研究报告

2021 6 104 2021 5 19

2005-2020

14%

“ ”

Research Report

May 19th, 2021

Mutual Fund and Price Efficiency

Center for Asset Management

Jianfeng Yu, Shen Lin, Wei He and Shuwen Yang

Abstract: Mutual funds are the main channel for institutionalizing stock investment of retail investors which is considered as the most important approach to improve the market efficiency in China. However, the existing literature fails to provide evidence that mutual funds can improve the market price efficiency due to the neglect of management ability differences. By employing the data of the Chinese market from 2005 to 2020, this paper constructs the mutual fund holding quality (MHFQ) of stocks and investigates its predictive power on the future performance. The empirical results show that stocks with higher MHFQ earns a higher return than counterparts with lower HHFQ. The annualized return of H-L portfolio is about 14%. This phenomenon cannot be explained by the mutual fund holding weights, herding-induced price pressure, systemic risks and other pricing anomalies in the Chinese stock market. To our knowledge, this paper is the first one finding the direct evidence that mutual funds improves the pricing efficiency of stock market in China. The finding implies that only part of mutual funds in the market effectively manage their asset and then improving the market quality. Therefore, optimizing product evaluation on mutual fund to improve the capital allocation efficiency has significance to strengthen the positive effect of

2018 2018

2011 2007

2008 Bailey et al., 2011

Jones and Mo, 2020

2020 4.1

A 2.54

Fama and French, 2010

Chi, 2013 2020

2002

2010 2004

2011

2001

2004 2005

2002

2007 2014

2017

2018

2018 2012 2011

Carhart, 1997 Fama and French, 2010

Cohen et al., 2005 Wermers et al., 2012

50%

3930 2167

Mutual Fund Holding Quality MFHQ

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de-mean 12

Mutual Fund Holding Weight MFHW

Liu 2019

ME

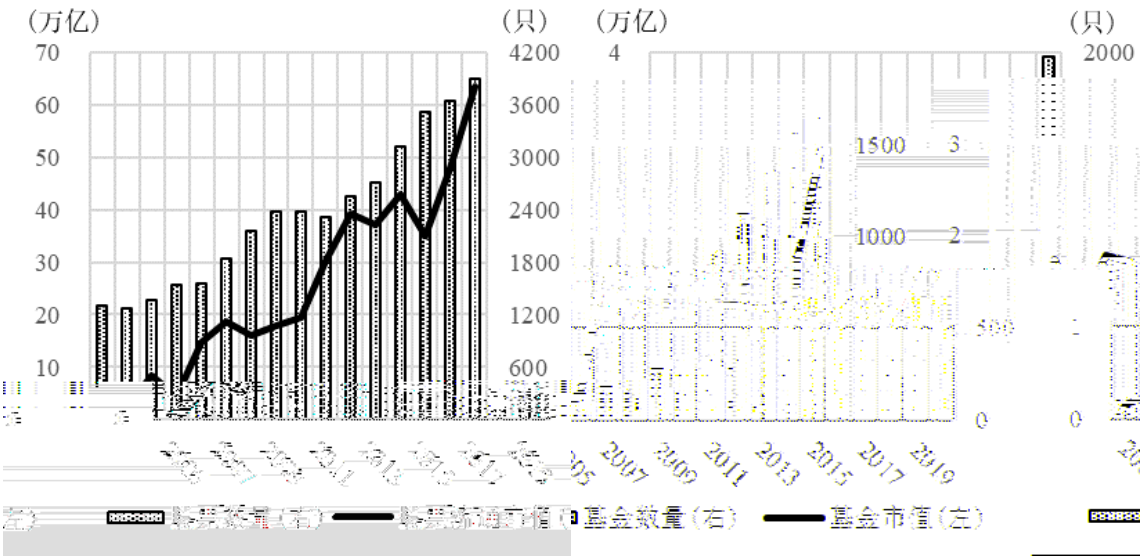
EP BM ROE

	VOLA	MAXRET
MOM	REV	TO
abTO		1

1

MFHQ MFHW

1



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12

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2005

1300 3.09 0.98

15

07-08 14-15

2020 12 3899

76.6 63.6

GDP 70%

2004

07-08

07 1.73

2005

110 2020 1980

An, 2016 Barber and Odean, 2000

Hong et al., 2019

2020

12 1919

2.93

12

2

2 09

90%

14 95%

2

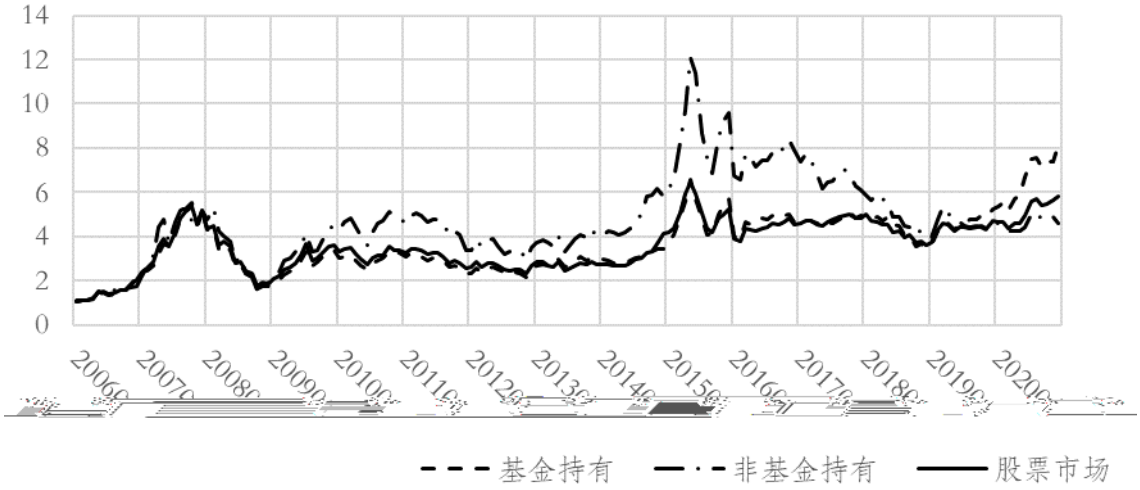
MFHQ

1-2

2 50%

5

MFHQ



