

# Accepted Manuscript

The impact of portfolio disclosure on hedge fund performance

Zhen Shi

PII: S0304-405X(17)30118-6  
DOI: [10.1016/j.jfineco.2017.06.001](https://doi.org/10.1016/j.jfineco.2017.06.001)  
Reference: FINEC 2777

To appear in: *Journal of Financial Economics*

Received date: 29 June 2015  
Revised date: 19 May 2016  
Accepted date: 20 May 2016

Please cite this article as: Zhen Shi , The impact of portfolio disclosure on hedge fund performance, *Journal of Financial Economics* (2017), doi: [10.1016/j.jfineco.2017.06.001](https://doi.org/10.1016/j.jfineco.2017.06.001)

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



## The impact of portfolio disclosure on hedge fund performance<sup>\*</sup>

Zhen Shi<sup>a,\*</sup>

<sup>a</sup> Georgia State University, J. Mack Robinson College of Business, 35 Broad Street, Atlanta, GA 30303, USA

### ABSTRACT

Consistent with the argument that portfolio disclosure reveals trade secrets, a difference-in-differences estimation suggests a drop in fund performance after a hedge fund begins filing Form 13F as well as an increase in return correlations with other funds in the same investment style. The drop in performance is concentrated among funds with larger expected proprietary costs of disclosure, for instance, funds that disclose a greater fraction of their assets or hold more illiquid stocks. The drop in performance cannot be fully explained by alternative explanations such as decreasing returns to scale or mean reversion in fund returns.

### Keywords

Mandatory portfolio disclosure, Hedge fund performance, Proprietary cost

### JEL classification

G23, G28

---

<sup>\*</sup> This paper is based on my dissertation at Arizona State University. I am grateful for the guidance and support from my dissertation advisors George Aragon (co-chair), Michael Hertzel (co-chair), and Jeffrey Coles. The paper has benefited from comments from an anonymous referee, Vikas Agarwal, Ilona Babenko, Thomas Bates, Sreedhar Bharath, David Hirshleifer, Bing Liang, Oliver Boguth, Nicolas Bollen (discussant), Mark Chen, Claudia Custodio, Gerald Gay, Itay Goldstein, Xin Hong (discussant), Lixin Huang, Jayant Kale, Omesh Kini, Laura Lindsey, Tingjun Liu, Vikram Nanda, Istvan Nagy (discussant), Josh Pierce, Dale Rosenthal, Harley Ryan, Scott Murray, Laura Starks, Yuehua Tang, Yuri Tserlukevich, Sunil Wahal, Na Wang, Wei Jiang, PengCheng Wan, Baozhong Yang, and conference and seminar participants at the Western Finance Association 2012 annual meeting, the Fourth Annual Hedge Fund Research Conference (2012), the Networks Financial Institute 2011 Financial Services Regulatory Reform Conference, the Financial Management Association 2010 Doctoral Student Consortium, the Eastern Finance Association annual meeting 2012, and the Financial Management Association annual meeting 2012, Arizona State University, Georgia State University, and Hong Kong University. I acknowledge financial support from the Networks Financial Institute at Indiana State University and its honorable mention award for best paper in financial services regulatory reform for 2010-2011.

<sup>\*</sup>Corresponding author.

Email address: [zshi@gsu.edu](mailto:zshi@gsu.edu) (Z. Shi).

<sup>a</sup>

متن کامل مقاله

دریافت فوری ←

**ISI**Articles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات