

## MICHAEL HALLING

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### PROFESSIONAL EXPERIENCE

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- 07/2014 – present** Associate Professor, Department of Finance, Stockholm School of Economics
- 07/2012 – present** Swedish House of Finance (SHOF) Research Fellow
- 07/2012 – 06/2014** Assistant Professor (Tenure-Track), Department of Finance, Stockholm School of Economics
- 07/2007 – 06/2014** Assistant Professor (Tenure-Track), Department of Finance (DESB), University of Utah.

### EDUCATION

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- 2001 – Dec.2006** PhD in Finance at the University of Vienna with distinction (*committee:* Josef Zechner (advisor), Lubos Pastor, Elroy Dimson).
- 2000 – 2002** PhD in Computer Science at the Vienna University of Technology with distinction, Department for Software Technology and Interactive Systems (*Committee:* Stefan Biffl (advisor), Paul Grünbacher).
- 1995 – 2000** Master in International Business Administration at the University of Vienna with distinction.
- 1995 – 2000** Master in Computer Science at the Vienna University of Technology with distinction.

### PUBLICATIONS

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- Halling M., Pagano M., Randl O., Zechner J., 2008, "Where is the Market? Evidence from Cross-Listings in the U.S.", **Review of Financial Studies**, 21 (2), pp. 725-761.
- Dangl, T., Halling, M., 2012, *Predictive Regressions with Time-Varying Coefficients*, **Journal of Financial Economics**, 106 (1), pp. 157-181.
- Halling M., Moulton, P. C., Panayides, M., 2013, "Volume Dynamics and Multimarket Trading", **Journal of Financial and Quantitative Analysis**, 48 (2), pp. 489-518.
- Cremers, M., Halling, M., Weinbaum, D., 2015, *Aggregate Jump and Volatility Risk in the Cross-Section of Stock Returns*, **The Journal of Finance**, 70 (2), pp. 577-614.
- Halling, M., Pichler, P., Stomper, A., 2014, *The Politics of Related Lending*, **Journal of Financial and Quantitative Analysis**, forthcoming.

#### *Miscellaneous writings in finance*

- Erdogmus, H., Favaro, J., Halling, M., *Valuation of Software Initiatives under Uncertainty: Concepts, Issues, and Techniques*, in: Biffl S., Aurum A., Boehm B., Erdogmus H., Grünbacher P. (eds.) "Value-based Software Engineering", Springer Verlag, 2006.
- Halling, M., Stomper, A., J. Zechner, *Capital Market-Oriented Financing Prospects for Austrian SMEs*, Financial Stability Report of the Austrian Central Bank (Österreichische Nationalbank), 10, 2005.
- Halling, M., Mosburger, G., Randl O., *Individual Pension Accounts: An attractive Investment?*, *Journal of Financial Markets and Portfolio Management*, Vol. 18, 4, 2004 pp. 399-418 (in German).

Halling, M., Hayden, E., *Statistical techniques for the prediction of corporate defaults*, Management and Economy (Management und Wirtschaft), FH d. Bfi, 2004 (in German).

### Computer science

Six papers on quality assurance techniques in software engineering, especially software inspections, in A journals in computer science or IS such as *IEEE Transactions on Software Engineering*, *IEEE Journal of Automated Software Engineering* and *Journal of Management Information Systems*.

## RESEARCH FIELDS

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Predictability of Returns

Mutual Funds

Empirical Capital Structure Research

Cross-Sectional Asset Pricing and Anomalies

International Finance

Financial Econometrics

## WORKING PAPERS

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Drobetz, W., Halling, M., Schroeder, H., *Corporate Life-Cycle Dynamics of Cash Holdings*, March 2015

**Abstract:** This paper shows that the corporate life-cycle is an important dimension for the dynamics and valuations of cash holdings. Our results indicate that firms' cash policies are markedly interacted with their strategy choices. While firms in early stages and post-maturity stages hold large amounts of cash, cash ratios decrease when firms move towards maturity. Much of this variation in cash holdings is attributable to a changing demand function for cash over the different life-cycle stages. Trade-off and pecking order motives are of different importance for cash policies dependent on a firm's life-cycle stage. An additional dollar in cash is highly valuable for introduction and growth firms, while a dollar in cash adds, on average, less than a dollar in market value for firms in later life-cycle stages, most likely due to increasing agency problems. Most of the dynamics in cash holdings are observed at life-cycle transition points rather than during the different life-cycle stages. Finally, the secular trend in cash holdings seems strongly attributable to increases in cash in the introduction and the decline stage.

Halling, M., Yu, J., Zechner, J., *Leverage Dynamics over the Business Cycle*, October 2015 (**R&R at the JFE**).