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2020

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09-17

0.61 0.46

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3 MFHQ

3 MFHQ

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MFHQ Newy-West T MFHQ

MFHQ MOM REV MAXRET

2003

Liu et al., 2019 ME EP MFHQ

MFHQ

MFHW

2014 2013

Cohen 2005

MFHQ

MFHQ MFHW

MFHW Fama-MacBeth

3.1 MFHQ

MFHQ

4 ER

CAPM Size and Value in China

SVC alpha R

4 MFHQ

MFHQ

2006 1

2020 12

A MFHQ

MFHQ

9.79% 23.79%

13.06% MFHQ 13%

T=2.74 MFHQ

1

2

Bailey et al., 2011

Wardlaw, 2019

2014

A

MFHQ

CAPM SVC

14.20% 20.95% SVC

MFHQ

Wermers et al., 2012

SVC

30%

5% 0 Hou et al., 2021 MFHQ SVC 17.08% T 3.02 1% 0 CAPM SVC MFHQ R

Grinblatt and Titman, 1992

Amihud and Goyenko, 2013

B MFHQ

13.61% CAPM SVC 13.10% 16.23% R

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MFHQ

3 MFHQ

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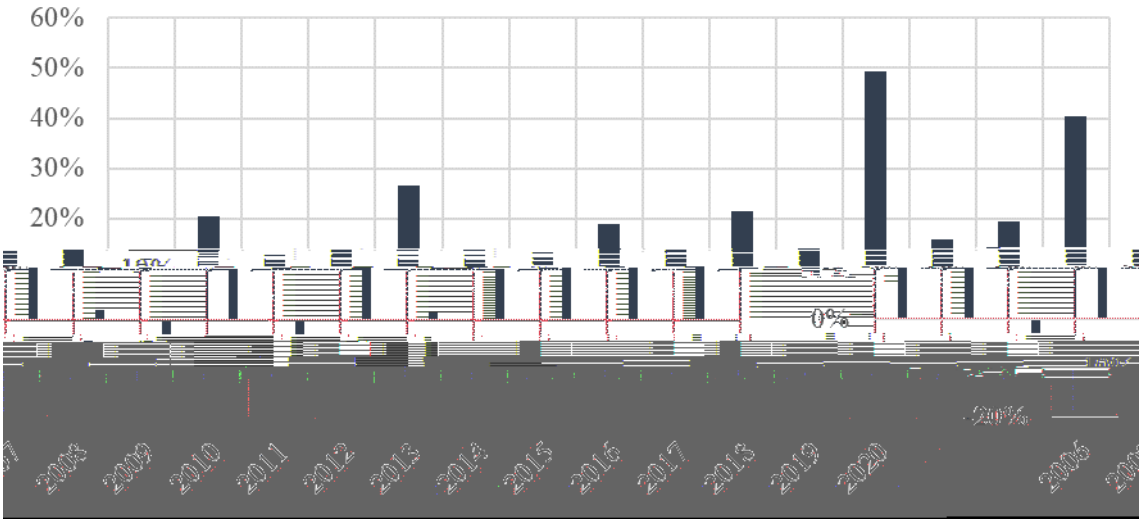
20% 2017 49.37%

MFHQ

2015 4

31%

MFHQ



3 MFHQ

3.2 MFHW

3 MFHQ

MFHW

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MFHW MFHQ

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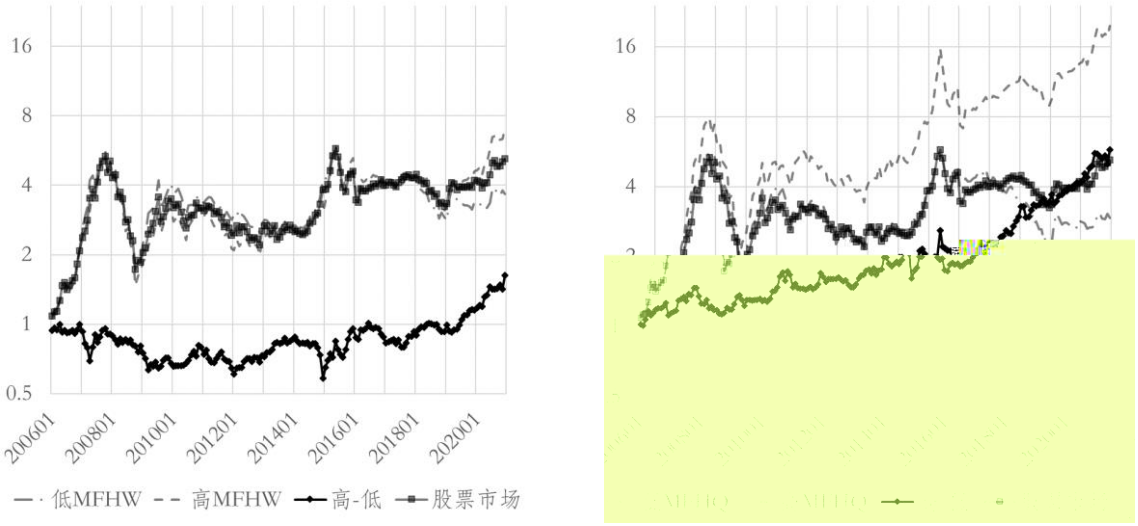
MFHQ MFHW

