

MICHAEL HALLING

Stockholm School of Economics
Department of Finance
Box 6501
Stockholm, S-11383

Email: Michael.Halling@hhs.se
Homepage: <http://houseoffinance.se/halling-michael/>
Phone: +46-8-7369297
Citations: 1400+ ([details in Google Scholar](#))

PROFESSIONAL EXPERIENCE

- 07/2014 – present** Associate Professor, Department of Finance, Stockholm School of Economics
- 07/2012 – present** Swedish House of Finance (SHOF) Research Fellow
- 07/2012 – 06/2014** Assistant Professor (Tenure-Track), Department of Finance, Stockholm School of Economics
- 07/2007 – 06/2014** Assistant Professor (Tenure-Track), Department of Finance (DESB), University of Utah.

EDUCATION

- 2001 – Dec.2006** PhD in Finance at the University of Vienna with distinction (*committee:* Josef Zechner (advisor), Lubos Pastor, Elroy Dimson).
- 2000 – 2002** PhD in Computer Science at the Vienna University of Technology with distinction, Department for Software Technology and Interactive Systems (*Committee:* Stefan Biffl (advisor), Paul Grünbacher).
- 1995 – 2000** Master in International Business Administration at the University of Vienna with distinction.
- 1995 – 2000** Master in Computer Science at the Vienna University of Technology with distinction.

PUBLICATIONS

Main publications in finance

- Halling M., Pagano M., Randl O., Zechner J., 2008, "Where is the Market? Evidence from Cross-Listings in the U.S.", **Review of Financial Studies**, 21 (2), pp. 725-761.
- Dangl, T., Halling, M., 2012, *Predictive Regressions with Time-Varying Coefficients*, **Journal of Financial Economics**, 106 (1), pp. 157-181.
- Halling M., Moulton, P. C., Panayides, M., 2013, "Volume Dynamics and Multimarket Trading", **Journal of Financial and Quantitative Analysis**, 48 (2), pp. 489-518.
- Cremers, M., Halling, M., Weinbaum, D., 2015, *Aggregate Jump and Volatility Risk in the Cross-Section of Stock Returns*, **The Journal of Finance**, 70 (2), pp. 577-614.
- Halling, M., Pichler, P., Stomper, A., 2016, *The Politics of Related Lending*, **Journal of Financial and Quantitative Analysis**, 51 (01), 333-358.
- Halling, M., Yu, J., Zechner, J., 2016, *Leverage Dynamics over the Business Cycle*, **Journal of Financial Economics**, 122 (1), pp. 21-41.

Miscellaneous writings in finance

- Erdogmus, H., Favaro, J., Halling, M., *Valuation of Software Initiatives under Uncertainty: Concepts, Issues, and Techniques*, in: Biffl S., Aurum A., Boehm B., Erdogmus H., Grünbacher P. (eds.) "Value-based Software Engineering", Springer Verlag, 2006.

- Halling, M., Stomper, A., J. Zechner, *Capital Market-Oriented Financing Prospects for Austrian SMEs*, Financial Stability Report of the Austrian Central Bank (Österreichische Nationalbank), 10, 2005.
- Halling, M., Mosburger, G., Randl O., *Individual Pension Accounts: An attractive Investment?*, Journal of Financial Markets and Portfolio Management, Vol. 18, 4, 2004 pp. 399-418 (in German).
- Halling, M., Hayden, E., *Statistical techniques for the prediction of corporate defaults*, Management and Economy (Management und Wirtschaft), FH d. Bfi, 2004 (in German).

Computer science publications in management/information systems

Grünbacher, P., Halling, M., Biffel, St., Kitapci, H., Boehm, B. W., *Integrating Collaborative Processes and Quality Assurance Techniques: An Example from Requirements Negotiation*, Journal of Management Information Systems, 20(4),9-30, 2004.

Computer science publications in engineering journals

Five further papers on quality assurance techniques in software engineering, especially software inspections, in A-journals in computer science such as *IEEE Transactions on Software Engineering*, *IEEE Journal of Automated Software Engineering* and *IEE Proceedings-Software*.

