

LAURENT BARRAS

Full Professor in Asset Management – University of Luxembourg, Department of Finance

Fields of Interests

Empirical Asset Management: Mutual Funds, Hedge Funds
Empirical Asset Pricing: Asset Pricing Test, Variance Risk, Return Predictability

Current and Past Affiliations

Since 2022	Full Professor, University of Luxembourg
2016-2022	Associate Professor, McGill University, Canada
2016-2017	Visiting Researcher, HKUST, Hong Kong, China
2009-2015	Assistant Professor, McGill University, Canada
2008-2009	Visiting Researcher, Imperial College Business School, United Kingdom
2004-2007	Research Fellow, National Center of Competence Research, Switzerland

Current and Past Academic Positions

Since 2022	Head of Research Evaluation, Finance Area, University of Luxembourg Member of the Research Committee, University of Luxembourg
2020-2022	Director of the Desmarais Finance Research Center, McGill University, Canada
2018-2020	Department Chair, Finance Area, McGill University, Canada
2016	Head of Recruiting, Finance Area, McGill University, Canada
2013-2015	PhD Coordinator, Finance Area, McGill University, Canada

Other Appointments

Since 2023	Member of the Scientific Committee at the French Financial Market Authority
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Education

2002-2007	PhD in Finance, Swiss Finance Institute (SFI), University of Geneva <i>"Measuring Performance in Active Management: Evidence from Conditional Strategies and Mutual Funds"</i>
2000 - 2001	Master in Economics and Finance, University of Geneva, Switzerland
1996 - 1999	Bachelor in Business Studies (HEC), University of Geneva, Switzerland

Published Papers

- *"Is it Alpha or Beta? Decomposing Hedge Fund Returns when Models are Misspecified"*, 2024, **Journal of Financial Economics** 154, with D. Ardia, P. Gagliardini and O. Scaillet
- *"Skill, Scale, and Value Creation in the Mutual Fund Industry"*, 2022, **Journal of Finance** 77, 601-638, with P. Gagliardini and O. Scaillet

- "Reassessing False Discoveries in Mutual Fund Performance: Skill, Luck, or Lack of Power? A Reply", 2020, **Journal of Finance** (Replication and Corrigenda), 1-34, with O. Scaillet and R. Wermers
- "A Large-Scale Approach for Evaluating Asset Pricing Models", 2019, **Journal of Financial Economics** 134, 549-569
- "Does Variance Risk Have Two Prices? Evidence from the Equity and Option Markets", 2016, **Journal of Financial Economics** 121, 79-92, with A. Malkhozov
- "Hedge Fund Return Predictability Under the Magnifying Glass", 2013, **Journal of Financial and Quantitative Analysis** 48, 1057-1083, with D. Avramov and R. Kosowski
- "False Discoveries in Mutual Fund Performance: Measuring Luck in Estimated Alphas", 2010, **Journal of Finance** 65, 179-216, with O. Scaillet and R. Wermers
- "International Conditional Asset Allocation Under Specification Uncertainty", 2007, **Journal of Empirical Finance** 14, 443-464
- "How to Diversify Internationally? A Comparison of Conditional and Unconditional Asset Allocation Methods", 2003, **Financial Markets and Portfolio Management** 17, 194-212, with D. Isakov

Working Papers

- "Value Creation and Capital Formation in the Hedge Fund Industry", with D. Ardia
- "Why Do Homeowners Invest the Bulk of their Wealth in their Home?", with S. Betermier
- "A Supply-Demand Analysis of the Index Option Market", with G. Rousselet

Awards

- Best Teaching Award, Master in Finance (MMF), McGill University, 2020
- Desmarais Faculty Scholar Award, McGill University, 2018-2021
- Best Asset Pricing Paper Award at the 2022 Annual Conference of the French Finance Association for "Is it Alpha or Beta? Decomposing Hedge Fund Returns when Models are Misspecified"
- Swiss Finance Institute/Banque Privée Espirito Santo Outstanding Paper Prize for "False Discoveries in Mutual Fund Performance: Measuring Luck in Estimated Alphas"

Grants

- 2020 SSHRC Individual Research Grant
- 2018 CDI Research Grant (with A. Malkhozov and G. Rousselet)
- 2016 SSHRC Individual Research Grant
- 2016 CDI Research Grant (with A. Ardia, P. Gagliardini, and O. Scaillet)
- 2013 CDI Research Grant (with A. Malkhozov)
- 2011 SSHRC Individual Research Grant
- 2011 FQRSC New Researcher Grant
- 2008 Grant for Advanced Researcher, Swiss National Science Foundation
- 2007 Grant for Young Researcher, Swiss National Science Foundation

