurt)
A. Levy (Ben-Gurion University)

Speaker: A. Levy (Ben-Gurion University)

Discussant: E. Arisoy (Université Paris-Dauphine)

The positive relation between stock return volatility and illiquidity has long been documented. We revisit this relationship using recent developments in the literature and decompose total volatility into its jump and diffusive components. This investigation yields several new insights. We find that the positive relation between total volatility and illiquidity is exclusively driven by the jump component. In contrast, we find a negative relation between diffusive volatility and illiquidity, even though this component is what is commonly perceived as "volatility." We show that this negative relation is driven by the positive association between diffusive volatility and trading activity. Our findings extend the understanding of liquidity and liquidity risk and have implication to market microstructure and disclosure policies.

A Market-Based Funding Liquidity Measure

Z. Chen (Tsinghua University)
A. Lu (The University of Melbourne)

Speaker: A. Lu (The University of Melbourne)

Discussant: G. Mero (Cergy-Pontoise University)

In this paper, we construct a tradable funding liquidity measure from stock returns. Using a stylized model, we show that the expected return of a beta-neutral portfolio, which exploits investors' borrowing constraints (Black (1972)), depends on both the market-wide funding liquidity and stocks' margin requirements. We extract the funding liquidity shock as the return spread between two betaneutral portfolios constructed using stocks with high and low margins. Our return-based measure is correlated with other funding liquidity proxies derived from various markets. It delivers a positive risk premium, which cannot be explained by existing risk factors. Using our measure, we find that while hedge funds in general are inversely affected by funding liquidity shocks, some funds exhibit funding liquidity management skill and thus earn higher returns. In addition, adverse shocks affect the real economy by lowering investment.

10.30 – 11.00 **Morning break**

11.00 – 12.30 **Hedge Fund Returns**

Chair: A. Monfort (CREST-ENSAE)

Sentiment Risk, Sentiment Timing, and Hedge Fund Returns

Y. Chen (Texas A&M University)
B. Han (University of Toronto)
J. Pan (University of Utah)

Speaker: Y. Chen (Texas A&M University)

Discussant: G. Monarcha (Orion-FP)

We examine whether exposure to sentiment risk helps explain the cross-sectional variation in hedge fund returns. We find that funds with sentiment beta in the top decile subsequently outperform those in the bottom decile by 0.67% per month on a risk-adjusted basis. Further, we show that some hedge funds have the ability to time sentiment by having high exposures to a sentiment factor when the factor premium is high, and sentiment timing also contributes to fund performance. Our results are robust to controlling for fund characteristics and other risk factors known to affect hedge fund returns and hold for alternative sentiment risk measures. Overall, these findings highlight sentiment risk as a source of limits to arbitrage faced by hedge funds.

Reputation and Hedge Fund Activism

T. Johnson (The University of Texas at Austin)
N. Swem (The University of Texas at Austin)

Speaker: T. Johnson (The University of Texas at Austin)

Discussant: M. Milone (Université Paris-Dauphine)

We model activist hedge fund reputation as managers' belief about the activist's willingness to initiate a proxy fight. Our model predicts two channels through which reputation improves activism's effectiveness: activists more-frequently incur the cost of proxy fights as an investment in their reputation, and managers accommodate demands from high reputation activists without a proxy fight. Consistent with these predictions, we find costs often exceed short-term benefits for activists in proxy fights and target companies accommodate high reputation activists by increasing payouts. We also provide theoretical and empirical evidence activist stake size is not an effective alternative to reputation.

DAY TWO

12.30 – 14.00 **Lunch break**

14.00 – 15.30 **Hedge Fund Performance**

Chair: G. Le Fol (Université Paris-Dauphine and CREST)

Relative Alpha

J. Jackwerth (University of Konstanz)
A. Slavutskaya (Ecole Polytechnique Fédérale de Lausanne)

Speaker: A. Slavutskaya (Ecole Polytechnique Fédérale de Lausanne)

Discussant: G. Simon (CFM)

The alpha within a factor model of fund performance could measure current outperformance over risk-adjusted returns; it could be used to identify funds which generate high future performance and thus determine fund flow; and it could be used to find persistence in alpha. We advocate a new measure to evaluate hedge funds - relative alpha. It links each hedge fund to a group of its peers in a straightforward, semi-parametric way. We do not require knowledge of the true factor structure. We show that relative alpha outperforms traditional, absolute alpha (e.g. based on Fung and Hsieh (2001)) along all three dimensions.

Alpha or Beta in the Eye of the Beholder. What Drives Hedge Fund Flows?

V. Agarwal (Georgia State University)
C. Green (Emory University)
H. Ren (Georgia State University)

Speaker: H. Ren (Georgia State University)

Discussant: A. Becam (Université Paris-Dauphine)

Hedge fund flows chase alpha, yet they also pursue recent returns attributable to traditional and exotic risk exposures. Investors appear more cognizant of exotic risks over time, with flows increasing their relative emphasis on returns from exotic risks in recent years. Investors also discriminate between which risks warrant high fees, with flows chasing returns from exotic risks more among high-fee funds. Although we find evidence of alpha persistence, persistence in returns from traditional or exotic risks is modest, which suggests investors should adjust for these risks when evaluating fund performance rather than seeking them out following periods of success.

15.30 – 16.00 **Afternoon break**

16.00 – 17.30 **New Data**

Chair: J.-M. Zakoian (CREST-ENSAE)

What do measures of real-time corporate sales tell us about earnings management, surprises, and post-announcement drift?

K. Froot (Harvard Business School)
N. Kang (University of Connecticut)
G. Ozik (EDHEC)
R. Sadka (Boston College)

Speaker: G. Ozik (EDHEC)

Discussant: C.-A. Lehalle (CFM)

We develop real-time proxies of retail corporate sales from multiple sources, including some 50 million mobile devices. These measures contain information on both the earnings quarter (within quarter) and the period between that quarter's end and the announcement date (post quarter). We find that the within-quarter measure predicts quarterly sales growth, revenue surprises, earnings surprises, as well as an average excess return of roughly 3.4% around quarterly earnings announcements. In addition, the post-quarter measure positively affects discretionary accruals, negatively relates to "guidance" released during the earnings announcement, and generates a positive price drift. Evidence suggests that corporate insiders attenuate such guidance to purchase undervalued stocks prior to the price increase. We conclude that managers use post-quarter information for earnings management.

Acquiring and Trading on Complex Information: How Hedge Funds Use the Freedom of Information Act

A. Klein (New York University and Warwick Business School)
T. Li (Warwick Business School)

Speaker: T. Li (Warwick Business School)

Discussant: T. Nefedova (Université Paris-Dauphine)

Using the Freedom of Information Act, hedge funds receive records from the Food and Drug Administration about new product approvals, factory inspections, and complaints. We use the funds' receipt of this information to empirically test implications of theories about investors with bounded rationality acquiring complex information for trading purposes. Consistent with theory, we find evidence that the magnitude of hedge fund trades is positively related to the funds' prior knowledge about the target firm and the FOIA process, and to the short-term abnormal stock returns derived from trading.

SPEAKERS



E. Jondeau
University of Lausanne

Eric Jondeau is Full Professor of Finance at HEC Lausanne, University of Lausanne. He graduated from the French National School of Statistics and Economics (ENSAE, Paris) and holds a PhD in Economics from the University of Paris-Dauphine. He is also fellow of the French Actuaries Institute. Before joining HEC Lausanne in 2004, he worked in the French banking industry (Caisse des Dépôts et Consignations and Banque Indosuez) and at Banque de France from 1995 to 2004. He has been the Director of the Institute of Banking and Finance from 2006 to 2012 and is now the Director of the Center for Risk Management – Lausanne (<http://www.crml.ch>). His main research interests are financial econometrics, the modelling of asset prices, portfolio allocation under non-normality, hedge funds, pension funds, systemic risk, and the estimation of rational expectations models.



C. Clifford
University of Kentucky

Chris Clifford is the Clark Materials Endowed Fellow and Assistant Professor of Finance at the University of Kentucky. Prior to academia, he worked as an analyst in the hedge fund industry. His research interests focus primarily on hedge fund performance and their contracting environment. His work has been mentioned in the Financial Times, The Economist, and the Wall Street Journal. His representative papers have been published at the Review of Financial Studies, the Journal of Financial Economics, and the Journal of Financial and Quantitative Analysis.