RESEARCH FIELDS

Predictability of Returns

Mutual Funds

Empirical Capital Structure Research

Cross-Sectional Asset Pricing and Anomalies

International Finance

Financial Econometrics

WORKING PAPERS

Giordani, P., Halling, M., *Valuation Ratios and Shape Predictability in the Distribution of Stock Returns*, May 2019.

Abstract: While a large literature on return predictability has shown a link between valuation levels and expected rates of returns, we document a link between valuation levels and the shape of the distribution of cumulative (for example, over 12 and 24 months) total returns. Return distributions become more asymmetric and negatively skewed when valuation levels are high. In contrast, they are roughly symmetric when valuation levels are low. These results turn out to be very robust to alternative (a) measures of valuation levels, (b) model specifications and (c) equity markets, shed light on how equity prices regress back to their means conditional on valuation levels and have important practical implications for risk measurement and asset management. Conceptually, our empirical results support asset pricing models that have asymmetric responses to shocks, such as stochastic bubbles, liquidity spirals or models with time-varying risk aversion.

Cooper, M., Halling, M., Yang, W., *The Persistence of Fee Dispersion among Mutual Funds*, January 2018 (*Reject and Resubmit at the Review of Finance*).

Abstract: Previous work shows large differences in fees for S&P 500 index funds. We expand this work to compare fees across all US equity funds using two methods, regression-based pricing models and holdings-based fund matching, to control for fund heterogeneity. We find economically large, robust, persistent and pervasive fee dispersion in the mutual fund industry. Importantly, fee dispersion exists among the largest funds (top TNA quintile) as well as among institutional funds. Most surprisingly, fee dispersion has noticeably increased over the last twenty years, even as the industry has experienced enormous growth in capital invested and the number of funds. Time-series regressions show that yearly changes in fee dispersion are positively related to market returns and changes in household participation in the fund industry and negatively related to the size of the mutual fund industry.

Media Coverage: WSJ expert blog (Dec. 2016), Barrons (Dec. 2016), New York Times (July 2017)

Halling, M., Ibert, M., Lenz, M., *Firm Fundamentals and Realized Factor Betas*, August 2017.

Abstract: Firm fundamentals, in particular firm size, help explain variation in factor loadings (betas) for the market, size and value factor. Surprisingly, however, they are dominated in terms of explanatory power by an unobserved time-

invariant component. This leads to surprisingly stable factor loadings: stocks with high (low) factor loadings tend to remain as such for over a decade. Our models work best in explaining market betas (r-squares up to 64%) and worst in explaining value betas (r-squares up to 35%). These results are robust to different estimation techniques of factor betas and also hold up when we limit the sample to firms with statistically significant betas.

Drobetz, W., Halling, M., Schroeder, H., *Corporate Life-Cycle Dynamics of Cash Holdings*, March 2015

Abstract: This paper shows that the corporate life-cycle is an important dimension for the dynamics and valuations of cash holdings. Our results indicate that firms' cash policies are markedly interacted with their strategy choices. While firms in early stages and post-maturity stages hold large amounts of cash, cash ratios decrease when firms move towards maturity. Much of this variation in cash holdings is attributable to a changing demand function for cash over the different life-cycle stages. Trade-off and pecking order motives are of different importance for cash policies dependent on a firm's life-cycle stage. An additional dollar in cash is highly valuable for introduction and growth firms, while a dollar in cash adds, on average, less than a dollar in market value for firms in later life-cycle stages, most likely due to increasing agency problems. Most of the dynamics in cash holdings are observed at life-cycle transition points rather than during the different life-cycle stages. Finally, the secular trend in cash holdings seems strongly attributable to increases in cash in the introduction and the decline stage.

