

In this issue:

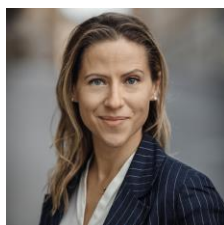
- Upcoming event: Environmental Regulations and Industrial Structure
- Research in the spotlight: CEOs took a finance course—and their firms got more profitable
- Why do firms hold so much cash?
- How passive investing reshapes capital market
- Finance Unpacked: What is idiosyncratic risk?

Environmental Regulations and Industrial Structure

Join the Swedish House of Finance, in collaboration with SSE's House of Governance and Public Policy, for a conference exploring how environmental regulation shapes firm strategies, competitiveness and industrial structure. Leading academics, policymakers and industry experts will discuss pressing questions on climate risk, industrial resilience and the role of finance in the green transition.

There will be a policy panel debate on regulation and competitiveness with **Emanuele Tarantino** (LUISS), **Catharina Belfrage Sahlstrand** (Handelsbanken), **Ola Hansén** (Stegra) and moderated by **Mariassunta Giannetti** (SHoF/SSE).

Explore the conference





Policy panel starts 09.00. The academic part of the conference takes place from 11.00.

The sessions will feature academic presentations by leading international scholars. [Full program](#)

[Register](#)

RESEARCH IN THE SPOTLIGHT

CEOs Took a Finance Course—And Their Firms Got More Profitable

Do CEOs make better decisions when they strengthen their finance skills? Recently published research by **Diogo Mendes** (SHoF/SSE), **Claudia Custodio** (Imperial College London), and **Daniel Metzger** (SHoF/Rotterdam School of Management) shows that executive education can transform financial practices, freeing up cash and boosting returns, especially in developing countries.

[Read more](#)

Key Findings:

- Firms freed up cash by cutting working capital
- Receivables and inventories dropped
- Cash went into new investments, not reserves
- Smaller, less financially savvy firms gained most

VIDEO INTERVIEWS

Why Do Firms Hold So Much Cash?

Neng Wang (Cheung Kong Graduate School of Business) explains why companies hold large cash reserves, despite traditional theory suggesting otherwise. He shows how financing costs, long-term uncertainty and shocks such as COVID-19 push firms to build buffers are likely to remain in today's high-rate environment.

[Watch here](#)

Passive Investing and Market Distortions

Dimitri Vayanos (London School of Economics) discusses how the explosive growth of passive funds is reshaping capital markets, amplifying demand for the largest firms, fueling potential bubbles and raising concerns about market efficiency.

[Watch here](#)

FINANCE UNPACKED

Idiosyncratic Risk

As Q3 wraps up, investors are watching how companies have handled everything from shifting consumer demand to supply chain hiccups. Idiosyncratic risk—linked to one company or asset, not the market as a whole—is the focus of this month’s Finance Unpacked. From product recalls to leadership changes, these risks can undermine firms if not managed well. Investors can diversify them away, but firms must tackle them directly.

[Read more](#)

“Idiosyncratic Risk”

Idiosyncratic risk is the kind of risk that is specific to a person, a company, or an investment. It’s the risk of something unexpected happening to you or your assets, but not to everyone else.



SWEDISH HOUSE
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PAST EVENT

Households on the Front Line of the Energy Transition

At SHoF's annual conference with CEPR, experts stressed that households face mounting risks from stranded assets and higher costs as the green transition accelerates. They urged policymakers to balance affordability, air quality and climate goals.

[Read more](#)



Panel discussion and Keynote speeches.

[Watch here](#)

IN THE PRESS

[Stablecoins – Stable Only in the Details](#)

2025-09-20 • Swedish • *EFN Ekonomikanalen*

Adrien d'Avernas (SHoF/SSE) and **Vincent Maurin** (HEC Paris) explain what makes stablecoins “stable,” clarifying risks, mechanisms and where stability can break.

[It's Not Trump Who Destroyed the U.S. — He's Just a Symptom](#)

2025-09-06 • Swedish • *Dagens Nyheter*

David Robinson (SHoF/Duke) argues Trump is a symptom, not the cause, of America's challenges and urges deeper institutional reforms.

[The PPM System Gives Savers Too Much Control](#)

2025-09-02 • Swedish • *Placera*

Bo Becker (SHoF/SSE) argues Sweden's PPM system gives savers too much control, complicating strategy choices and evaluation of fund managers.

**SWEDISH HOUSE
OF FINANCE**



The Swedish House of Finance (SHoF) is Sweden's national research center in financial economics. SHoF is a nonprofit, nonpartisan organization.