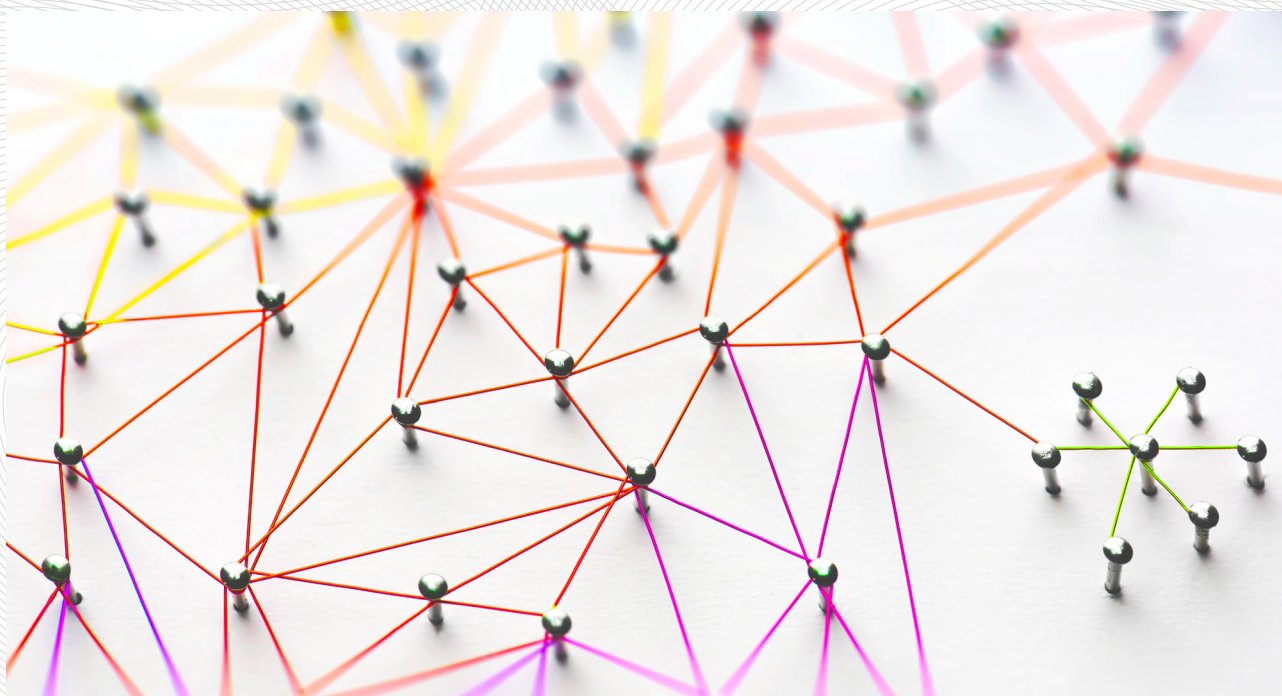


## Annual report 2020

*“Ten years ago, the Swedish House of Finance was formed with three key objectives: to strengthen financial research in Sweden, to create impact through achieving a critical mass of world-class researchers, and to share positive externalities with the private, public and academic sectors in Sweden. I think we have achieved all of these goals and truly made a difference.”*

ANDERS ANDERSON, DIRECTOR OF THE SWEDISH HOUSE OF FINANCE





# About us

The Swedish House of Finance at the Stockholm School of Economics (SSE) is Sweden's national research center for financial economics. It hosts internationally distinguished researchers, and enables financial research and development of the highest quality.

The center serves as an independent platform where academia and both the private and public financial sectors can exchange knowledge, foster new ideas and gain access to a global network of the most prominent researchers in finance.

The Swedish House of Finance is an equally private and government funded, nonprofit, nonpartisan organization. It hosts approximately 40 resident research fellows with research assistants, as well as around 30 PhD students in finance.

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# Words from the Director

Ten years ago, the Swedish House of Finance was formed with three key objectives: to strengthen financial research in Sweden, to create impact through achieving a critical mass of world-class researchers, and to share positive externalities with the private, public and academic sectors in Sweden. I think we have achieved all of these goals and truly made a difference.

But at the same time, the center initiative has also triggered strategic responses around us, and competition for talent is now greater than ever. We need our stakeholders to help us keep up with the competition. The many challenges facing the financial sector on a global scale are now also greater than ever, which is also reflected in our research.

Our research on sustainability has increased the understanding of how preferences matter for pricing financial assets and the effectiveness of public policy. Research on trade credit practices throughout the supply chain has been shown to affect downstream competition. Work on unique Swedish household data has increased our understanding of the drivers and persistence of wealth. Our initiative on increasing awareness about gender equality is also quickly gaining attention across Swedish borders. I can go on showcasing examples where our research and activities have been shown to be relevant for a world audience.