INVITED PRESENTATIONS

Financial Market Authority Research Seminar in Vienna (2004, Individual Pension Account Paper), Erasmus University Rotterdam (2005, Trading Volume Paper), University of Vienna (2006, Job Market Paper), Joint seminar of Economics and Management at the University of Vienna (2006, Trading Volume Paper), NHH Bergen (2007), National University Singapore (2007), Imperial College (2007), Washington University St. Louis (2007), University of Utah (2007), Stockholm School of Economics (2007), Tilburg University (2007), UNC (2009, brown bag), Boston University (2010), HEC Paris (2010, brown bag), ESMT Berlin (2010), Institute of Advanced Studies Vienna (2011), Copenhagen Business School (2011), Imperial College (2012), Stockholm School of Economics (2012), HEC Paris (2012), HEC Lausanne (2012), University of Amsterdam (2012), VU University Amsterdam (2012), University of Exeter Business School (2012), Goethe University Frankfurt (2012), University of Konstanz (2012), Arizona State University (2013), Vienna University of Business and Economics (2013), Stockholm University (2014), Stockholm School of Economics (Brown Bag, 2014, 2015, 2017), Nova/Catolica/ISEG/ISCTE (2015), Humboldt University Berlin (2015), University of Gothenburg (2015), Swedish Ministry of Finance (2015), Helsinki Finance Seminar (2016), University of Luxembourg (2016), Lund University (2017), University of Hamburg (2017), Goethe University Frankfurt (2017), Frankfurt School of Finance and Management (2017), University of Vienna (2017), Durham University (2017), Vienna University of Economics and Business (2018), University of Aarhus (2018), University of Graz (2018), University of Vienna (2019), Norwegian Wealth Fund (2019), Copenhagen Business School (2019, scheduled), University of St. Gallen (2019, scheduled), Cass Business School (2019, scheduled).

CONFERENCE PRESENTATIONS, DISCUSSIONS AND CHAIRS

Presentations (selection): AFA (2011, 2012), WFA (2005, 2012), EFA (2004, 2006, 2010, 2011, 2012), FIRS Conference (2004, 2008, 2009, 2012), CEPR ESSFM (2011, Asset Pricing Week), 4Nations-Cup (2013), NFA (2008, 2011, 2019 scheduled), Corporate Finance Day Groningen (2019, scheduled).

Discussions (selection): WFA (2013), EFA (2004, 2006, 2009, 2010, 2012, 2015, 2017, 2018), EFA Doctoral Tutorial (2018, 2019), SAFE Asset Pricing Conference (2018), Conference on Professional Asset Management (2018), WINNER-Award (2017), FIRS (2008, 2009, 2010), Empirical Asset Pricing Retreat (2009, 2010), CEPR Summer Symposium (2009, Asset Pricing Week), FMA (2007, 2008, 2009, 2010), 11th Imperial College London hedge fund conference (2016), IFSID Conference on Derivatives (2015), NFA (2008, 2019 scheduled), KIT-DGF (2014), CIREQ-CIRANO Financial Econometrics Conference (2009).

Chairs: EFA (2009, 2015), NFA (2008, 2011), FMA (2009), UBC Winter Finance Conference (2010), KIT-DGF (2014).

TEACHING EXPERIENCE

Awards:

- Teacher of the Year 2014/2015 for Master-Level courses at SSE.
- Teacher of the Year 2017/2018 in the Executive MBA program at SSE.

PhD Level:

- Theory of Asset Pricing, University of Utah (2008, 2010)
- Co-taught course on Topics in Asset Pricing, Stockholm School of Economics (2017, 2019)
- PhD-Student supervision:
 - *Main advisor:* Ricardo Lopez Aliouchkin (SSE, 2016, placed at Syracuse University), Erik Fredriksen (SSE, 2018, post-doc at Stanford), Laszlo Sajtos (SSE, in progress), Andreas Johansson (SSE, in progress), Mahamadi Ouoba (SSE, in progress), Yavor Kovachev (SSE, in progress), Hendro Sugandi (SSE, in progress).
 - *Member of committee/opponent/external reviewer:* Rafael Barros De Rezende (SSE, 2014), Johannes Breckenfelder (SSE, 2014), Di Cui (BI Norwegian Business School, 2015), Wenhao Yang (University of Utah, 2016), Mohammad Irani (Stockholm University, 2016), Valeriia Dzhamalova (Lund University, 2016), Davide Tomio (Copenhagen Business School, 2017), Julia Reynolds (University of Vienna, 2017), Valeri Sokolowski (SSE, 2017), Markus Ibert (SSE, 2018), Vasilis Dedes (SSE, in progress), Roy Chu (BI Norwegian Business School, 2019), Ivika Jaeger (SSE, in progress).

