

Assessing Foreign Funds Geographical Region Timing Skill

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Abstract In this paper we use daily fund data and a multi-factor Treynor and Mazuy model to measure the regional market preferences and market timing ability of U.S.-based foreign open-end mutual funds during the 1999-2010. We report that as a group, foreign funds fail to time their focus market. However, during the time sub-period which includes the 2008 financial crisis, foreign funds not only have most of the assets invested in the U.S., but also demonstrated significantly good timing ability.

Keywords foreign mutual funds; timing ability;

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