Maintaining high output requires sufficient resources. We began fundraising for the next chapter of the Swedish House of Finance over two years ago. Today, I am happy to announce that both the Swedish government and private financial sector have heard our call-to-action. We have now received a majority of new financial commitments from both old and new partners that will ensure that the center can transition successfully into the next ten years. Many of them are new partners in our venture, which to me shows that an investment in financial research is not peripheral, but a general concern for a wide range of players in the industry.

I want to take this opportunity to thank the Swedish government and all our existing corporate partners for



their financial support that have been pivotal in building up the center to what it is today. I also would like to express my gratitude to all new partners that have committed themselves to support us in the years to come.

Finally, 2020 marks the end of my almost eight-year term as Director. I would like to take this opportunity to say that it has been my privilege to work with such an amazing group of people, who have made my job most inspiring and so much easier. I therefore want to extend my deepest gratitude to all involved in making the center such a great success, especially our researchers and staff, but also all presenters, discussants and visitors: both online and in person.

Stockholm, March 2021

Anders Anderson

Director

Swedish House of Finance



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# Our Objectives

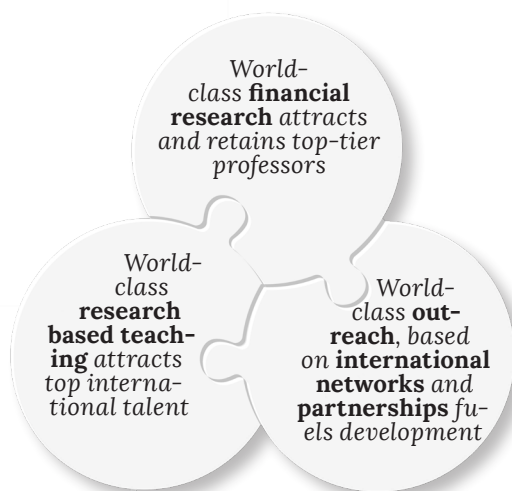
Research is part of an overall ecosystem. The ultimate goal of the Swedish House of Finance is to:

- strengthen financial research,
- create impact through achieving a critical mass of world-class researchers, and to
- share positive externalities with the public, private and academic sectors in Sweden.

Since the founding of the center in 2011, Sweden has risen through the ranks in the world of international financial research. Swedish House of Finance has put Swedish financial research on the world map.



Göran Robertsson  
Executive Director as of May 2021, Swedish House of Finance at the Stockholm School of Economics



## Why do we need financial research?

The Swedish House of Finance provides an independent platform for dialogue, open to everyone with an interest in finance. The center generates daily contact between academia, the public and the private financial sectors which in turn leads to new research, new private initiatives, and a basis for better decisions and meaningful regulation of the financial sector. It is a vital part of the research and development that is necessary to continue to develop Sweden as one of the leading financial centers in Europe, and to support the development of a strong Swedish economy and rate of innovation.

The center has succeeded in attracting world-class researchers, as well as top-tier students. It has built an ecosystem for financial research and development. This provides decision-makers in Sweden with access to the world's collective expertise in finance.

## Who is behind the center?

The Swedish House of Finance is an equally private and government funded, nonprofit, nonpartisan organization.

The Stockholm School of Economics contributes with resources in the form of researchers and teachers. The infrastructure needed for the research, as well as its dissemination for the benefit of the non-academic sector, is contributed by the government (through Vinnova), and funding is matched with an equal amount from the private financial sector. In addition, a network of researchers in finance at the universities of Gothenburg, Lund, Stockholm, KTH Royal Institute of Technology, Umeå, Uppsala, and Örebro are all affiliated with the national center through programs supporting research at the highest international level.

# Highlights 2020

## 2020 EFA Best Paper Prize

Congratulations Marcus Opp, winner of the prestigious EFA Best Paper Prize in Responsible Finance for his paper "A theory of Socially Responsible investment". The paper examines conditions for socially responsible investors to impact firm behavior.



Marcus Opp  
Associate Professor  
Department of Finance  
Stockholm School of Economics



Annamaria Lusardi  
Founder & Academic Director  
Global Financial Literacy Excellence Center

## Consumer Behavior in Financial Markets

This event brought together some of the leaders of the field of household and behavioral finance and decision-making for a three-day conference in Stockholm, Sweden. The first conference day featured keynote presentations and panels with leading scholars and practitioners.

## Advisory Board

A new Advisory Board was formed during the year. The forum is a place for discussion where market players and the research community meet to listen and learn from each other. Together, we drive the development of issues that are of extra importance to the industry.





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## Hat-trick for Mariassunta Giannetti

Congratulations Mariassunta Giannetti for three top publications during the fall semester of 2020 in the Journal of Financial Economics, the Review of Financial Studies and the Journal of Political Economy.



## Center Financing

We have renewed and expanded collaborations with both old and new partners to ensure that the Swedish House of Finance can transition successfully into the next ten years. We welcome our new partners and would also like to extend a special appreciation to the Swedish government for continued support through Vinnova.

