

# EUROPEAN FINANCIAL MANAGEMENT



## Symposium Asset Management

April 12-14<sup>th</sup>, 2012  
Hamburg, Germany

**Keynote Speakers:**

Elroy Dimson, London Business School  
Wayne Ferson, University of Southern California  
Laura Starks, University of Texas at Austin

**Symposium Chairs:**

Wolfgang Drobetz, University of Hamburg  
Wolfgang Bessler, Justus-Liebig-University Giessen  
John Doukas, Old Dominion University

## Index

Sponsors and Program Committee.....3  
Keynote Speakers.....4

### Thursday, April 12th, 2012

Official Welcome  
Panel Discussion  
Keynote Speech: Elroy Dimson.....5

### Friday, April 13th, 2012

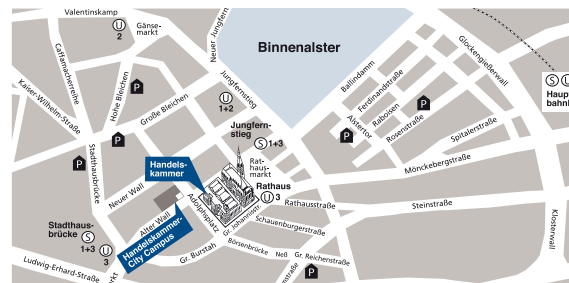
Session A1: Hedge Funds  
Session A2: Performance Measurement I .....6  
  
Session B1: Mutual Funds I  
Session B2: Asset Pricing I  
Keynote Speech: Wayne Ferson.....7  
  
Session C1: Trading Strategies I  
Session C2: Portfolio Choice I.....8  
  
Session D1: International Investments  
Session D2: Bonds and Balanced Strategies  
Keynote Speech: Laura Starks.....9

### Saturday, April 14th, 2012

Session E1: Hedge Funds and Style Analysis  
Session E2: Performance Measurement II .....10  
  
Session F1: Mutual Funds II  
Session F2: Asset Pricing II.....11  
  
Session G1: Trading Strategies II  
Session G2: Portfolio Choice II.....12  
  
Registration.....13

## Location

Old Stock Exchange / Hamburger Börse  
Hamburg Chamber of Commerce / Handelskammer  
Adolphsplatz 1  
20457 Hamburg  
Germany





Sponsored by:

**AbsolutResearch**  
Neue Perspektiven für institutionelle Investoren



*Privatbankiers*  *gegründet 1590*  
**BERENBERG BANK**  
*Joh. Berenberg, Gossler & Co. KG*

**COMMERZBANK**



  
**Finanzplatz Hamburg**  
[www.finanzplatz-hamburg.com](http://www.finanzplatz-hamburg.com)

EFMA Network  
<http://www.efmaefm.org>

with support of:

Verein zur Förderung der wissenschaftlichen Aus- und Fortbildung im Bereich der Bank- und Finanzwirtschaft e.V.  
University of Hamburg, Faculty of Business, Economics, and Social Sciences

Program Committee:

Gordon Alexander, University of Minnesota  
Yakov Amihud, New York University  
Jonathan Batten, Hong Kong University of Science & Technology  
Martijn Cremers, Yale University  
Martin Eling, University of Ulm  
Miguel Ferreira, NOVA School of Business and Economics  
Stephen Foerster, University of Western Ontario  
Ravi Jagannathan, Northwestern University  
Robert Korajczyk, Northwestern University  
Lawrence Kryzanowski, Concordia University  
Iwan Meier, HEC Montréal  
Jesper Rangvid, Copenhagen Business School  
Stefan Ruenzi, University of Mannheim  
Sergei Sarkissian, McGill University  
Henri Servaes, London Business School  
Clemens Sialm, University of Texas at Austin  
Russ Wermers, University of Maryland



## Keynote Speakers:



**Elroy Dimson** is Leverhulme Emeritus Fellow at London Business School, Visiting Professor at Cambridge Judge Business School, and Chairman of the Strategy Council for the Norwegian Government Pension Fund. He previously served London Business School as Professor of Finance, Faculty Governor, Chair of the Finance and of the Accounting areas, Dean of MBA Programmes, and Director of the Initiative on Foundation and Endowment Asset Management. He has been an Associate Editor of *Journal of Finance*, *Review of Finance* and other journals, and is co-author of *Triumph of the Optimists*, the *Global Investment Returns Yearbook 2012* and the *Global Investment Returns Sourcebook 2012* with P. Marsh and M. Staunton, and of *Endowment Asset Management* with Shanta Acharya.