Press Articles and Interviews

- *"Luxemburgs Vorsprung wird kleiner"*, Luxembourg Wort, December 5, 2023
- *Interview on the Mutual Fund Industry with Jan and Caroline Bolmeson for their blog Rikatillsammans on personal finance*, May 2, 2021 ([link to video](#))
- *Des Fonds Communs Sans Danger (ou Presque)"*, Finance et Investissement, September 1, 2015, Claude Dostie Jr
- *"Is Hedge Fund Performance Driven by Changing Market Conditions? "*, ClearFacts, April 1, 2011
- *"Is Performance Worth the Price"*, National Post, July 29, 2010
- *"L'Industrie des Fonds Devra Réduire ses Coûts"*, Bilan Magazine, January 2010
- *"Analyse de Performance: Les Limites du Ratio de Sharpe"*, L'Agefi Magazine, Haute Finance, Fall 2004
- *"Comment Peut-on Manipuler le Ratio de Sharpe?"*, L'Agefi, April 28, 2004

Media Appearances

- *"This Strategy Beat the World's Best Hedge Funds – Don't Try It"*, Wall Street Journal, May 9, 2023, Spencer Jakab
- *"Le Débat entre Gestion Active ou Passive est Large et Passionné"*, AGEFI, September 17, 2019, Elsa Floret
- *"Approche Toujours Controverée"*, Finance et Investissement, November 15, 2014, Yan Barcelo
- *"And the Next Star Fund Manager is..."*, Wall Street Journal, January 17, 2014, Joe Light
- *"Almost No One Can Beat the Market "*, Market Watch (Wall Street Journal), October 25, 2013, by Howard Gold
- *"Twisting the Facts on Active Management"*, Financial Times, May 11, 2010, by Richard Stott
- *"Case for Active Management is Actually Strong"*, Financial Times, May 2, 2010, by Christophe Boucher and Bertrand Maillet
- *"Active Managers: Lucky, Skilful, or Useless?"*, Financial Times, October 21, 2009, by Pauline Skypala
- *"Going Ape"*, Forbes 2009 Investment Guide, December 8, 2008, by Zack O'Malley Greenburg
- *"The Prescient are Few"*, New York Times, July 13, 2008, in the Hulbert Financial Digest
- *"Les Gérants de Fonds ne Créent pas de Valeur, Répètent les Chercheurs"*, Le Temps, November 24, 2008, by Myret Zaki

Teaching Experience

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| 2024 | University of Luxembourg, Luxembourg |
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- Banks and Financial Markets (Undergraduate)
 - The Mutual Fund Industry (Undergraduate)
 - Financial Stability (Master in Finance and Economics)

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| Since 2016 | McGill University, Canada <ul style="list-style-type: none"> ▪ International Capital Markets (Master in Finance (MMF)) |
| 2019-2022 | McGill University, Canada <ul style="list-style-type: none"> ▪ Applied Investments (Undergraduate) ▪ International Capital Markets (MBA Japan) |
| 2009-2022 | McGill University, Canada <ul style="list-style-type: none"> ▪ Capital Markets and Financial Institutions (Undergraduate) ▪ Money and Capital Markets (MBA) |
| 2010-2012 | McGill University, Canada <ul style="list-style-type: none"> ▪ Performance Evaluation (Executive Education) |

Refereeing Activities

Journal of Finance, Journal of Financial Economics, Review of Financial Studies, Journal of Financial and Quantitative Analysis, Management Science, Review of Finance, Review of Asset Pricing Studies, Journal of the American Statistical Association, Journal of Econometrics, Journal of Financial Econometrics, Journal of Applied Econometrics, Journal of Business and Economic Statistics, Financial Analysts Journal, Journal of International Money and Finance, Journal of Banking and Finance, Journal of Empirical Finance, Journal of Financial Services Research

PhD Students and Recommendation Letters

- Aleksandr Ermakov, University of Luxembourg, University of Manchester
- Yan Wang, McGill, 2013, Letter writer, Rotterdam School of Management
- Saurin Patel, McGill, 2012, Letter writer, Ivey Business School
- Nick Pan, McGill, 2010, Letter writer, Tulane University

Program Committee

European Finance Association, Northern Finance Association, World Symposium on Investment Research, Paris Hedge Fund Research Conference, Cologne Colloquium of Financial Markets, Spring Finance Workshop (Conference organizer)