## New Assistant Professors

Three new Assistant Professors joined us during 2020. A warm welcome to Anastasia Girshina from Swedish House of Finance as a Postdoctoral Fellow, Diogo Mendes from Nova School of Business and Economics and Tobias Sichert from Goethe University.



# Facts & Figures

Total spending including in-kind contributions for 2020 amounted to 81.7 MSEK, compared to the budget of 80.5 MSEK. The difference can mainly be attributed to an increased amount of externally funded research activities and does not affect the funding plan for the center going forward. Due to Covid-19, the center had lower costs for conferences, seminars and various guest programs, but this was partly offset by new investments in digital tools and equipment.

The center relies on funding from different sources: (i) center funding jointly provided by the Swedish government (Vinnova) and the financial industry, (ii) various grants from research foundations (Grants), and (iii) in-kind contributions. The in-kind contributions, in turn, consist of salaries for researchers and costs related to research projects at the Department of Finance at the SSE, which also contain research grants.

Total costs in 2020 [2019] were covered by center funding which amounted to 31.9 MSEK [28.8 MSEK], research grants 9.7 MSEK [14.4 MSEK] and in-kind contributions of 40.0 MSEK [37.2 MSEK].

The detailed buildup of the center's total costs is de-

scribed below, categorized by the center's five areas of activity, as well as commented and compared with the previous year.

Figure 2 illustrates a historical cost distribution since the inception of the Swedish House of Finance.

## Research

The total research activities at the Swedish House of Finance for 2020 amounted to 45.6 [44.1 MSEK]. A significant share of these costs represents in-kind contri-



Professor Per Strömberg, Head of Department of Finance, SSE Swedish House of Finance at the Stockholm School of Economics

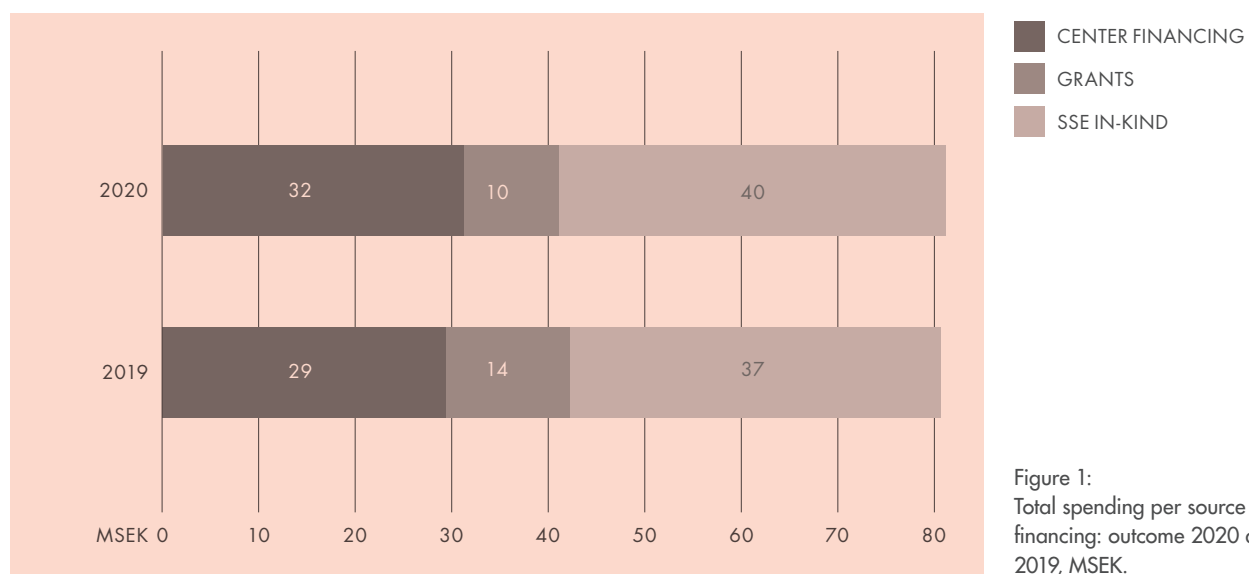


Figure 1:  
Total spending per source of financing: outcome 2020 and 2019, MSEK.



butions from SSE in the form of salaries to researchers, grant-funded research, and other related costs, amounting to 30.0 MSEK [27.5 MSEK], as well as external financing of doctoral students with 4.8 MSEK [4.4 MSEK]. Most of the increased in-kind contributions from the SSE are due to an increase in grant-funded research. The remaining costs refer to a research incentive program designed to attract and retain research talent, which is monitored by the Scientific Board. It includes a Fellowship program that gives a salary supplement for hiring outstanding researchers; a Publication incentive program to award top research publications; a Visiting researchers program to encourage research exchange; and a Travel support program to increase junior researchers' visibility at international conferences.

The center's researchers produced 25 [17] publications in international academic journals, of which 8 [7] were in the top three finance journals, labeled A-grade journals.