Elroy was President of the European Finance Association. He has been awarded Honorary Fellowship of the UK Society of Investment Professionals, Honorary Fellowship of the Institute of Actuaries, and the CFA Institute's 2012 James Vertin Award. Elroy's research blends the themes of long-term financial market performance and endowment asset management. His most recent publications in *Journal of Finance* and *Journal of Financial Economics* focused on IPO pricing and returns over the last 100 years. A co-designer of the FTSE 100 index, Elroy is a member of the advisory boards of the FTSE Group, CFA Institute, and Russell Investments. As well as his role with the Norwegian Government Pension Fund, he serves on the investment committees of Guy's and St Thomas' Charity, the University of London endowment, and UnLtd (Foundation for Social Entrepreneurs).



**Wayne Ferson** is the Ivadelle and Theodore Johnson Professor of Banking and Finance, Marshall School of Business at the University of Southern California. Previously, he held the Collins Chair in Finance at Boston College and was the Pigott PACCAR Professor at the University of Washington. He also was a visiting professor at Stanford University, Arizona State University, the University of Miami, and the University of South Carolina, assistant professor at the Wharton School, and assistant and associate professor at the University of Chicago. His research is related to investment performance evaluation, mutual funds, asset pricing, and empirical methods. He has received several awards for his research including the Graham and Dodd Scrolls Best Paper Award from the *Financial Analysts Journal* and the Berstein Fabozzi/Jacobs Levy Best Paper Award from the *Journal of Portfolio Management*. In addition, he was several times a Smith-Breedden Prize Nominee.

Wayne is the founding editor of the *Review of Asset Pricing Studies*, and he served as an editor of the *Review of Financial Studies* and the *Journal of Empirical Finance* as well as an associate editor for various other leading academic journals. He also was president of the Society of Financial Studies and the Western Finance Association as well as a director of the American Finance Association. He has been doing extensive consulting in the asset management industry, including a long-term appointment with Frank Russell Company.



**Laura Starks** is the Associate Dean for Research, the Charles E. and Sarah M. Seay Regents Chair of Finance, and the Director of the AIM Investment Center at the McCombs School of Business at the University of Texas at Austin. Her recent research focuses on corporate governance, including executive compensation and the role of institutional investors in corporate governance. She also conducts research on mutual funds and the effects of institutional investors in financial markets. She has received a number of awards for her research including the Smith Breedden Distinguished Paper Award from the *Journal of Finance*, the Western Finance Association Best Paper in Corporate Finance Award, the 2003 and 2004 FMA European Meeting Best Paper Award, the 2004 Fama-DFA Second Prize from the *Journal of Financial Economics* and the 2010 China International Conference in Finance TCW Best Paper Award. She was named a Fellow of the FMA in 2002.


Laura is a co-Editor of the *Review of Financial Studies* and has served as Associate Editor of a number of finance journals. She has also served on the Board of Directors of the three national academic finance organizations: the American Finance Association, the Western Finance Association, and the Financial Management Association, where she also served as president. She is an independent director for CREF Retirement Accounts and TIAA-CREF Mutual Funds and has served on the Investment Advisory Committee for the Employees Retirement System of the State of Texas since 1990, including four years as Chairman of the Committee. She serves on the Governing Council of the Independent Directors Council where she is Chairman of the Governance Committee.



Program Day 1:

Thursday, April 12th, 2012

**16:00, Registration, Albert-Schäfer-Saal**

<b>16:45 - 17:45</b>	<b>Official Welcome</b>  Fritz Horst Melsheimer Chairman, Finanzplatz Hamburg e.V. and President of the Hamburg Chamber of Commerce  Wolfgang Drobetz University of Hamburg	<b>Albert-Schäfer-Saal</b>
<b>17:15 - 18:15</b>	 <b>Keynote Speech</b>  “Investment Strategies for Large, Long-Horizon Investors” Elroy Dimson, London Business School	<b>Albert-Schäfer-Saal</b>
<b>18:30 - 20:00</b>	<b>Panel Discussion</b> <b>“Current Trends in Asset Management”</b> Moderator: Wolfgang Bessler, Justus-Liebig-University Giessen  Serge Demolière, Member of the Board, Landesbank Berlin Heinz Hockmann, Chairman of the Board, Silk Invest London Lawrence Kryzanowski, Concordia University Montréal Laura Starks, University of Texas at Austin	<b>Albert-Schäfer-Saal</b>
<b>20:00, Dinner Reception, Albert-Schäfer-Saal</b>		



