

Visible Hands: Professional Asset Managers' Expectations and the Stock Market in China

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1 Research questions

Will macroeconomic growth expectations of professional asset managers affect their investment decisions?
Does it have a significant impact on the information efficiency of stock prices and market prices?

2 Why are the research questions interesting?

- Increasing importance of professional asset managers in the Chinese financial market;
- Lack of literature studying the impact of subjective macro expectations on investment behavior and prices.
- Traditional asset pricing model assumes that investors are rational, lack of micro evidence of professional investor behavior.
- Taking Chinese market as the research object provides reference experience for other emerging markets.

3 What is the paper's contribution?

(1) Literature on Investor Expectations and Investment Behavior

Prior: Focus on cross-sectional expectations of developed markets and individual or institutional investors.

This: Using China's active mutual fund report to construct large-scale, time series observable panel data.

(2) Literature on the Impact of Macroeconomic Information on Asset Prices

Prior: Focusing on how macroeconomic news, expectations, or data affect stock prices.

This: Show how Chinese fund managers' expectations have a long-term and systematic impact on stock market prices through asset allocation behavior.

(3) Literature on Market Information Efficiency and Price Informationity

Prior: The degree to which market prices reflect fundamental info(ability to reflect future earnings of enterprises).

This: Emphasize the role of active management in "visible hand" of information efficiency in emerging markets.

4 What hypotheses are tested in the paper?

H1: The growth expectations of fund managers affect their asset allocation behavior.

H2: The expectations of fund managers have an impact on stock prices through actual trading behavior.

H3: The trading behavior of active fund managers improves the efficiency of price information

a) Do these hypotheses follow from and answer the research questions?

- The hypos are clear and systematically responds to the core question raised at the beginning of the paper.

Do these hypotheses follow from theory or are they otherwise adequately developed?

- The research of the article is based on the intersection of Asset Pricing Theory and Behavioral Finance.
- Emphasis was placed on how macroeconomic expectations affect risk appetite, asset allocation, and price formation mechanisms.

5 Sample: comment on the appropriateness of sample selection procedures.

Text analysis comes from the manager's own statements and reflects more authentic expectations.

6 Dependent and independent variables: comment on the appropriateness.

Adequate control of variables, combined with bidirectional clustering, effectively alleviate endogeneity issues.

7 Regression model specification: comment on the appropriateness.

Defining subjective expectations from multiple dimensions and stratifying use of behavioral variables can help identify causal relationships.

8 What difficulties arise in drawing inferences from the empirical work?

Focusing only on Chinese public fund managers, the sample has limitations.

There may be significant differences in information processing capabilities, risk preferences, and institutional constraints among different types of institutions.

9 Describe at least one publishable and feasible extension of this research.

- Expanding expected dimensions(extracting multidimensional macro variables):
 - Other expectations such as interest rates, inflation, exchange rates, monetary policy, etc;
 - Utilize NLP and machine learning techniques to improve text recognition accuracy.
- Exploring the heterogeneity of expectations among different types of investors:
 - Different investors can be compared for their differences in expressing macro expectations;
 - Explore how expected heterogeneity affects market trading structure, price volatility, and liquidity.

10 Summarize the similarities, differences, and correlations between literature.

比较维度	Visible Hands	Chinese Forecasts	Fragility of Bond Funds
研究对象与核心问题	公募股票型基金；研究基金经理的 宏观增长预期 如何影响资产配置和股价走势	中国公募债基/货基；研究基金经理对 货币政策的预测能力 与其绩效及资金流入的关系	美国公司债券型共同基金；研究 加息预期 如何诱发赎回并放大市场脆弱性
预期类型与获取方式	主观 GDP 增长预期，来源于基金季报文本，基于定制词典打分，形成 连续型预期变量	主观货币政策方向预期（宽松/中性/紧缩），来源于文本词典匹配，形成 分类型预期变量	市场加息预期，来自 Eurodollar Futures， 基于市场价格的客观隐含预期
研究视角与机制链条	关注专业机构的 信息处理能力 ，建立“预期→行为→股价”的链条，强调 价格信息效率	关注预期能力的 甄别价值与市场奖惩机制 ，形成“预测能力→绩效/资金流”的逻辑	强调 市场机制缺陷 与制度摩擦在加息预期下诱发 赎回脆弱性 ，路径为“政策预期→NAV 滞后→战术赎回”