**Abstract:** Surprisingly little is known about the business cycle dynamics of leverage. The few existing empirical studies report evidence that target leverage evolves pro-cyclically either for all firms (Korteweg and Strebulaev (2013)) or for financially constrained ones (Korajczyk and Levy (2003)). In contrast, we show that, for the average and the median firm, target leverage ratios evolve counter-cyclically once cyclicality is measured comprehensively, accounting for variation in explanatory variables and model parameters. These counter-cyclical dynamics are robust to different subsamples of firms (financially constrained and unconstrained firms), data samples (a quarterly, US-only and a yearly, international sample), empirical models of leverage, and definitions of leverage. There is a fraction of 10 to 25% of firms with pro-cyclical dynamics whose characteristics are consistent with counter-cyclical dynamics for loss-given-default and probability of default.

Cooper, M., Halling, M., Yang, W., *The Mutual Fund Fee Puzzle*, August 2015.

**Abstract:** We find economically large fee dispersion in the mutual fund industry, even after controlling for a comprehensive set of fund characteristics such as performance, activeness or risk exposures. This dispersion is not driven by small funds, as it is also substantial among the very largest funds (top quintile). It is also not driven by the early years of the sample; rather in contrast, dispersion measures show a tendency to increase until the late-90ties, to then stay at elevated levels until the recent financial crisis, and to only decrease slightly in most recent years. Further tests reveal that competition and frictions help explain expected fees but do not substantially lower fee dispersion. Interestingly, shocks to US household participation in the mutual fund industry significantly predict future increases in dispersion (and, to a lesser extent, in average fees).

## WORK IN PROGRESS

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- *Unique Mutual Funds* joint with Michael Cooper (Utah) and Wenhao Yang (Utah).
- *Jump and Volatility Risk in International Markets* joint with Martijn Cremers (Yale) and David Weinbaum (Syracuse).
- *Predictability of Stock Returns and Financial Crises* joint with Martijn Cremers (Yale) and Luc Laeven (IMF).
- *Predicting Risk Premia* joint with Thomas Dangl (Vienna University of Technology).

## INVITED PRESENTATIONS

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Financial Market Authority Research Seminar in Vienna (2004, Individual Pension Account Paper), Erasmus University Rotterdam (2005, Trading Volume Paper), University of Vienna (2006, Job Market Paper), Joint seminar of Economics and Management at the University of Vienna (2006, Trading Volume Paper), NHH Bergen (2007), National University Singapore (2007), Imperial College (2007), Washington University St. Louis (2007), University of Utah (2007), Stockholm School of Economics (2007), Tilburg University (2007), UNC (2009, brown bag), Boston University (2010), HEC Paris (2010, brown bag), ESMT Berlin (2010), Institute of Advanced Studies Vienna (2011), Copenhagen Business School (2011), Imperial College (2012), Stockholm School of Economics (2012), HEC Paris (2012), HEC Lausanne (2012), University of Amsterdam (2012), VU University Amsterdam (2012), University of Exeter Business School (2012), Goethe University Frankfurt (2012), University of Konstanz (2012), Arizona State University (2013), Vienna University of Business and Economics (2013), Stockholm University (2014), Stockholm School of Economics (Brown Bag, 2014, 2015), Nova/Catolica/ISEG/ISCTE (2015), Humboldt University Berlin (2015), University of Gothenburg (2015), Helsinki Finance Seminar (2016, scheduled).

## CONFERENCE PRESENTATIONS, DISCUSSIONS AND CHAIRS

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*Presentations:* Austrian Working Group on Banking and Finance (2003, Individual Pension Account Paper), Austrian Working Group on Banking and Finance (2004, Bank Default Prediction Paper), ECB-CFS Symposium on Capital Market Integration (2004, Trading Volume Paper), FIRS Conference (2004, Trading Volume Paper), *EFA (2004, Trading Volume Paper)*, *WFA (2005, Trading Volume Paper)*, Finance Symposium in Karlsruhe (2005, Equity Return Prediction Paper), NHH Skinance Workshop (2006, Trading Volume Paper), *EFA (2006, Equity Return Prediction Paper)*, FIRS Conference (2008, Equity Return Prediction Paper), NFA (2008, Volume Dynamics Paper), EWFC (2009, Related Lending Paper), FIRS Conference (2009, Volume Dynamics Paper), FMA Europe (2009, Volume Dynamics Paper), CEPR ESSFM (2009, Asset Pricing Week, Informal Session, Equity Return Pred. Paper), UBC Summer Conference (2009, 3-slides session, Equity Return Prediction Paper), FMA (2009, Volume Dynamics Paper and Equity Return Prediction Paper), European Winter Finance Summit (2010, Volume Dynamics Paper), *EFA (2010, Related Lending Paper)*, 21<sup>st</sup> Annual Conf. on Fin. Econ. and Acc., U. of Maryland (2010, Jump Risk Paper), *AFA (2011, Volume Dynamics Paper)*, CEPR ESSFM (2011, Asset Pricing Week, Fund Fee Paper (regular program)), *EFA (2011, Leverage Dynamics Paper)*, NFA (2011, Fund Fee Paper), 12th Symposium on Finance, Banking, and Insurance (2011, Fund Fee Paper & Jump Risk Paper), *AFA (2012, Leverage Dynamics Paper)*, FIRS Conference (2012, Leverage Dynamics Paper), *WFA (2012, Fund Fee Paper & Jump Risk Paper)*, *EFA (2012, Jump Risk Paper)*, 4Nations-Cup (2013, Leverage Dynamics Paper), Austrian Working Group on Banking and Finance (2013, Fund Fee Paper), Finance Symposium in Karlsruhe and German Finance Association (2014, Fund Fee Paper).

