Financial research is worthless
Thursday, July 16, 2015 17:13

Academic Financial Research was luckier than science. That says just an American finance professor.

Campbell Harvey (image) is Professor of Finance at the American Duke University in Durham, in North Carolina. The statistician is a specialist in portfolio and risk management. But he is not only a professor but also investment adviser to the British Man Group.

The academic financial research judged Harvey critically: "In my opinion, more than half of all research articles on financial market issues are faulty," he told the "Frankfurter Allgemeine Zeitung".

This means, in his view: More than half of the financial products that should bring on the basis of such studies a positive return, were based on false premises.

What Harvey calls

"Quite fundamentally true: If you lot tried anything works purely coincidental. Thus a result is significant, sufficiently high hurdles should be built, "continues the professor. But that was in the financial research rather less often the case.

The problem is not limited to the financial research according to Harvey. "There is no reason to assume that there is a difference between the natural and the financial research," says the American. In his view, the way it should be changed, is operated in the research.

Luck takes research?

What does this mean for investors? Harvey has ready two tips. First, professional investors should invest in quality and choose Portfólio Manager, create the bigger hurdles in their choice of investment strategy.

Secondly, private investors should establish a diversified, globally positioned Depot and be satisfied with what the market will bear.

"The research on investment funds in America has yet to provide any evidence that it is possible to systematically outperform the market. If they succeeded, it was my research to usually just lucky," says Harvey interesting conclusion.
Mark Mobius: The doyen of Asian ... After more than a quarter of a century at the top of the Templeton Emerging Markets Fund ... more

Innovative Hearing Aid 2015
Manufacturer and price ranges at a glance + free consultation! more

Daniel Hartmann: "The SNB pushes deeper into ... The Switzerland threatened a 'bloodless recovery>', claimed Daniel Hartmann, an economist at Bantleon ... more

After the end of the financial center Switzerland (lifting of banking secrecy) have to find new markets, the Swiss banks. Let them continue to benefit from ... 07.22.2015 11:38 Emil Laub

"... So Harvey's interesting conclusion. This is neither interesting nor new, Even Paul Samuelson knew 1974: "But a respect for evidence compels me ... 07.22.2015 11:33 by Burkhard Math

"We are working quickly. Four to eight weeks for new prototypes, which are then presented to the senior management," he says. "If we receive the green light for ... 07.12.2015 14:39 by Robert Lorave

Stefan Arp polarized, and rightly so! Nevertheless, it was always a pleasure to work for him, and he has always delivered. 16.07.2015 20:52 by Luis Jarray

And that's true so? Want Let's see how the Canton of Zurich is to pay a billion-copyists Zurich Kantonalbank! Ok, it is from the taxpayers ... 16.07.2015 11:52 by Alex Rheinheimer

------------------------------------------------------------------------------------------------------

Twittering

Now on the subject: Greece

philipp_kalwell Monopoly: The kapitalisschule game in the world Ach_ne '... there are still policy/ #Griechenland #Grexit

News German interview with investment professionals Peter Böning: shares despite Greek crisis to record highs. The Swiss ... http://t.co/4yc4GHSH

AntizensurDE Why I would not HAVE AGREED to the stability of aid to Greece • http://t.co/1JanyyXM

VeloDeutsch debt crisis in Greece | Made in Germany - Interview http://t.co/Tfpl9yZpX0

TeljameNoticias debt crisis in Greece | Made in Germany - Interview http://t.co/MWsqA3ny7P

------------------------------------------------------------------------------------------------------

How to Handle a Termination property
So you react perfect if you suddenly get the pink slip.

Selection

Kickbacks and other revolutions
Seven trends to which the whole asset management industry needs to adjust in the coming months.

Selection
Hot New Stock - GTSO
GTSO Capitalizing on Colorado's "Green Rush." Invest Now!