

## URI

July 8, 2020 - [Antti Imanen](#), [Ashwin Thapar](#), [Harsha Tummala](#), [Daniel Villalon](#)

The sharp market fall and speedy recovery during the eventful first half of 2020 has kept tail risk hedging topical: investors have both fresh memories of a painful loss and renewed fears of a repeat. We try to offer a balanced overview of the strengths and weaknesses of direct and indirect tail hedging strategies.

## V A L U E

### URI

July 2, 2020

This brief summary of our paper “Value and Interest Rates” presents our findings on the effect of the interest rate environment on value’s prospects. It highlights the ambiguous theoretical links between value and rates, reviews the varied historical patterns between value and different aspects of the rate environment, and presents a case study on value and interest rates in Q1 2020.

## V A L U E

### URI

May 22, 2020 - [Thomas Maloney](#), [Tobias J. Moskowitz](#)

Some have blamed the interest rate environment for value stocks’ underperformance of growth stocks from 2017 to early 2020, as well as the stretch of lackluster performance for some value factors since Global Financial Crisis. We find the performance of value is not easily assessed based on the interest rate environment, and that factor timing strategies based on interest rate-related signals are likely to perform poorly.

## E Q U I T I E S

### URI

April 17, 2020 - [Nathan Sosner](#), [Ted Pyne](#), [Joseph Liberman](#), [Steven Liu](#)

We describe a hypothetical Tax-Aware Defensive Equity Long-Short strategy, including its construction and pre-tax and after-tax performance. The strategy closely replicates the pre-tax performance of a similar hypothetical tax-agnostic strategy and has the potential to achieve a meaningful tax benefit for a taxable investor.

March 26, 2020

## E Q U I T I E S



March 12, 2020 - Stefano Giglio, [Bryan T. Kelly](#), Serhiy Kozak

We use a large cross-section of equity returns to estimate a rich affine model of equity prices, dividends, returns and their dynamics.. The new term structure data generated by our model represent new empirical moments that can be used to guide and evaluate asset pricing models.

## A S S E T A L L O C A T I O N



March 2, 2020 - [Lasse H. Pedersen](#), [Abhilash Babu](#), [Ari Levine](#)

We show how to identify the portfolios that cause problems in standard mean-variance optimization (MVO) and develop an enhanced portfolio optimization (EPO) method that addresses the problems. Applying EPO on several realistic datasets, we find significant gains relative to standard benchmarks.

## A L T E R N A T I V E I N V E S T I N G



February 24, 2020 - Davidson Heath, [Mark L. Mitchell](#)

A primary concern in mergers and acquisitions is the risk that the deal may be cancelled before completion. We document that this "interim risk" varies asymmetrically with the aggregate stock market: When the market falls sharply, cash deals are more than twice as likely to be cancelled.

## P O R T F O L I O R I S K A N D P E R F O R M A N C E



November 19, 2019 - [Lars N. Nielsen](#), [Ashwin Thapar](#), [Daniel Villalon](#)

As investors turn to addressing the risk of a severely declining market, we summarize five approaches to building a more resilient portfolio.

## F A C T O R / S T Y L E I N V E S T I N G



May 28, 2019 - [Thomas Maloney](#), [Alfie Brixton](#)

We examine the track record of Spanish investor Francisco Garcia Parames, leading Portfolio Manager of Bestinver Asset Management, and find that a large part of his success is attributable to patient exposure to well-rewarded factor premia.