*Discussions:* IFSID Conference on Derivatives (2015), WFA (2013), EFA (2004, 2006, 2009, 2010, 2012, 2015), Vienna Symposia on AM (2006), NHH Skinance Conference (2007, 2010), FMA (2007, 2008, 2009, 2010), FIRS (2008, 2009, 2010), NFA (2008), CIREQ-CIRANO Financial Econometrics Conference (2009), FMA Europe (2009), Empirical Asset Pricing Retreat (2009, 2010), CEPR Summer Symposium (2009, Asset Pricing Week), KIT-DGF (2014).

*Chairs:* NFA (2008, 2011), EFA (2009, 2015), FMA (2009), UBC Winter Finance Conference (2010), KIT-DGF (2014).

## TEACHING EXPERIENCE

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**Awards:** Teacher of the Year 2014/2015 for Master-Level courses at SSE

### *Executive Level*

- Strategic Asset Allocation (2013)
- Asset Allocation and Alternative Investments (2013)

### *PhD Level:*

- Theory of Asset Pricing, University of Utah (2008, 2010)

### *Executive-MBA and MBA Level:*

- EMBA Finance Module, joint with Bo Becker, Stockholm School of Economics (2014-)
- Basic Statistics (in English, Finance MBA, Donau University Krems (2005-2006)), Backtesting (in German, MBA in Riskmanagement, FH Bfi Vienna (2003-2005)), Bond Fundamentals and Pricing (in German, Donau University Krems and Finance Academy of UNIQA Insurance (2005)).

### *Master Level:*

- Risk Management, Stockholm School of Economics (2013-)
- Quantitative Methods in Corporate Finance, joint with Laurent Bach, Stockholm School of Economics (2013-)
- Financial Modeling, University of Utah (2010-2012)

### *Undergraduate Level:*

- Head of the bachelor program in Finance, Stockholm School of Economics (2013-)
- Financial Modeling, University of Utah (2010-2012)
- Introduction to Investments, University of Utah (2007-2011)
- Market Risk Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2003, 2006)), Value Based Bank Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2005-2006)), Valuation (in English, 3rd/4th Year Undergraduate, University of Vienna (2004)), Creating Value and Corporate Governance (in English, 3rd/4th Year Undergraduate, University of Vienna (2005-2006)), Financial Policy (in English, 3rd/4th Year Undergraduate, University of Vienna (2006)), International Financial Management (in English, 3rd/4th Year Undergraduate, University of Vienna (2003-2005)).

## RESEARCH GRANTS/REFEREEING/PROGRAM COMMITTEES

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### *Research Grants*

- Nominated by SSE's Research Board for the Wallenberg Academy Fellows (2014)
- Part of Vinnova Grant on "Financial Stability" (2013-)
- Austrian Central Bank (OeNB Jubiläumsfondsprojekt), 01/2006 – 12/2006, Title: Equity Return Prediction: The Value of Analysts' Forecasts and Recommendations
- Austrian Central Bank (OeNB Jubiläumsfondsprojekt), 01/2004 – 12/2005, Title: The Attractiveness of Individual Pension Accounts

### *Refereeing*

Journal of Finance, Review of Financial Studies, JFQA, Review of Finance, Journal of Forecasting, Risk Journal, Journal of Banking and Finance, Journal of Empirical Finance, Empirical Economics, etc.

### *Program Committees*

WFA (2014-), EFA (2011-), FIRS (2014-), Utah Winter Finance Conference (2008-), MFA (2015-).

## PERSONAL INFORMATION

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**Date of Birth:** April 9<sup>th</sup>, 1976  
**Status:** Married (to Petra), 2 children (Tobias and Jakob)  
**Nationality:** Austrian