Figure 3 shows participation in the top finance and economics ("A-grade") journals since the inception of the Publication incentive program in 2012. We recorded

an average upward trend in both the number of top publications and the number of authors from our partner institutions. The researcher who qualifies for the incentive program receives a remuneration paid out over two years. The program thus acts as an important recruitment and retention device.

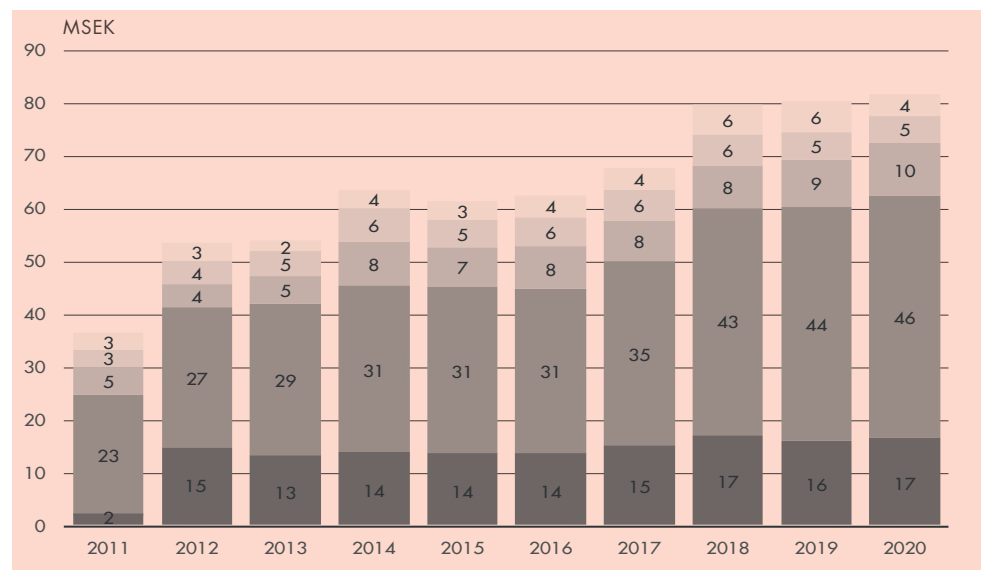
The Center's researchers made 61 (81) presentations at international researcher conferences and acted 25 (36) times as discussants. The center was well represented at all of the three leading finance conferences: American Finance Association in San Diego, California with 6 papers, Western Finance Association Virtual Conference with 3 papers, and European Finance Association Virtual Conference with 5 papers.

### Research infrastructure

The main aim of the center is to gather a sufficient critical mass of researchers by providing necessary research infrastructure, which is otherwise difficult to fund through research grants. The core of these operations are costs for the premises and research administration. Total costs in 2020 amounted to 16.9 MSEK [16.2

OUTREACH  
PHD COURSES  
DATA CENTER  
RESEARCH  
INFRASTRUCTURE

Figure 2:  
Cost distribution  
by area of activity,  
2011-2020



# FACTS & FIGURES

MSEK] and include costs for offices, administration, and materials.

The cost for premises amounted to 8.7 MSEK [8.8 MSEK] and the cost for management and administration and compensation for the Scientific Board amounted to 4.7 MSEK [4.4 MSEK]. Other costs of 1.5 MSEK [1.8 MSEK] include material, services, subscriptions and IT. The remaining costs represents in-kind contributions from SSE regarding salaries for administrators and services in total of 2.0 MSEK [1.8 MSEK].

The center hosted 32 permanent researchers, 32 doctoral students, three database developers, 11 (temporarily employed) research analysts, five administrators, four communications officers, and two senior advisors. During the year, a total of 22 [56] guest researchers visited the center.