4 A B



A. B.

4 MFHW MFHQ

2003 2004

2014

MFHW

MFHW

MFHQ

MFHQ 2016 MFHQ

MFHQ

2016

2016

4 MFHQ MFHW

MFHW MFHQ

MFHW Weight Low, WL Weight High, WH

MFHW MFHQ Quality

Low, QL Quality High, QH

MFHW

5

L M L

MFHW QH QL

QH-QL MFHW

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CAPM SVC T

5 MFHQ

MFHW WL WM WH

MFHQ A

QH-QL

11.12% 0 CAPM

SVC 11.02% 14.21% MFHW

A

MFHW

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6 Fama-MacBeth

MFHQ

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ME EP BM

ROE VOLA MAXRET

MOM REV TO

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Newy-West T R 6

1 MFHQ 2 MFHQ MFHW 3 MFHQ MFHW 4 Newy-West T 6 A B

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MFHQ T 2.42 3.98 MFHW 2 95% 3 4 MFHQ

T 4 MFHQ 90% 0

MFHQ

Fama-MacBeth MFHQ

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2014 2015

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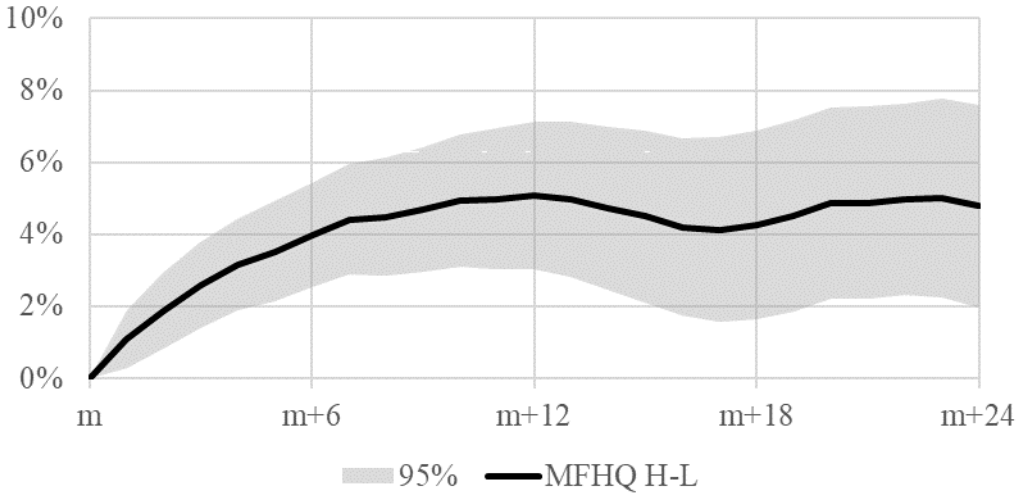

5 MFHQ

MFHQ

MFHQ

5 MFHQ

4 A 24

5 95%

MFHQ

5%

95% 0

7 MFHQ

6

ROE

ROE_growth ROA

ROA_growth SALE_growth

EARN_growth [3]

MFHQ 5

7

MFHQ

Newy-West 4 T

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6 ROE

ROE_growth ROE ROE ROE
ROA
ROA_growth SALE_growth EARN_growth ROE_growth ROE
ROA SALE EARN
1%

MFHQ

7 MFHQ

4.2

MFHQ

MFHQ

Kacperczyk et al., 2008 2013

Kacperczyk 2008 2013

Return Gap RG

t

t

RGalpha

24

RG^{alpha}

RG^{alpha}

MFHQ

1

12 CAPM RG^{alpha}

MFHQ 4

8 **Return Gap**

RG^{alpha} MFHQ

MFHQ

MFHQ

4.3

MFHQ

MFHQ

MFHQ A B

100 10 1 X

-1% 1%

X MFHQ 0

B 10%

X A 1% B

X X B

B

A

Berk and Green, 2004 Berk and Van

Binsbergen, 2015

L. Pástor and Stambaugh, 2012 Zhu, 2018

MFHQ

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MFHQ

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9 MFHQ

MFHQ

30%

MFHQ 6 24

9	MFHQ

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