Department of
Economics and Finance

Working Paper No. 14-08

Persistent doubt: An examination of the performance of hedge funds

on 7 o A p or o n Fr n nn r *

a Profesor Contratado Doctor Departa ento de An s s Econ o co y F nanzas n vers dad de Cast a La Manc a Facu tad de CC Econ o cas y E presar a es de A bacete P aza de a n vers dad A bacete pa n

b Assoc ate Professor of F nance HEC Montrea c e n de a C te a nte Cat er ne Montr a H A Canada

c Professor of F nance Depart ent of Econo cs and F nance Brune n vers ty xbr dge London B PH n ted K ngdo*

r on Apr

*Corr pon n or
E a addresses r on 7 7 7 on 7
o p p or o (o p or o n Fr n nn r r o
Fr n nn r,

Acknowledgments: or ppor n r o C n nno n r n n r EC 7 r f or fro D A r r n r no D A for n p An rror r r pon of or

Persistent doubt: An examination of the performance

1. Data and performance measures

p on A o r f n r oo p o n o p o

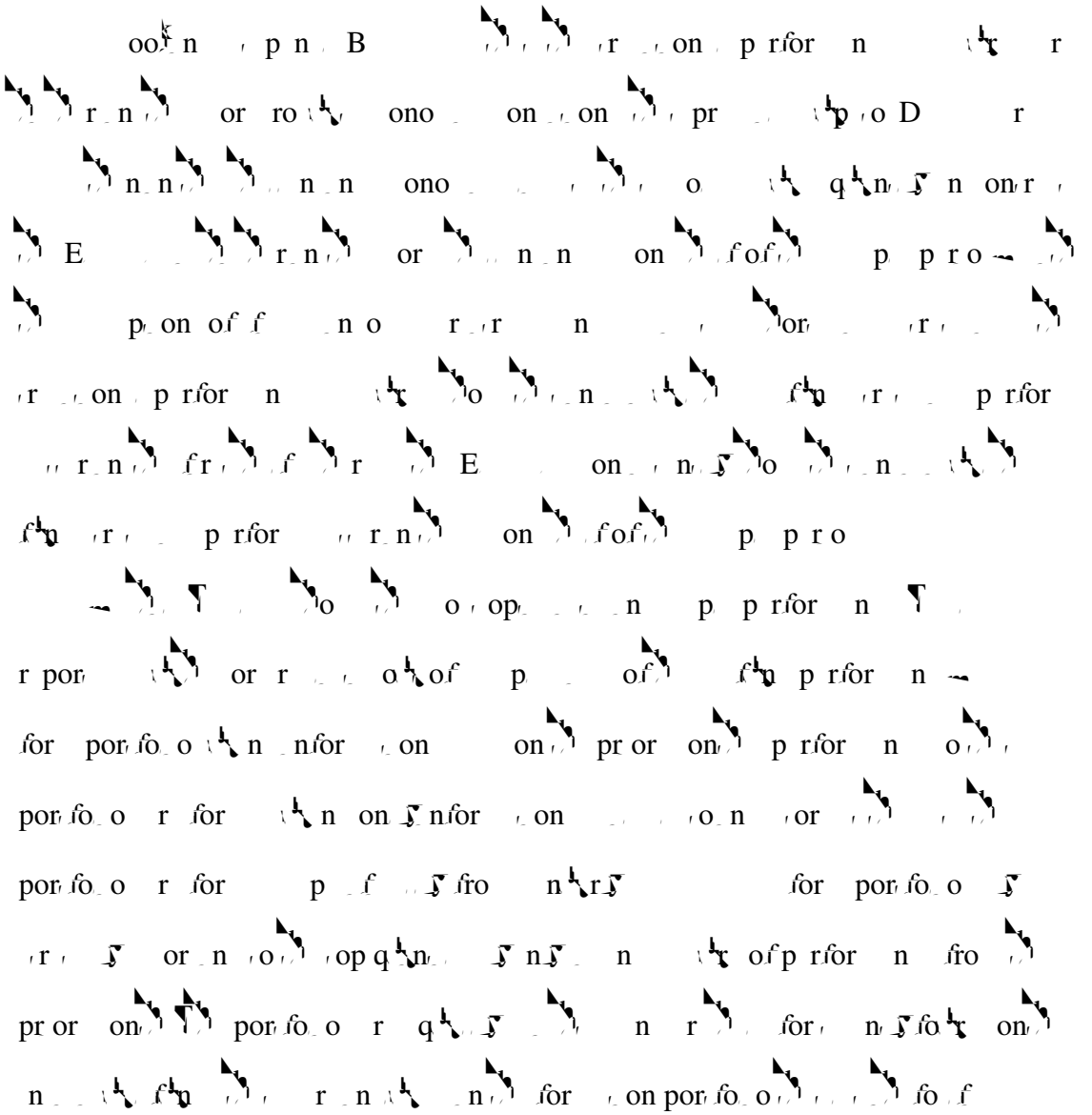
of f n o r r r

o r

f r n r o on r op q n por fo o for on o

f r of p r for n n o p r p r for n of r o

p r for n of r for o r r q n por fo o



3. Performance persistence

[illegible] r p r n n p r for n [illegible] o p r n [illegible] o [illegible] of p p r for n of por fo o for on [illegible] f [illegible] n [illegible] r q [illegible] n or n o n p r for n [illegible] r [illegible] o o o p r [illegible] f [illegible] n [illegible] r q [illegible] n por fo o r [illegible] r [illegible] n [illegible] f [illegible] n f r q [illegible] n [illegible] Bo [illegible] on [illegible] r on for [illegible] r n r on r of [illegible] f [illegible] n [illegible] on n r n f r q [illegible] n [illegible] o [illegible] r p o p r for n of on [illegible] por fo o n r [illegible] r o [illegible] of p p r for n or n o [illegible] E [illegible] on [illegible] f r [illegible] for on [illegible] p o n n [illegible] n n [illegible] fo [illegible] on [illegible] r [illegible]

n fr p r o r no p r n o or n o E r
r n n f n r of p r n o for F n o r
n or o on f of p p r o C r
f p n or r r n r pon o
n n ono on on
n r f n r n op p r for n f p
por fo o n o o r o no r p r for n
o for op q n por fo o r op por fo o or o n
or ro ono on on pr n fr f of p p r o
7 o 7 7 7 7 7 7 7

Table 1

u ary of the a p e of Hedge Funds

r por p n p r for n of f n fro n r n D r r
o p on fro r n A A r rn r n p r n rp r o A p
fro n f or r on of F n n o n for on r o E n p on proof
p r for n r of o 7 nn n D o r o of Bro n E r on r
r rn o orr pon n r rn

trategy Nu ber Assets Age f ge – 4 d – – 4 o – 4 – 4 a 4 s –

Table 2

In a p e Perfor ance

trategy	*Harpe ALPHA I EMPPM D*

January to Dece ber

Table 3

Out of a p e Perfor ance

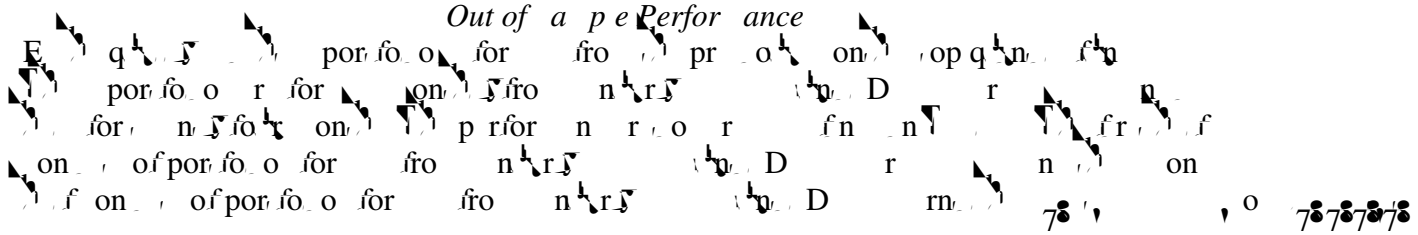


Table 4

Table 5

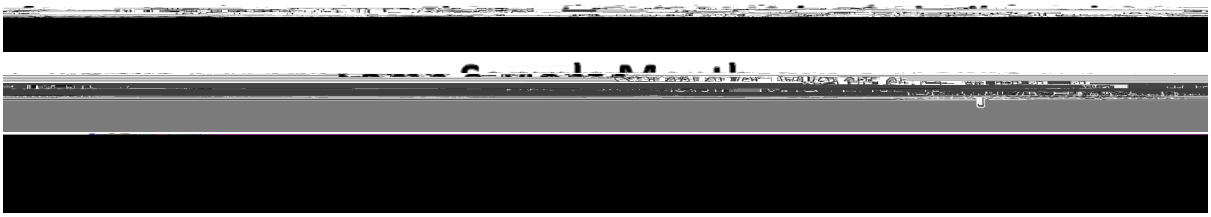
Performance Persistence of the EMPPM

Table 6

Doubtfu Perfor ance

E q por fo o for fro pr o on op q n f n
por fo o r for on or n o op q n n r of
p r for n fro n r n D r n for n fo r
on o r o of f n r n

Table 7

Pers stent Doubt

E por fo o for n 7