SIMON N. M. SCHMICKLER

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EDUCATION

Princeton University *2021*
Ph.D. in Economics
Advisor: Motohiro Yogo

Princeton University *2017*
M.A. in Economics

University of Bonn, Germany *2015*
B.Sc. in Economics
Rank: 1/378

RESEARCH FIELDS

Primary Field: Empirical Asset Pricing
Secondary Field: Machine Learning, Fintech

TEACHING EXPERIENCE

Money & Banking (ECO342) with Markus Brunnermeier

Corporate Restructuring (FIN519) with O. Griffith Sexton

Junior Independent Work with Will Dobbie, Christopher Neilson and Adrien Matray

PROFESSIONAL EXPERIENCE

Bundesbank (German Central Bank) *2017 & 2018*
Visiting Researcher

EY Germany *2014*
Advisory Intern

Airbus Group, Eurocopter UK *2013*
Intern

HONORS AND AWARDS

Griswold Center for Economic Policy Studies Fellowship *2019 - 2020*

Princeton University Graduate Fellowship *2015 - 2021*

German National Academic Foundation Fellowship *2015 - 2017*

Cusanuswerk Foundation Fellowship *2013 - 2014*

University of Bonn Exchange Program Scholarship *2013 - 2014*

Konrad Adenauer Foundation Fellowship *2012 - 2015*

SKILLS

Software	Python, Stata, LaTeX
	Machine Learning (Tensorflow, Scikit-learn), Blockchain analysis (BlockSci)
Languages	English, German, French (Proficient), Latin (Translation)

RESEARCH PAPERS

"Interacting Anomalies," with K. Müller, 2020, results and data on the project website

· An extensive literature studies interactions of stock market anomalies using double-sorted portfolios. But given hundreds of known candidate anomalies, examining selected interactions is subject to a data mining critique. In this paper, we conduct a comprehensive analysis of all possible double-sorted portfolios constructed from 102 underlying anomalies. We find hundreds of statistically significant anomaly interactions, even after accounting for multiple hypothesis testing. An out-of-sample trading strategy based on double-sorted portfolios performs on par with state-of-the-art machine learning strategies, suggesting that simple combinations of characteristics can capture a similar amount of variation in expected returns.

"Identifying the Price Impact of Fire Sales Using Surprise High-Frequency Mutual Fund Flows," 2019

· I propose a new method to isolate a plausibly exogenous component of mutual fund flows in order to estimate the price impact of fire sales. The method addresses a potential reverse causality problem: instead of mutual fund outflows inducing fire sales, which drive down prices, poor stock returns reduce mutual fund returns, which in turn trigger outflows. The solution is to construct a new instrument from aggregated high-frequency surprise flows. Using surprise flows to reexamine important findings in the literature, I find equity markets are deeper and less distortive than suggested.

"HFT and Price Informativeness," with J. Gider and C. Westheide, 2019

· We study the impact of HFT on fundamental price efficiency, a measure which captures how well current stock market valuations predict future earnings. We estimate the effect by exploiting the staggered start of HFT in a panel of international exchanges and find a negative impact.

RESEARCH PAPERS IN PROGRESS

"Payout-Induced Trading," 2020

· This paper shows that firm payouts generate price pressure and market feedback spillover effects on other firms held in the same portfolios of financial institutions. When firms pay dividends, repurchase shares, or are acquired, institutional shareholders invest the cash proceeds into their existing portfolio - *Payout-induced Trading* - driving up asset prices of connected stocks.

"Machine Learning Institutional Trading and Return Predictability," 2020

· How can we leverage the predictive power of machine learning to estimate the cross-section of expected stock returns without losing all economic intuition in a black box? I combine machine learning with the demand pressure literature to infer expected returns from portfolio holdings of financial institutions. Instead of predicting returns directly, I train neural nets to predict how institutions trade. Then, I construct expected returns as the product of expected excess demand and the inverse aggregate demand elasticity. A long-short trading strategy exploiting this signal returns annual excess returns of 13%.

OTHER ACTIVITIES

Peace Hill Senior High School in Koforidua, Ghana *2011 - 2012*
German Red Cross Computer Science teacher for one semester

Scuba Diving, Kiteboarding, Rock Climbing, Golf, Traveling