

Stockholm School of Economics
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ACADEMIC APPOINTMENTS

Stockholm School of Economics

Assistant Professor (Department of Finance)

2023 - Present

Research Fellow (Swedish House of Finance)

2023 - Present

EDUCATION

UCLA Anderson School of Management

PhD in Finance

2017 - 2023

Vienna University of Economics and Business

MSc in Quantitative Finance

2015 - 2017

BSc in Business and Economics

2012 - 2015

RESEARCH INTERESTS

Asset Pricing, Macro Finance

WORKING PAPERS

The Making of Momentum: A Demand-System Perspective (Job Market Paper)

WFA 2023 Brattle Group Ph.D. Candidate Award

Presentations: BI-SHoF Conference (scheduled), Helsinki Finance Summit (scheduled), 10th SAFE Asset Pricing Workshop (scheduled), UNSW Asset Pricing Workshop (scheduled), AFA Annual Meeting (2023), WFA Meeting (2023), Bocconi University, Federal Reserve Board of Governors, Federal Reserve Bank of New York, INSEAD, NEOMA Business School, Stockholm School of Economics, Tilburg School of Economics and Management, Toulouse School of Economics, UCLA Anderson School of Management, University of Houston Bauer College of Business, USC Marshall School of Business, Warwick Business School

Abstract: I develop a framework to quantify which features of investors' trading strategies lead to momentum in equilibrium. Specifically, I distinguish two channels: persistent demand shocks, capturing underreaction, and the term structure of demand elasticities, representing an intensity of arbitrage activity that decreases with investor horizon. I introduce both aspects of dynamic trading into an asset demand system and discipline the model using the joint behavior of portfolio holdings and prices. I estimate the demand of institutional investors in the U.S. stock market between 1999 and 2020. On average, investors respond more to short-term than longer-term price changes: the term structure of elasticities is downward-sloping. My estimates suggest that this channel is the primary driver of momentum returns. Moreover, in the cross-section, stocks with more investors with downward-sloping term structures of elasticities exhibit stronger momentum returns by 7% per year.

How Competitive is the Stock Market? Theory, Evidence from Portfolios, and Implications for the Rise of Passive Investing, with Valentin Haddad and Erik Loualiche

WFA 2022 Elsevier Best Paper on Financial Institutions
2021 Q-Group Jack Treynor Prize
Financial Times, Risk.net, UCLA Anderson Review

Presentations: EFA Annual Meeting (2022), SFS Cavalcade North America (2022), Asian Financial Association Meetings (2021), UCLA Anderson Finance Brownbag (2021)

Co-Author Presentations: Tilburg Finance Summit (2023), AFA Annual Meeting (2023), Q Group Fall Seminar (2022), Minnesota Workshop in Macroeconomic Theory (2022), NBER SI Industrial Organization (2022), WFA Meeting (2022), LSE Paul Woolley Centre Conference (2022), HEC Paris CEPR Conference (2022), PHBS Workshop (2022), Adam Smith Workshop (2022), NBER Long-Term Asset Management (2022), UBC Winter Finance (2022), EUROFIDAI (2021), NBER SI Asset Pricing (2021), Virtual Finance Workshop (2021), CU Boulder, Unil/EPFL, Harvard Business School, INSEAD, Minnesota Carlson, Nova, NYU Stern, Princeton University, SAIF, Stanford GSB, UCLA Anderson, UIC, University of Maryland, University of Minnesota, University of Wisconsin at Madison, USC, Washington University St. Louis, WU Vienna

Abstract: We develop a framework to theoretically and empirically analyze how investors compete with each other in financial markets. In the classic view that markets are fiercely competitive, if a group of investors changes its behavior, other investors adjust their strategies such that nothing happens to prices. We propose a demand system with a flexible degree of strategic response and estimate it for institutional investors in the U.S. stock market. Investors react to the behavior of others in the market: when less aggressive traders surround an investor, she trades more aggressively. However, this strategic reaction is not nearly as strong as the classic view. Our estimates suggest that when a group of investors changes its behavior, the response of other investors only counteracts half of the direct impact. This result implies that the rise in passive investing over the last 20 years has led to substantially more inelastic aggregate demand curves for individual stocks by about 15%.

TEACHING

Stockholm School of Economics

MSc Asset Pricing and Investments

Fall 2023

UCLA Anderson School of Management (Teaching Assistant)

MFE Data Analytics and Machine Learning, Prof. Lars Lochstoer

Spring 2023

MFE Quantitative Asset Management, Prof. Bernard Herskovic

Spring 2023

MFE Statistical Arbitrage, Prof. Valentin Haddad

Fall 2020 - 2022

MFE Financial Risk Measurement and Management, Prof. Valentin Haddad

Spring 2019 - 2022

MFE Advanced Stochastic Calculus, Prof. Stavros Panageas

Fall 2019 - 2020

MBA Behavioral Finance, Prof. Avaniidhar Subrahmanyam

Spring 2023

MBA Foundations of Finance, Prof. David Wessels

Winter 2022

MBA Corporate Finance, Prof. Antonio Bernardo

Winter 2019

Vienna University of Economics and Business (Teaching Assistant)

MSc Microeconomics, Prof. Alexander Mürmann

Spring 2017

MSc Statistics, Prof. Kurt Hornik

Fall 2016

NON-ACADEMIC WORK EXPERIENCE

Predictive Analytics at Austrian Post

June 2017 - August 2017

Data Science Intern

WU Trading and Investment Society

May 2016 - June 2017

Head of Trading Team

Rating Model Validation at Raiffeisen Bank International
Quantitative Credit Risk Analyst

March 2015 - December 2016

Internship at Biomin Singapore
Management Trainee

August 2013 - September 2013

ACADEMIC WORK EXPERIENCE

UCLA Anderson School of Management
Research Assistant for Prof. Valentin Haddad

November 2018 - February 2019

Research assistance for Boyarchenko, Haddad and Plosser (2018, WP)

FELLOWSHIPS & AWARDS

WFA Brattle Group Ph.D. Award for “The Making of Momentum”	<i>2023</i>
WFA Elsevier Best Paper for “How Competitive is the Stock Market?”	<i>2022</i>
Q-Group Jack Treynor Prize for “How Competitive is the Stock Market?”	<i>2021</i>
UCLA Anderson Fellowship	<i>2017 - 2021</i>
WU Scholarship for Academic Excellence	<i>2013 - 2014</i>
WU Top League, Fellow	<i>2012 - 2015</i>

SKILLS

Computing	R, Julia, Python, SQL, git
Languages	German (native), English (fluent), Czech (basic)

REFERENCES

Valentin Haddad
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