

T A X A W A R E



September 1, 2020 - [Nathan Sosner](#), [Joseph Liberman](#), [Steven Liu](#)

Preservation and transfer of wealth to future generations is one of the central financial goals for most high-net-worth families. We show that a family that invests with income and estate tax efficiency in mind can achieve substantially higher wealth levels than a family oblivious to taxes.

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



July 7, 2020 - [Bryan T. Kelly](#), [Seymon Malamud](#), [Lasse H. Pedersen](#)

We propose a new asset-pricing framework in which all securities' signals are used to predict each individual return. While the literature focuses on each security's own- signal predictability, assuming an equal strength across securities, our framework is flexible and includes cross-predictability.

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



June 4, 2020 - [Jacob Boudoukh](#), [Ronen Israel](#), [Matthew P. Richardson](#)

This paper derives the small sample bias of estimators in J horizon predictive regressions, providing a plug-in adjustment for these estimators. A number of surprising results emerge, including a higher bias for overlapping than nonoverlapping regressions despite the greater number of observations and particularly higher bias for an alternative long-horizon predictive regression commonly advocated for in the literature.

V A L U E



March 14, 2020 - [Ronen Israel](#), [Kristoffer Laursen](#), [Scott A. Richardson](#)

Undoubtedly, many systematic approaches to value investing have suffered recently. However, we find the popular suggestion that value investing is dead to be premature. We find expectations of fundamental information have been and continue to be an important driver of

security returns.

F I X E D I N C O M E



March 4, 2020 - [Jordan Brooks](#), [Scott A. Richardson](#)

We extend the analysis of systematic investment approaches to emerging market (EM) fixed income. We find that systematic exposures linked to carry, defensive, momentum and valuation themes are well compensated and lowly correlated in EM markets, and that a systematic approach to EM debt may be a powerful diversifier.

T A X A W A R E



March 2, 2020 - [Nathan Sosner](#), Stanley Krasner

For a taxable investor with a highly appreciated equity portfolio, replacing the portfolio manager is likely to trigger substantial tax liabilities. We find that a tax-aware relaxed-constraint post-transition strategy significantly outperforms a traditional tax-agnostic long-only strategy in its ability to preserve and grow the investors after-tax wealth over the long term.

L E V E R A G E



February 7, 2020 - [Todd Hazelkorn](#), [Tobias J. Moskowitz](#), [Kaushik Vasudevan](#)

Bases are driven by intermediaries' cost of capital and the amount of leverage demand for an asset. Focusing on leverage demand, we find bases negatively predict futures and spot market returns with the same sign in both global equities and currencies.

M A C H I N E L E A R N I N G



December 19, 2019 - Zheng Ke, [Bryan T. Kelly](#), Dacheng Xiu

We introduce a new text-mining methodology that extracts sentiment information from news articles to predict asset returns.

E S G I N V E S T I N G



October 10, 2019 - [Lasse H. Pedersen](#), [Shaun Fitzgibbons](#), [Lukasz Pomorski](#)

Combining several large data sets, we compute the empirical ESG-efficient frontier and show the costs and benefits of responsible investing.



September 19, 2019 - Viral V. Acharya, [Lasse H. Pedersen](#)

We discuss the effects of market liquidity risk on asset pricing, investment management, corporate finance, banking, financial crises, macroeconomics, monetary policy, fiscal policy, and other economic areas.