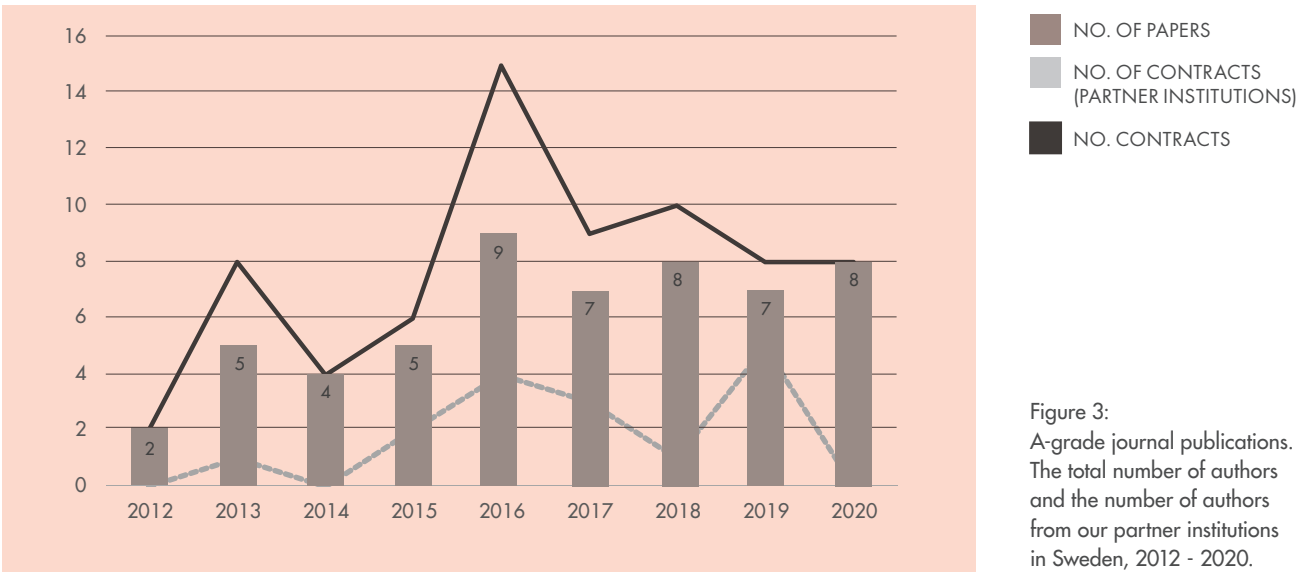
## Data Center

The Data Center has two principal tasks: (i) to develop new national databases that are made available to the research community in Sweden through our web-based platform, and (ii) to provide requisite international databases and facilitate the use of computationally efficient infrastructure so that the researchers can work and



complete at the highest level. The total costs for 2020 amounted to 10.1 MSEK [8.9 MSEK], with 5.0 MSEK [3.8 MSEK] spent on subscription fees to international external databases. The remaining costs refer to the development of new Swedish financial databases, which mainly consist of salaries for four employees.

The Data Center provides eight databases for free academic use. The financial database FinBas is the most frequently accessed, and contains a complete history of the Swedish stock prices since 1912. It covers around





4,500 companies in the Nordics (except Iceland) with a focus on Sweden. Other databases include firm-level accounting database Serrano, Historical Annual Report Archive (a PDF registry of Swedish annual reports dating back to 1912), Nordic Compass (ESG firm-level data), Patlink (Swedish patent data with identifiers), Nasdaq High Frequency Data (intra-day trades, orders and cancellations at the Stockholm Stock Exchange), Fama-French asset pricing factors for Sweden (i.e. size, value and momentum) and the new Stock lists historical archive (PDFs of prices and quotes for all listed Swedish stocks from 1912).

We restrict use for solely academic purposes through the use of SWAMID developed by SUNET, which is a universal and safe identification infrastructure applied by most Swedish universities and colleges, allowing users to log on to our pages through their home university IT portals. In this way, we are able to share the data more efficiently and widely. This also shows in the growth of total number of unique users of our databases which grew from only 64 in 2016 (when access was manually granted), to 2,686 by the end of 2020.

### PhD courses

Our PhD courses are open to all finance students at Swedish universities, providing the opportunity to participate in the highest quality PhD courses in finance. The total costs amounted to 4.9 MSEK [5.3 MSEK]. A major part of the total costs is attributed to in-kind contributions from the Stockholm School of Economics for the basic course offering amounting to 3.2 MSEK [3.5 MSEK]. The remaining costs are related to the remuneration of teachers and the reimbursement of expenses for course participants from universities other than SSE.

The center provides a national course program for doctoral students in financial economics. The five basic courses are provided by the doctoral program at the Stockholm School of Economics. They are adapted for distance learning. Several mini-courses are also offered each year within specific fields. For those, we typically invite external specialists who hold a one-week intensive course. Due to Covid-19 most of the scheduled mini-courses were postponed to 2021 except for the “Continuous-Time Finance” mini-course by Tomas Björk (SSE). The ninth edition of our annual National PhD Workshop went fully online for the first time.

NO. OF INDIVIDUAL USERS ... (RIGHT AXIS)  
NO. OF ACCESSES ■ (LEFT AXIS)