R. Uppal
EDHEC Business School

Raman Uppal is Professor of Finance at Edhec Business School. He holds a bachelors degree in Economics (Honors) from St. Stephen's College, Delhi University, and M.A., M.B.A and Ph.D. degrees from The Wharton School of the University of Pennsylvania. Prior to working at Edhec Business School, he was at London Business School and the University of British Columbia. He has held visiting positions at Catholic University (Leuven), the MIT Sloan School of Management, and the London School of Economics and Political Science, and has served as Co-Director of the Financial Economics Programme of the Centre for Economic Policy Research (CEPR), Director of the American Finance Association, and Councillor of the Society for Financial Studies. His research focuses on optimal portfolio selection and asset allocation in dynamic environments, valuation of securities in capital markets, risk management, and exchange rates.



G. Roussellet
New York University

Guillaume Roussellet is a post-doctoral student at the Volatility Institute in NYU Stern School of Business. He obtained his Ph.D. in applied mathematics from Dauphine University in 2015, while he was also part of the Banque de France and the CREST. His research interests lie in the field of financial econometrics and asset pricing, and he has been focusing on models of the term structure of interest rates. His work includes applied frameworks such as the modeling of credit and liquidity risks embedded in the interbank market interest rates, as well as the development of new econometric techniques to estimate non-linear models with latent factors.-



F. Hespeler
*European Securities
and Markets Authority*

Frank Hespeler is a senior economist at the European Securities and Markets Authority (ESMA) and an affiliated faculty member at Sciences Po. At ESMA Frank Hespeler is currently, among other tasks, responsible for the development of the systemic risk monitoring methodology and economic analysis with regard to the EU fund industry. Prior to joining ESMA in 2012, Frank Hespeler held positions as scientific consultant, researcher and academic teacher in national think tanks and universities in Uzbekistan, the US, Israel, Germany and Switzerland. Frank's main expertise belongs to the areas of monetary economics, macroeconomics, computational economics, applied econometrics and financial stability.



E. Dudley
Queen's University

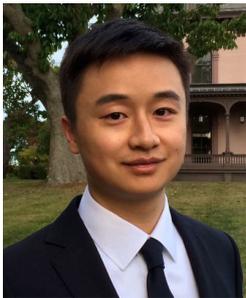
Evan Dudley's research examines the use of leverage by corporations, financial intermediaries and individuals. His current research examines the circumstances under which corporations de-leverage following periods of accommodative credit conditions. He is also interested in the use of leverage by hedge funds and financial intermediaries since the 2007-2008 financial crisis, and the impact of regulation on both regulated and non-regulated financial-sector leverage. He obtained a Ph.D. in Finance from the University of Rochester and is a former faculty member of the University of Florida, where he taught in the Master's of management, MBA and Professional MBA programs. He has also worked as a risk management analyst and interest-rate derivatives marketer.



Y. Chen
Texas A&M University

Dr. Yong Chen is an assistant professor of finance in the Pamplin College of Business at Virginia Polytechnic Institute and State University (commonly known as Virginia Tech). He received BA and MA degrees in economics from Nankai University with honors. He graduated from Boston College's Carroll School of Management with a Ph.D. in finance. He is a member of the American Finance Association and the Western Finance Association.

Dr. Chen's research interests focus on investments with a special emphasis on hedge funds and mutual funds. His recent research examines the dynamic features of hedge fund investment strategies, such as market timing, liquidity timing, and derivatives use.



W. Jiang
*The Chinese University
of Honk Kong*

Wenxi (Griffin) is an Assistant Professor in Finance at the Chinese University of Hong Kong. Griffin's research interests including asset pricing, market efficiency, and institutional investors. Griffin obtained a PhD in finance from Yale University in 2015 and a bachelor degree from Renmin University of China in 2009.