Executive Level

- Risk Management Program for Executives, Stockholm School of Economics and WHU (2016)
- Strategic Asset Allocation, Stockholm School of Economics (2013)
- Asset Allocation and Alternative Investments, Stockholm School of Economics (2013)

Executive-MBA and MBA Level:

- Executive MBA Finance Module, joint with Bo Becker/Alexander Ljungqvist, Stockholm School of Economics (2014-)
- Rapid Acceleration Management Program, Stockholm School of Economics (2016-2018)
Charitable program to foster the integration of refugees in which 20 refugees do internships with firms and courses at SSE.
- Basic Statistics (in English, Finance MBA, Donau University Krems (2005-2006)), Backtesting (in German, MBA in Riskmanagement, FH Bfi Vienna (2003-2005)), Bond Fundamentals and Pricing (in German, Donau University Krems and Finance Academy of UNIQA Insurance (2005)).

Master Level:

- Risk Management, Stockholm School of Economics (2013-)
- Advanced Methods in Finance, Stockholm School of Economics (2018-)
- Course Director of Master Thesis Writing Course, Stockholm School of Economics (2015-)
- Supervision of master theses (10+ per year), Stockholm School of Economics (2013-)
- Quantitative Risk Modeling, Luxembourg School of Finance (2016-2019)
- Quantitative Methods in Corporate Finance, Stockholm School of Economics (2013-2017)
- Financial Modeling, University of Utah (2010-2012)

Undergraduate Level:

- Head of the bachelor program in Finance, Stockholm School of Economics (2013-)
- Financial Modeling, University of Utah (2010-2012)
- Introduction to Investments, University of Utah (2007-2011)
- Market Risk Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2003, 2006)), Value Based Bank Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2005-2006)), Valuation (in English,

3rd/4th Year Undergraduate, University of Vienna (2004)), Creating Value and Corporate Governance (in English, 3rd/4th Year Undergraduate, University of Vienna (2005-2006)), Financial Policy (in English, 3rd/4th Year Undergraduate, University of Vienna (2006)), International Financial Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2003-2005)).

RESEARCH GRANTS AND SERVICE

Research Grants

- Jan Wallander and Tom Hedelius Foundation Research Grant of 2.3 million SEK (2019-2022)
- Part of Vinnova Grant on “Financial Stability” (2013-2017)
- Nominated by SSE’s Research Board for the Wallenberg Academy Fellows (2014)
- Part of several Wallander-Hedelius umbrella grants from (2014-2017)
- Austrian Central Bank (OeNB Jubiläumsfondsprojekt), 01/2006 – 12/2006, Title: Equity Return Prediction: The Value of Analysts’ Forecasts and Recommendations
- Austrian Central Bank (OeNB Jubiläumsfondsprojekt), 01/2004 – 12/2005, Title: The Attractiveness of Individual Pension Accounts

Organization of conferences and practitioner events

- SHoF Practitioner Seminar on “MIFID II - Impact to date and long-term consequences”, September 2019.
- Organizer of the SHoF Conference 2019 on “Financial Markets and Corporate Decisions”, August 2019.
- SHoF Practitioner Seminar on “Artificial Intelligence and Finance”, September 2018.
- SHoF Practitioner Seminar on “Exchange Traded Funds in Sweden”, May 2018.

Refereeing

Journal of Finance, Review of Financial Studies, JFQA, Review of Finance, Journal of Forecasting, Risk Journal, Journal of Banking and Finance, Journal of Empirical Finance, Empirical Economics, etc.

Program Committees

WFA (2014-), EFA (2011-), SFS Cavalcade (2018-), FIRS (2014-), MFA (2015-), Utah Winter Finance Conference (2008-), etc.

Industry Contacts

- Member of the advisory board of Avanza Fonder.
- Member of the academic advisory board of Spaengler IQAM Invest.

PERSONAL INFORMATION

Date of Birth: April 9th, 1976
Status: Married (to Petra), 3 children (Tobias, Jakob and Philipp)
Nationality: Austrian