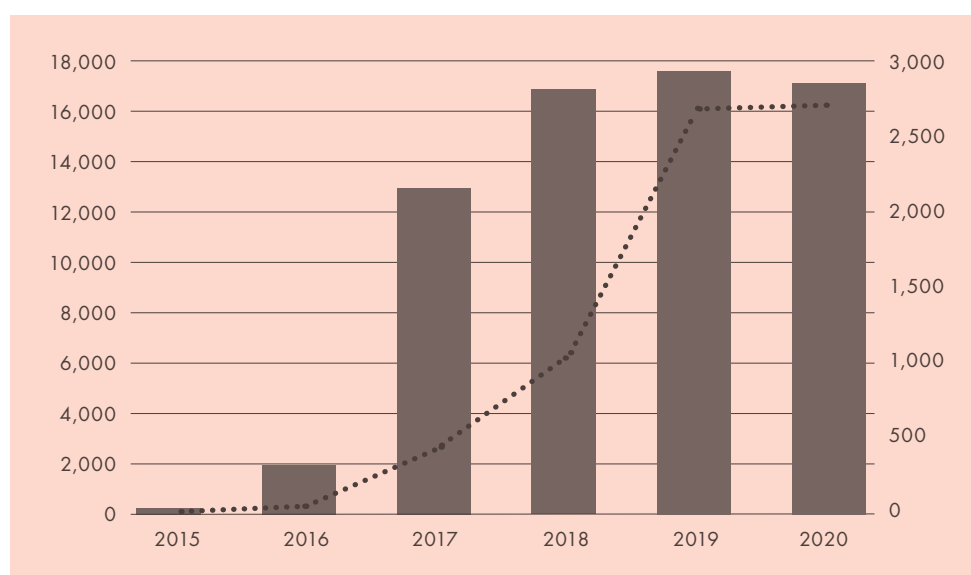


Figure 4:  
Data Center, number of individual users, and total number of accesses.

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## FACTS & FIGURES

### Outreach - the year in brief

Our outreach activities aim to bridge the gap between finance in academia and practices within the public and private financial sector by disseminating research via various channels such as conferences, seminars and talks. The center arranges both pure academic seminars and conferences, as well as those targeting practitioners to encourage discussion and knowledge exchange in the financial sector. The total cost for Outreach activities during 2020 was 4.2 MSEK [5.9 MSEK].

During the ongoing crisis our output and collaboration with the financial sector continued to be intense with an even broader reach. We moved quickly online with our activities and continued to build our digital presence. Quick access to our researchers' knowledge, combined with our extensive network in the public and private financial market, allowed for thorough discussions and gave guidance to deal with the recent economic challenges.

We covered many topics in relation to the Covid-19 pandemic, such as its "Effect on Private Equity and Venture Capital/Startups" and "How to plan for debt restructuring in corporate credit markets", but also "Short Sales in the 2020s", "Household Welfare" and the



During the Covid-19 pandemic we moved our events online.

"Democratization of Finance through Big Data".

In a long-standing collaboration with the Center for Business Policy Studies (SNS) we also arranged seven "Finanspanelen" seminars during the year. In addition, the Swedish House of Finance hosted four conferences in 2020. The CEPR/SHoF Fifth European Workshop on Household Finance, BI-SHoF Conference on Asset Pricing, Consumer Behavior in Financial Markets, and SHoF-ECGI Conference on sustainable finance and corporate governance.

We have expanded our use of digital channels to disseminate our research. This year we dug deeper into Household Finance with episode 1 and 2 of the House-

**Total number of seminars held during the year, of which 49 were academic and 19 targeted at practitioners active within the financial sector**

**68**

**[82]**

**Total number of attendees to our seminars and conferences in 2020, including both researchers and representatives from the private and public financial sector**

**3 641**

**[2 933]**

**Number of visits to the Swedish house of Finance website during 2020, where we continuously broadcast event videos, podcasts and interviews with our researchers**

**171 614**

**[141 184]**



hold Finance Podcast. On our webpage and our social media channels we broadcast interviews with academics about their latest research.

We continue our focus on diversity and gender equality in the finance profession at all levels. In December we co-hosted our annual Women in Finance Talk together with The Swedish Securities Markets Association on the topic “Women in securities markets – how do we level the playing field for men and women interested in a career in finance”. We also have an explicit goal to have the share of female presenters in all our events at least equal to the share of females in the profession.



Professor Paolo Sodini and Assistant Professor Anastasia Girshina recording the Household Podcast Series - Episode 2.



The share of female presenters in our events. Out of 113 presenters during 2020, 33 percent were female.