A. Levy
Ben-Gurion University

Ariel Levy's research interests are in empirical finance, in investment products and credit risk. In his research he analyzes pricing patterns and anomalies and identifies the underlying mechanisms that govern them. His research has been published in academic journals such as at the Review of Finance and the Journal of Banking and Finance. He joined the Department of Economics at Ben-Gurion University in Be'er-Sheba, Israel, this year as an Assistant Professor after several years at Technion - Israel Institute of Technology in Haifa, Israel. Ariel received his Ph.D. in economics from UCLA, and holds undergraduate and graduate degrees in philosophy and economics from the Hebrew University in Jerusalem.



A. Lu
The University of Melbourne

Andrea Lu is a Senior Lecturer in Finance (Assistant Professor of Finance) at the University of Melbourne. She obtained her Ph.D. in 2014 from Kellogg School of Management, Northwestern University. Before that, she earned a M.A. degree in Economics and a B.C.A degree in Economics and Finance from Victoria University of Wellington. Her main research interests include empirical asset pricing, financial market frictions, and international finance. Her research has won several awards and has been presented at a number of major international conferences.



Y. Chen
Texas A&M University

Dr. Yong Chen is an assistant professor of finance in the Pamplin College of Business at Virginia Polytechnic Institute and State University (commonly known as Virginia Tech). He received BA and MA degrees in economics from Nankai University with honors. He graduated from Boston College's Carroll School of Management with a Ph.D. in finance. He is a member of the American Finance Association and the Western Finance Association.

Dr. Chen's research interests focus on investments with a special emphasis on hedge funds and mutual funds. His recent research examines the dynamic features of hedge fund investment strategies, such as market timing, liquidity timing, and derivatives use.



T. Johnson
*The University
of Texas at Austin*

Travis Johnson is a Visiting Assistant Professor of Finance at the MIT Sloan School of Management and an Assistant Professor of Finance at the University of Texas at Austin McCombs School of Business. His research focuses on return predictability, private information, liquidity, and volatility. In a recent paper, he argues for an alternative approach to estimating return predictability regressions.

He holds a BA in mathematics from MIT and a PhD in finance from the Stanford University Graduate School of Business.



A. Slavutskaya
*Ecole Polytechnique
Fédérale de Lausanne*

Prior to joining Swiss Finance Institute @ École polytechnique fédérale de Lausanne, I was a post-doctoral researcher at the Institute of Finance, University of Konstanz. I obtained a Master's degree in International Economic Relations in 2010 and PhD degree in Quantitative Economics and Finance in 2014, all from the University of Konstanz. I also received a Diploma in Mathematics and Economics from Plekhanov Russian University of Economics in 2008.

My research is currently focused on hedge funds in general and their performance evaluation particularly.



H. Ren
Georgia State University

Honglin Ren is a third year Ph.D. student in finance at the Robinson College of Business at Georgia State University. Honglin holds a Master's degree in Finance from Syracuse University and a Bachelor's degree in Financial Management from Fudan University in China.

Honglin's research interests are in institutional investors, hedge funds and mutual funds.



G. Ozik
EDHEC

Dr. Ozik, is founder and managing partner at MKT Mediastats, a technology and research firm specialized in deriving unique perspectives on assets from big data. Prior to founding MKT, Ozik held leadership positions in the alternative investment industry including head of investment solutions at Nexar Capital, fund manager and head of hedge fund solutions at Societe Generale and quantitative derivatives trader at NISA Investment Advisors. Earlier, Ozik co-founded a video personalization startup. Ozik teaches finance at EDHEC Business School, holds a B.Sc from the Technion, Israel Institute of Technology (cum laude), an MBA from Washington University (first graduate in finance), and a Ph.D. from EDHEC.



T. Li
Warwick Business School

Tao Li joined Warwick Business School as an Assistant Professor of Finance in 2013. Tao's research focuses on corporate finance, corporate governance and real estate economics. His recent work studies conflicts of interest and the role of competition in the shareholder advisory industry, as well as incentives of hedge funds. Tao's work has been presented at the AFA, SFS Finance Cavalcade, EFA, and conferences organized by the CEPR, the European Corporate Governance Institute, Columbia Law School and the European Commission. Tao has a Ph.D. in Economics and a Master's in Statistics, both from Columbia University. He also holds graduate and undergraduate degrees in Architecture.



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