MA XIYUAN

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EDUCATIONS

PBC School of Finance, Tsinghua University   *2019.09-2024.06*
Ph.D. in Finance

University of Western Australia (*Visiting*)   *2023.03-2023.09*

University of Sydney (*Visiting*)   *2022.09-2023.02*

Central University of Finance and Economics   *2015.09-2019.06*
Bachelor of Economics

PUBLICATIONS

[1] Kou, S., & Ma, X. (2023). From Gambling to Gaming: The Crowding Out Effect. **Finance Research Letters**, 59, 104791.

[2] Yin, L., & Ma, X. (2020). Oil shocks and stock volatility: new evidence via a Bayesian, graph-based VAR approach. **Applied Economics**, 52(11), 1163-1180.

WORKING PAPERS

[1] Beyond Returns: The Impact of Price Path Convexity on Mutual Fund Flows (2024)

with Yun Ling (City University of Macau) and Juan Yao (University of Sydney)

2024 FMA European Conference, 2024 EFMA Annual Meetings

This paper proposes that a performance signal derived from a mutual fund's price path significantly affects investors' capital allocation decisions. Using convexity to measure the price path shape, we show that mutual fund flows respond positively to this signal. Specifically, on average, a one-standard-deviation increase in the convexity leads to a 0.25% increase in mutual fund flows. The finding is robust to alternative convexity measurements and the market-share-adjusted fund flow measurement. Further analyses show that the flow-convexity relation weakens when price path is volatile, presents in both actively managed funds and passively managed funds, and is more pronounced in mutual funds with more unsophisticated investors. Mutual funds with high convexity do not outperform in subsequent months. Our results support the view that mutual fund investors rely on simple performance signals in their capital allocation decisions.

[2] Does Learning from Academia Help? Anomaly Exploitation and Mutual Funds Performance (2024)

with Jia He (Central University of Finance and Economics) and Ziqiong Xi (Tsinghua University)

Mutual funds generally exhibit limited exploitation of anomalies, as noted by Edelen et al. (2016). We provide a refined perspective on this issue and propose a new measure of skill, *Learning Ability (LA)*, motivated by the increase in anomaly-related positions following academic publications. We demonstrate that mutual funds engage in persistent learning activities, with their learning ability significantly predicting better performance. Specifically, funds in the top quintile of *LA*-sorted portfolios outperform the lowest *LA* funds by an annual alpha of 2%. Furthermore, we document a positive relation of learning ability and future fund flows. Our findings suggests that a subset of mutual funds effectively assimilate insights from academia and achieve superior performance.

WORK IN PROGRESS

Misalignment of Mutual Fund and Portfolio

International Turnover Determinants