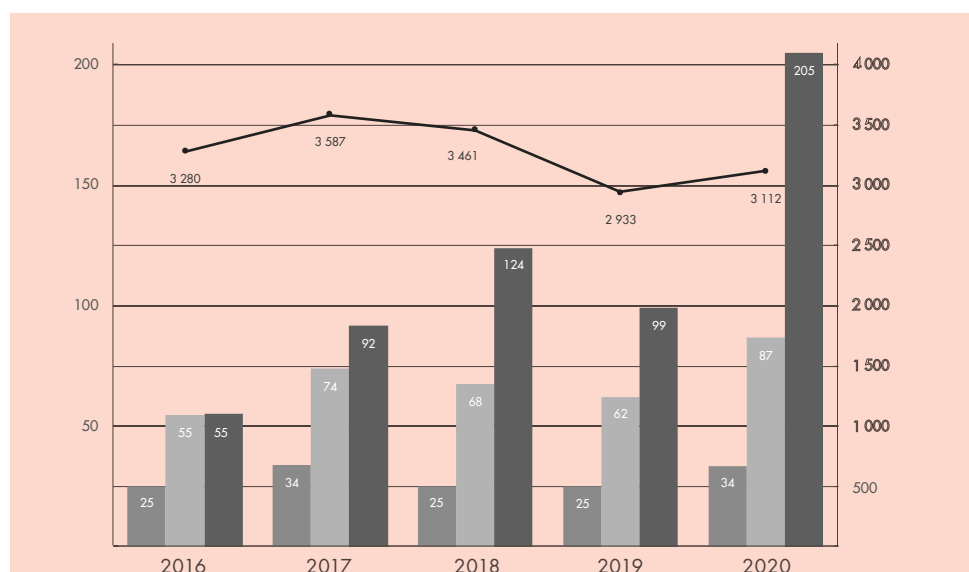
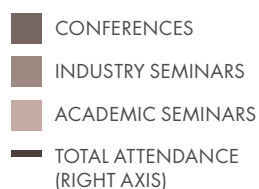
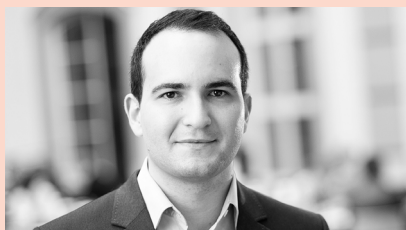


Figure 5:  
Average number of individuals attending the events organized by the Swedish House of Finance, 2016 - 2020.

# Research Fellows



**ANDERS ANDERSON**  
Director, Swedish House of Finance  
Lecturer, Department of Finance, SSE



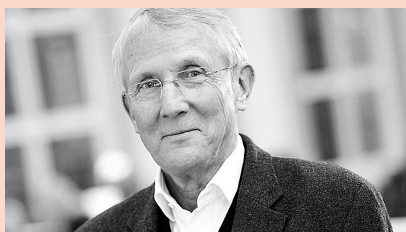
**RAMIN BAGHAI**  
Associate Professor, Department of Finance, SSE



**BO BECKER**  
Cevian Capital Professor of Finance,  
Department of Finance, SSE



**CLAS BERGSTRÖM**  
Professor Emeritus in Finance and Law,  
Department of Finance, SSE



**TOMAS BJÖRK (1947 - 2021)**  
Professor Emeritus, Department of Finance, SSE



**MARIEKE BOS**  
Researcher and Deputy Director,  
Swedish House of Finance



**ALVIN CHEN**  
Assistant Professor, Department of Finance, SSE



**MAGNUS DAHLQUIST**  
Peter Wallenberg Professor of Finance,  
Department of Finance, SSE



**ADRIEN D'AVERNAS**  
Assistant Professor, Department of Finance, SSE



**PETER ENGLUND**  
Professor Emeritus, Department of Finance, SSE



**MARIASSUNTA GIANNETTI**  
Professor, Department of Finance, SSE



**ANASTASIA GIRSHINA**  
Assistant Professor, Department of Finance, SSE



MICHAEL HALLING

Associate Professor, Department of Finance, SSE



JUNGSUK HAN

Associate Professor, Department of Finance, SSE



ALEXANDER LJUNGQVIST

Professor, Stefan Persson Family Chair in Entrepreneurial Finance, Department of Finance, SSE



VINCENT MAURIN

Assistant Professor, Department of Finance, SSE



DIOGO MENDES

Assistant Professor, Department of Finance, SSE



OLGA OBIZHAIEVA

Assistant Professor, Department of Finance, SSE



MARCUS OPP

Associate Professor, Department of Finance, SSE



RICCARDO SABBATUCCI

Assistant Professor, Department of Finance, SSE



TOBIAS SICHERT

Assistant Professor, Department of Finance, SSE



PAOLO SODINI

Professor, Department of Finance, SSE



JAN STARMANS

Assistant Professor, Department of Finance, SSE



PER STRÖMBERG

SSE Centennial Professor of Finance and Private Equity, Department of Finance, SSE  
Head of Department of Finance, SSE



DONG YAN

Assistant Professor, Department of Finance, SSE



ADAM ALTMEJD

Postdoctoral Fellow, Department of Finance, SSE



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# Center Financing

Right from the start, the center has been supported by the Swedish government and a number of partners from the Swedish financial industry.

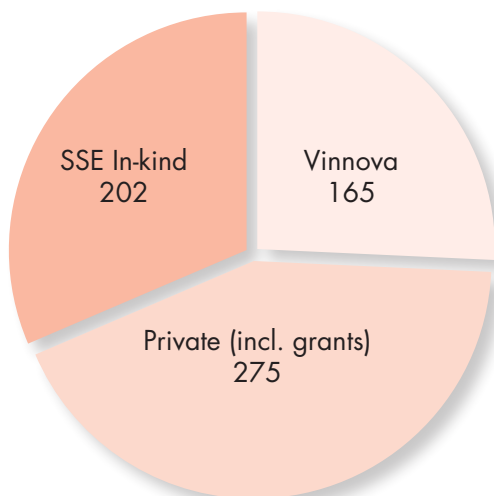
The center was created from a government initiative ten years ago whereby Vinnova made a funding promise of at least 150 MSEK for 10 years in support of the creation of a national financial research center, provided that the center in turn raised an equal amount from the private financial sector as well as from academia. This goal has been achieved with a wide margin. During the first ten years of the center's existence, a total of 642

MSEK has been spent on improving financial research in Sweden, of which the government contributed with 165 MSEK.