## Program Day 2: Presentations – 2 Parallel Sessions

Friday, April 13th, 2012

### 8:00 - 9:30, Room: Elbe-Zimmer

#### Session A1: Hedge Funds

**Chair:** Jerry Parwada (University of New South Wales)

##### Higher-Moment Risk Exposures in Hedge Funds

Georges Hübner (University of Liège)  
[Marie Lambert \(University of Maastricht\)](#)  
 Nicolas Papageorgiou (HEC Montréal)

Discussant: Nic Schaub (University of Mannheim)

##### The Valuation of Hedge Funds' Equity Positions

Gjergji Cici (The College of William & Mary)  
 Alexander Kempf (University of Cologne)  
[Alexander Puetz \(University of Cologne\)](#)

Discussant: Jerry Parwada (University of New South Wales)

##### Flows, Price Pressure, and Hedge Fund Returns

[Katja Ahoniemi \(Aalto University\)](#)  
 Petri Jylhä (Aalto University)

Discussant: Markus Schmid (University of Mannheim)

### 8:00 - 9:30, Room: Merkur-Zimmer

#### Session A2: Performance Measurement I

**Chair:** Alexander Kempf (University of Cologne)

##### Individual Investor Activity and Performance

Magnus Dahlquist (Stockholm School of Economics)  
[Paul Söderlind \(University of St. Gallen\)](#)  
 Jose Vicente-Martinez (University of Oxford)

Discussant: Gerry Abdesaken (Bocconi University)

##### Evaluating Mutual Fund's Alpha via Alternative Frameworks: Some New Evidence and Insights

Sharon Garyn-Tal (Israel Institute of Technology)  
[Beni Lauterbach \(Bar-Ilan University\)](#)

Discussant: Roger Otten (University of Maastricht)

##### Can Large Pension Funds Beat the Market? Asset Allocation, Market Timing, Security Selection, and the Limits of Liquidity

Aleksandar Andonov (University of Maastricht)  
[Rob Bauer \(University of Maastricht\)](#)  
 Martijn Cremers (Yale School of Management)

Discussant: Lawrence Kryzanowski (Concordia University)

9:30-10:00, Coffee Break, Old Stock Exchange Gallery



## Program 2. Day: Presentations – 2 Parallel Sessions

Friday, April 13th, 2012

### 10:00 - 11:30, Room: Elbe-Zimmer

#### Session B1: Mutual Funds I

**Chair:** Markus Schmid (University of Mannheim)

##### **What Style-Timing Skills Do Mutual Fund “Stars” Possess?**

Andrew Adams (Heriot-Watt University)

Li-Wen Chen (National Chung Cheng University)

Richard Taffler (Warwick Business School)

Discussant: Tristan Roger (University of Grenoble)

##### **Explaining Differences in Mutual Fund Performance Persistence**

Joop Huij (Rotterdam School of Management)

Simon Lansdorp (Robeco Quantitative Strategies)

Discussant: Marco Wilkens (University of Augsburg)

##### **Capacity Effects and Winner Fund Performance: The Relevance and Interactions of Fund and Family Characteristics**

Wolfgang Bessler (Justus-Liebig-University Giessen)

Lawrence Kryzanowski (Concordia University)

Philipp Kurmann (Justus-Liebig-University Giessen)

Peter Lückhoff (Boston Consulting Group)

Discussant: Stephen Sapp (University of Western Ontario)

### 10:00 - 11:30, Room: Merkur-Zimmer

#### Session B2: Asset Pricing I

**Chair:** Paul Söderlind (University of St. Gallen)

##### **Extreme Dependence Structures and the Cross-Section of Expected Stock Returns**

Stefan Rünzi (University of Mannheim)

Florian Weigert (University of Mannheim)

Discussant: Thomas Kim (University of California, Riverside)

##### **Time-Varying Asset Valuations and Macroeconomic Uncertainty: The Role of Inflation, Monetary Policy and Macroeconomic Conditions**

Tatjana-Xenia Puhan (University of Zürich)

Discussant: Paul Söderlind (University of St. Gallen)

##### **Analysts’ Optimism in Earnings Forecasts and Biases in Estimates of Implied Cost of Equity Capital and Long-Run Growth Rate**

David Ashton (Bristol University)

Alan Gregory (Exeter University)

Pengguo Wang (Exeter University)

Discussant: Andreas Walter (Justus-Liebig-University Giessen)

### 11:30 - 12:30, Room: Merkur-Zimmer



#### Keynote Speech

##### **“Ruminations on Performance Measurement”**

Wayne Ferson, University of Southern California

12.30 – 13:30, Lunch, Old Stock Exchange Gallery



## Program Day 2: Presentations – 2 Parallel Sessions

Friday, April 13th, 2012

### 13:30 - 15:00, Room: Elbe-Zimmer

#### Session C1: Trading Strategies I

**Chair:** Wolfgang Aussenegg (Vienna University of Technology)

##### Trading Behavior of Style and Multi-Style Investors

Douglas Blackburn (Fordham University)

William Goetzmann (Yale University)

Andrey Ukhov (Cornell University)

Discussant: Simon Lansdorp (Robeco Quantitative Strategies)

##### Northern Exposure: How Canadian Small Stock Investments Can Benefit Investors

Stephen Foerster (University of Western Ontario)

Lionel Fogler (Kingwest & Company)

Stephen Sapp (University of Western Ontario)

Discussant: Harald Lohre (Deka Investment GmbH)

##### Losing Sight of the Trees for the Forest? Pairs Trading and Attention Shifts

Heiko Jacobs (University of Mannheim)

Martin Weber (University of Mannheim)

Discussant: Astrid Salzmann (RWTH Aachen University)

### 13:30 - 15:00, Room: Merkur-Zimmer

#### Session C2: Portfolio Choice I

**Chair:** Ruslan Goyenko (McGill University)

##### Approximations for Large Scale Dynamic Optimal Portfolios Policies and Applications

Tony Berrada (University of Geneva)

Julien Hugonnier (École Polytechnique Fédérale de Lausanne)

Kagba Kousse (University of Geneva)

Discussant: Ruslan Goyenko (McGill University)

##### Portfolio Optimization Using Forward-Looking-Information

Alexander Kempf (University of Cologne)

Olaf Korn (Georg-August University of Göttingen)

Sven Saßning (Georg-August University of Göttingen)

Discussant: Joop Huij (Rotterdam School of Management)

##### A Jackknife-Type Estimator for Portfolio Revision

Roland Füss (European Business School)

Felix Miebs (European Business School)

Fabian Trübenbach (European Business School)

Discussant: Kagba Kousse (University of Geneva)

15:00-15:30, Coffee Break, Old Stock Exchange Gallery



## Program Day 2: Presentations – 2 Parallel Sessions

Friday, April 13th, 2012

### 15:30 - 17:00, Room: Elbe-Zimmer

#### Session D1: International Investments

**Chair:** Thomas Kim (University of California, Riverside)

##### **Multi-Asset Portfolio Optimization and Out-of-Sample Performance: An Evaluation of Black-Litterman, Mean Variance and Naïve Diversification Approaches**

Wolfgang Bessler (Justus-Liebig-University Giessen)

Heiko Opfer (Deka Investment GmbH)

Dominik Wolff (Justus-Liebig-University Giessen)

Discussant: Arne Klein (University of Münster)

##### **Do Voluntary Investor Protection Mechanisms Spread to High or Low Quality Legal Regimes?**

Douglas Cumming (University of York)

Gael Imad'Eddine (Université Lille Nord de France)

Armin Schwienbacher (Université Lille Nord de France)

Discussant: Moritz Felde (RWTH Aachen University)

##### **The Determinants of International Commercial Real Estate Investments**

Alexander Groh (EMLYON Business School)

Karsten Lieser (IESE Business School)

Discussant: Daniil Wagner (Justus-Liebig-University Giessen)

