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Education

Ph.D. Finance, Simon Business School, University of Rochester, 2020 (expected).

M.S. Finance, Olin Business School, Washington University in St. Louis, 2014.

B.S. Applied Mathematics, University of New Mexico, 2012.

Research Interests

Asset Pricing, Mutual Funds, Information Frictions, Agency Conflicts

Working Papers

1. Demand for Information and Stock Returns: Evidence from EDGAR.

This paper empirically shows that information acquisition affects stock returns by reducing information asymmetry of the firm. When firms disclose material information that was known by insiders, demand for information transforms private information into public information, drives up the contemporaneous price, and predicts persistent and negative abnormal returns. The supply of information has no direct effect on information asymmetry, but acts as a catalyst, through which the demand for information magnifies its effect. Moreover, demand for information has stronger effects when investors are geographically close to firm headquarters or have experience in collecting information, suggesting that the cost of information acquisition affects information asymmetry.

2. Portfolio Pumping in Mutual Fund Families.

Abstract: I document portfolio pumping at the fund family level, a strategy that non-star fund managers buy stocks held by star funds in the family to inflate their performance at the quarter end. Families that heavily employ the strategy show strong evidence of inflated performance after 2002, when the SEC increased regulation on portfolio pumping at the fund level. Non-star fund managers pumping for star funds in the family receive 1.8% (\$24 million) more inflows per quarter, conditional on the performance. Furthermore, pumping is concentrated in stocks that are buried deep down in the holdings of star funds.

Presented at Fifth Annual Conference on Financial Market Regulation, American Finance Association Annual Meeting (Philadelphia), Financial Management Association Annual Meeting (Boston), Northern Finance Association Annual Conference (Halifax).

3. With Anh Tran, Barking Up The Wrong Tree: Return Chasing in Mutual Funds.

Abstract: This paper examines how investors allocate their savings with a limited choice set. Using a hand-collected data set on firm-level investment decisions in 401(k) plans, we show that investors blindly follow unadjusted returns rather than the CAPM alpha or Morningstar rating when investing in mutual funds. Our result informs recent debates on the drivers of fund flow. To explain the differences in results between ours and prior literature, we propose an explanation through the wealth inequality channel. We show that 14% of the population with high wages and financial market participation rates hold 51% of the wealth and direct their savings based on the CAPM alpha, whereas the remaining 86% of the population chase unadjusted returns. Our results serve as a wake-up call to the lack of financial literacy in 401(k) markets.

4. with Giulio Trigilia, Momentum, echo and predictability: Evidence from the London Stock Exchange (1820-1930).

Abstract: We study momentum and its predictability within equities listed at the London Stock Exchange (1820-1930). At the time, this was the largest and most liquid stock market and it was thinly regulated, making for a good laboratory to perform out-of-sample tests. Cross-sectionally, we find that the size and market factors are highly profitable, while long-term reversals are not. Momentum is the most profitable and volatile factor. Its returns resemble an echo: they are high in long-term formation portfolios, and vanish in short-term ones. We uncover momentum in dividends as well. When controlling for dividend momentum, price momentum loses significance and profitability. In the time-series, despite the presence of a few momentum crashes, dynamically hedged portfolios do not improve the performance of static momentum. We conclude that momentum returns are not predictable in our sample, which casts some doubt on the success of dynamic hedging strategies.

Work in Progress

1. Trading and Momentum (with Ron Kaniel, Gideon Saar, and Sheridan Titman)
2. Smart Money or Dumb Money: Evidence from Inflow/Outflow Sensitivity

Conference Presentations

Annual Conference on Financial Market Regulation (Washington DC, 2018)
 American Finance Association Annual Meeting (Philadelphia, 2018)
 Financial Management Association Annual Meeting (Boston, 2017)
 Northern Finance Association Annual Conference (Halifax, 2017)

Research Workshops

NBER's Summer Institute Asset Pricing workshop (2017, Boston)
 MIT Capital Markets Research Workshop (2017, Boston)

Honors & Awards

AFA Doctoral Student Travel Grant, American Finance Association, 2017

Simon Business School Doctoral Fellowship, 2014-2019

Outstanding Finance Student Award, Quantitative Finance, Olin Business School, 2014.

Teaching Experience

2016-2017, Instructor, Optimization (PhD), Simon Business School

Miscellaneous

Programming Languages: Python, R, Matlab, Stata, SAS, SQL.