In 2020 the funding commitments have been extended by new agreements for the period 2021 to 2030. We are very pleased to report that almost 90 percent of the objective to raise 400 MSEK for the period 2021-2030 has already been achieved. We are very grateful that all our existing partners have prolonged their funding promises and in most cases even increased their contribution for the next decade. Additionally, we can already count on 15 new strategic partners who previously had not been part of the Swedish House of Finance.

Industry-wide support is important to us, since reliable research needs to be unpartisan and unbiased. Part of our success can be attributed to the fact that we are recognized as a center of excellence and independence. This is equally important for the researchers themselves, as well as those drawing on their competence. In the financial ecosystem, each part is interconnected. It starts with world-class research and ends with access to qualified employees and consumers making better financial decisions.

We invite companies, organizations, public institutions, and private donors to support the Swedish House of Finance in its mission to grow knowledge capital to guarantee the long-term prosperity of Sweden's financial marketplace and to nurture innovation and expertise.



Total spending 642 MSEK during 2011-2020

"Research in Finance is expensive. In Sweden there are a lot of foundations that provide research funding, which is crucial for being a productive researcher"

Mariassunta Giannetti, Professor of Finance at SSE



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# Governance

## BOARD OF DIRECTORS

The Board of Directors consists of representatives from the Swedish financial industry and Stockholm School of Economics.

GABRIEL URWITZ (Chair) Chairman of the Board, Segulah Advisor AB	MAGNUS CARLSSON Deputy President & CEO, SEB	NIKLAS EKVALL CEO, Fjärde AP-fonden	URBAN FUNERED CEO, Swedish Securities Dealers Association
ANDREAS GUSTAFSSON Senior Vice President, General Counsel Europe, Nasdaq	FREDRIK NILZÉN Head of Group Sustainability, Swedbank	CHRISTINA NYMAN Chief Economist, Handelsbanken	MARTIN PERSSON Head of Wholesale Banking, Nordea
LARS STRANNEGÅRD President, Stockholm School of Economics	CAROLINE AF UGGLAS Deputy General Director, Svenskt Näringsliv	LARS ÅGREN Senior Executive Vice President, Stockholm School of Economics	

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## MANAGEMENT COMMITTEE

The Management Committee plans, directs, and coordinates the activities at the Swedish House of Finance.

ANDERS ANDERSON Director	MARIEKE BOS Deputy Director	SARA OTTOSSON Head of Communications	URSULA ROBERTSON Head of Development
GÖRAN ROBERTSSON Executive Director	PER STRÖMBERG Head of Department of Finance, SSE	HENRIK TALBORN Head of National Data Center	

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## SCIENTIFIC ADVISORY BOARD

The Scientific Advisory Board assists the management and the board with evaluating the academic activities of the Swedish House of Finance.

INGRID WERNER (Chair) Ohio State University	RENÉE ADAMS University of Oxford	DAVID ROBINSON Duke University
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# Strategic partners

## ACADEMIC PARTNERS



Stockholm  
University



UNIVERSITY OF  
GOTHENBURG



LUND  
UNIVERSITY



KTH Royal Institute of Technology



UMEÅ  
UNIVERSITY



UPPSALA  
UNIVERSITET



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## INSTITUTIONAL PARTNERS

### Corporate

Adelis Equity



alecta



CARNEO



Cevian Capital



DIDNER & GERGE



ERIK PENSER BANK

Folksam

Handelsbanken



KOMMUNINVEST

LANNEBO



Landshypotek Bank



Länsförsäkringar



Nasdaq

Nordea

NORDIC CAPITAL

skandia:

S|E|B



Svensk  
Värdepappersmarknad  
Swedish Securities Markets Association

Swedbank och  
Sparbankerna



Triton

Öhman

### Foundations

Annika and Gabriel Urwitz Foundation, Bertil Danielsson Foundation, Hans Dalborg Foundation, Jacob Palmstierna Foundation, Jan Wallander and Tom Hedelius Foundation, Johan and Jakob Söderberg Foundation, Marianne and Marcus Wallenberg Foundation, Mistra, Nasdaq Nordic Insamlingsstiftelse, Nobelstiftelsen, Stiftelsen för Finansforskning, Stiftelsen Svenska Fondhandlarföreningens Understödsfond, Tore Browaldh Foundation, Torsten Söderberg Foundation.

### Public



VINNOVA  
Sveriges innovationsmyndighet







# SWEDISH HOUSE OF FINANCE



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