### 15:30 - 17:00, Room: Merkur-Zimmer

#### Session D2: Bonds and Balanced Strategies

**Chair:** Andrey Ukhov (Cornell University)

##### **Common Factors in the Performance of European Corporate Bonds: Evidence before and after Financial Crisis**

Wolfgang Aussenegg (Vienna University of Technology)

Lukas Götz (UNIQUA Finanz-Service GmbH)

Ranko Jelic (University of Birmingham)

Discussant: Philipp Kurmann (Justus-Liebig-University Giessen)

##### **Bond Fund Disappearance: What's Return Got to Do with It?**

Martin Rohleder (University of Augsburg)

Hendrik Scholz (University of Erlangen-Nürnberg)

Marco Wilkens (University of Augsburg)

Discussant: Teodor Dyakov (Rotterdam School of Management)

##### **Testing Rebalancing Strategies for Stock-Bond Portfolios: Where Is the Value Added of Rebalancing?**

Hubert Dichtl (alpha portfolio advisors GmbH)

Wolfgang Drobetz (University of Hamburg)

Martin Wambach (University of Hamburg)

Discussant: Rob Bauer (University of Maastricht)

### 17:15 - 18:15, Room: Albert-Schäfer-Saal



#### Keynote Speech

##### **“Investment Company Flows: Causes and Consequences”**

Laura Starks, University of Texas at Austin

### 20:00, Gala Dinner, Hotel Hafen Hamburg



## Program Day 3: Presentations – 2 Parallel Sessions

Saturday, April 14th, 2012

9:00 – 10:30, Room: Elbe-Zimmer

### Session E1: Hedge Funds and Style Analysis

**Chair:** Lawrence Kryzanowski (Concordia University)

#### **Hedge Fund Liquidity and Performance: Evidence from the Financial Crisis**

Tobias Maier (University of Mannheim)

Nic Schaub (University of Mannheim)

Markus Schmid (University of Mannheim)

Discussant: Marie Lambert (University of Maastricht)

#### **Where Do Hedge Fund Managers Come from? Past Employment Experience and Managerial Performance**

Nicolas Papageorgiou (HEC Montréal)

Jerry Parwada (University of New South Wales)

Kian Tan (University of New South Wales)

Discussant: Katja Ahoniemi (Aalto University)

#### **Complementary or Contradictory? Combining Returns Based and Characteristics Based Investment Style Analysis**

Andrew Mason (University of Surrey)

Frank McGroarty (University of Southampton)

Stephen Thomas (Cass Business School)

Discussant: Pengguo Wang (Exeter University)

9:00 – 10:30, Room: Merkur-Zimmer

### Session E2: Performance Measurement II

**Chair:** Rob Bauer (University of Maastricht)

#### **On the Precision of Public Information and Mutual Fund Performance**

Gerry Abdesaken (Bocconi University)

Discussant: Wolfgang Aussenegg (Vienna University of Technology)

#### **The Performance of Small Cap Mutual Funds: Evidence from the UK**

Roger Otten (University of Maastricht)

Martin Reijnders (University of Maastricht)

Discussant: Martin Wambach (University of Hamburg)

#### **A Generalization of the Calendar Time Portfolio Approach and the Performance of Private Investors**

Daniel Höchle (University of Basel)

Markus Schmid (University of Mannheim)

Heinz Zimmermann (University of Basel)

Discussant: Beni Lauterbach (Bar-Ilan University)

10:30-11:00, Coffee Break, Old Stock Exchange Gallery



## Program Day 3: Presentations – 2 Parallel Sessions

Saturday, April 14th, 2012

**11:00 – 12:30, Room: Elbe-Zimmer**

**Session F1: Mutual Funds II**

**Chair:** Stephen Sapp (University of Western Ontario)

**US Mutual Fund M&As**

Ines Gargouri (Concordia University)

Lawrence Kryzanowski (Concordia University)

Discussant: Andrey Ukhov (Cornell University)

**Front-Running of Mutual Fund Fire-Sales**

Teodor Dyakov (Rotterdam School of Management)

Marno Verbeek (Rotterdam School of Management)

Discussant: Andrew Mason (University of Surrey)