Seminars and Conferences (Presentation, Discussion, Chairing)

- 2023: Annual Hedge Fund Research Conference (Paris, France), University of Miami, HEC Montreal-McGill Winter Conference (Ischgl, Austria), Belgian Financial Research Forum (Bruxelles, Belgium), Conference on Professional Asset Management (Rotterdam, Netherlands), National Bureau Economic Research (NBER) Summer Meeting (Boston, USA), International Center for Pension Management (ICPM) Webinar (Virtual), International Center for Pension Management (ICPM) Discussion Forum (Copenhagen, Denmark), Collegio Carlo Alberto Asset Pricing Conference (Torino, Italy), Queen Mary (London, UK)

- 2022: HEC Montreal-McGill Winter Conference (Ischgl, Austria), McGill University, European Financial Management Association (EFMA) Meeting (Rome, Italy), Kepos Capital (Virtual)
- 2021: American Finance Association (AFA) Meeting (Virtual), University of Luxemburg, Rutgers University, University of Iowa, Western Finance Association (WFA) Meeting, (Virtual)
- 2020: HEC Montreal-McGill Finance Workshop (Mont-Tremblant, Canada), University of Luxemburg, Review of Asset Pricing Studies (RAPS) Winter Conference (Nassau, Bahamas), University of Sherbrooke, Sherbrooke, Eurofidai Winter Paris Conference (Virtual)
- 2019: European Finance Association (EFA) Meeting (Lisbon, Portugal), Colloquium on Financial Markets' Asset Management (Cologne, Germany), HEC Montreal-McGill Finance Workshop (Montebello, Canada)
- 2018: McMaster University, HEC Montreal-McGill Finance Workshop (Montebello, Canada), Swiss Finance Institute Research Days (Gerzensee, Switzerland), Western Finance Association (WFA) Meeting (San Diego, USA), University of Lugano, McGill University, Econometrics Community (EC²) Annual Meeting (Rome, Italy), Eurofidai Winter Paris Conference (Paris, France)
- 2017: American Finance Association (AFA) Meeting (Chicago, USA), Korea University, Western Finance Association (WFA) Meeting (Whistler, Canada), Eurofidai Winter Paris Conference (Paris, France)
- 2016: American Finance Association (AFA) Meeting (San Francisco, USA), Telfer Conference on Accounting and Finance (Ottawa, Canada), Vietnam Symposium in Banking and Finance (Hanoi, Vietnam), HKUST, HKUST Finance Symposium (Hong Kong, China)
- 2015: SFS Finance Cavalcade (Atlanta, USA), McGill Global Asset Management Conference, (Montreal, Canada), Northern Finance Association (NFA) Meeting, (Lake Louise, Canada)
- 2014: Queen's University, University of Geneva, Value Investing Conference at Ivey School (London, Canada), National Bureau Economic Research (NBER) Summer Meeting, (Boston, USA), European Finance Association (EFA) Meeting, (Lugano, Switzerland), Eurofidai Winter Paris Conference (Paris, France)
- 2013: HEC Montreal Winter Finance Workshop, (Mount St-Anne, Canada), European Finance Association (EFA) Meeting, (Cambridge, UK), Northern Finance Association (NFA) Meeting, (Quebec, Canada), Laval University
- 2012: CIRPEE conference on Applied Financial Time-Series (Montreal, Canada), Institute of Mathematical Finance (IFM2) Meeting, (Montreal, Canada), French Finance Association (AFFI) Meeting (Paris, France)
- 2011: McGill University, Institute of Mathematical Finance (IFM2) Meeting (Montreal, Canada), Financial Management Association (FMA) Meeting (Porto, Portugal)
- 2010: Institute of Mathematical Finance (IFM2) Meeting (Montreal, Canada)
- 2009: Erasmus University, HEC Montreal, McGill University, University of Toronto, Tilburg University, European Finance Association (EFA) Meeting (Bergen, Norway)
- 2005-2008: Imperial College Business School, WHU Campus for Finance (Vallendar, Germany), University of Neuchatel, Financial Management Association (FMA) Meeting, (Barcelona, Spain), Swissquote (Geneva, Switzerland), French Finance Association (AFFI) Annual Meeting (Paris, France), Zeuthen Conference Annual Meeting (Copenhagen, Denmark), Econometrics Community (EC²) Annual Meeting (Istanbul, Turkey), Imperial College Risk Management Conference (London, United Kingdom), Geneva Research Collaboration Center (CERN) (Geneva, Switzerland)