**Sex Matters: Gender and Prejudice in the Mutual Fund Industry**

Alexandra Niessen-Rünzi (University of Mannheim)

Stefan Rünzi (University of Mannheim)

Discussant: Gael Imad'Eddine (Université Lille Nord de France)

**11:00 – 12:30, Room: Merkur-Zimmer**

**Session F2: Asset Pricing II**

**Chair:** Beni Lauterbach (Bar-Ilan University)

**Are Order Imbalances Related to Information?**

Thomas Kim (University of California, Riverside)

Hans Stoll (Vanderbilt University)

Discussant: Alexander Kempf (University of Cologne)

**Treasury Illiquidity and Funding Liquidity Risk**

Ruslan Goyenko (McGill University)

Discussant: Tatjana Puhan (University of Zurich)

**Short-Sale Constraints and the Likelihood of Crashes and Bubbles**

Martin Bohl (University of Münster)

Arne Klein (University of Münster)

Discussant: Felix Miebs (European Business School)

**12:30 – 13:30, Lunch, Old Stock Exchange Gallery**



## Program Day 3: Presentations – 2 Parallel Sessions

Saturday, April 14th, 2012

13:30 – 15:00, Room: Elbe-Zimmer

### Session G1: Trading Strategies II

**Chair:** Stefan Rünzi (University of Mannheim)

#### **The SEC's Publication of an Online Tool of Detecting Firms Doing Business in Countries Designated as State Sponsors of Terrorism**

Wolfgang Breuer (RWTH Aachen University)

Moritz Felde (RWTH Aachen University)

Discussant: Alexander Puetz (University of Cologne)

#### **Short-Term Residual Reversal**

David Blitz (Robeco Quantitative Strategies)

Joop Huij (Rotterdam School of Management)

Simon Lansdorp (Robeco Quantitative Strategies)

Marno Verbeek (Rotterdam School of Management)

Discussant: Florian Weigert (University of Mannheim)

#### **Diversifying Risk Parity**

Harald Lohre (Deka Investment GmbH)

Heiko Opfer (Deka Investment GmbH)

Gabor Orszag (Deka Investment GmbH)

Discussant: Andrew Adams (Heriot-Watt University)

13:30 – 15:00, Room: Merkur-Zimmer

### Session G2: Portfolio Choice II

**Chair:** Marco Wilkens (University of Augsburg)

#### **What Drives Herding Behavior of Individual Investors?**

Maxime Merli (University of Strasbourg)

Tristan Roger (University of Grenoble)

Discussant: Alexander Groh (EMLYON Business School)

#### **Geographic Investment Focus and Its Impact on Herd Behavior: Evidence from the German Equity Fund Market**

Alexander Franck (Justus-Liebig-University Giessen)

Andreas Walter (Justus-Liebig-University Giessen)

Discussant: Heiko Jacobs (University of Mannheim)

#### **Risk Aversion vs. Individualism: What Drives Risk Taking in Household Finance?**

Wolfgang Breuer (RWTH Aachen University)

Michael Riesener (RWTH Aachen University)

Astrid Salzmänn (RWTH Aachen University)

Discussant: Alexandra Niessen-Rünzi (University of Mannheim)



## Symposium registration

**To confirm your attendance please fill in  
and return this form to:**

Bettina Kourieh  
Chair for Corporate and Ship Finance  
University of Hamburg  
Von-Melle-Park 5  
20146 Hamburg  
Tel.: +49-40-42838-2421  
Fax: +49-40-42838-4627  
Mail: [bettina.kourieh@wiso.uni-hamburg.de](mailto:bettina.kourieh@wiso.uni-hamburg.de)

Participation at all other parts of the Symposium is limited  
and requires special registration. For more information  
please contact:  
Wolfgang Drobetz (Symposium Co-Chairman)  
Mail: [wolfgang.drobetz@wiso.uni-hamburg.de](mailto:wolfgang.drobetz@wiso.uni-hamburg.de)

Firm

First name

Last name

Position

### Which sessions would you like to attend ?

#### Thursday, April 12th, 2012

16:45 – 17:15 Official Welcome

17:15 – 18:15 Keynote Speech: Elroy Dimson

18:30 – 20:00 Panel Discussion

#### Friday, April 13th, 2012

17:15 – 18:15 Keynote Speech: Laura Starks