

Lectures and Reading List

1. A history of the emerging asset class (including frontier markets), where it is today, and where it is heading. The evolution of benchmarks. The growing role of China.
 - a. "Emerging Equity Markets in a Globalizing World," Geert Bekaert, Campbell R. Harvey, National Bureau of Economic Research, 2017.
 - b. "Emerging Markets and the Future of Business History," by Gareth Austin, Carlos Dávila and Geoffrey Jones , Harvard Business School (2017).
 - c. "Built to Last Two Decades of Wisdom on Emerging Markets Allocations," by Juliana Bambaci, Chin-Ping Chia and Billy Ho October (MSCI 2012)
 - d. "Defining Emerging Markets," Philosophy of Money, August 2018 ([Link](#))
 - e. "China: A Visit to the Epicenter," KKR Insights, August 2018
 - f. "Emerging Markets—No Reward Without Risk," Ben Inker, GMO, August 2018 ([Link](#))
 - g. Emerging Markets Sources for Economic, Financial and Markets Indicators (PDF)
 - h. The Little Book of Emerging Markets: How To Make Money in the World's Fastest Growing Markets by Mark Mobius (Wiley 2012)

2. Development and Economic Convergence: Low-income high growers, the "Middle Income Trap," and the East-Asian "miracle."
 - a. "The Growth Report. Strategies for Sustained Growth and Inclusive Development," Commission on Growth and Development. ([Link](#))
 - b. "Ideas and Institutions – A growth Story" by Andrew Haldane, Bank of England, May 2018 ([BOE](#))
 - c. "Outperformers: High-Growth Emerging Economies and the Companies that Propel Them," McKinsey Global Institute, August 2018. ([Link](#))
 - d. A Discussion of Modernization, by Li Lu July 2014. ([Link](#))

- e. "Central Europe: Running Out of Steam," Financial Times, August 27, 2018 ([Link](#))
 - f. "Economic Restructuring & Sustainable Democracy: Challenge to Asian Emerging Economies," by George Abonyi, Center for Strategic and International Studies, July 2018. ([Link](#))
 - g. "East Asian Financial and Economic Development," by Randall Morck and Bernard Yeung, NBER Working Paper No. 23845, September 2017
 - h. "Slouching Towards Utopia?; An Economic History of the Long 20th Century," by Brad DeLong. ([Link](#))
 - i. "We were pirates too," Charles R. Morris, Foreign Policy. ([Link](#))
 - j. Why Nations Fail: The Origins of Power, Prosperity, and Poverty, by Daron Acemoglu and James Robinson, Random House, March 2012.
 - k. How Asia Works: Success and Failure in the World's Most Dynamic Region, by Joe Studwell, Grove Press, July, 2013.
3. The Efficient Market Hypothesis, cost of capital, alpha-generating factors; implications for emerging markets.
- a. "The Cross-Section of Equity Returns in Emerging Markets," by Yigit Atilgan, Ozgur Demirtuna; July 2018 ([Link](#))
 - b. "The performance of US-based emerging market mutual funds", by Halil Kiyamaz, Koray D. Simsek, (2017) Journal of Capital Markets Studies, ([Link](#))
 - c. "The Profitability Premium in Emerging Markets," by Masha Gordon, Pimco, December 2013. ([Link](#))
 - d. Your Complete Guide to Factor-Based Investing: The Way Smart Money Invests Today, by Andrew L. Berkin, Larry E. Swedroe, BAM Alliance Press, December 2016.
 - e. "Purgatory for Pessimists: An Unemotional, Factor-Based Approach to International Equities," by Ehren Stanhope, O'Shaughnessy Asset Management, July 2018. ([Link](#))
 - f. "The Discount Rate in Emerging Markets: A Guide," by Jaime Sabal, Department of Financial Management and Control, ESADE Business School, December, 2003.

- g. "Determinants of Emerging Market Sovereign Bond Spreads: Fundamentals vs Financial Stress," by Dimitri Bellas, Michael G. Papaioannou, and Iva Petrova, IMF Working Paper, December 2016.
- h. "Factoring" in the Emerging Markets Premium. Exploring Factor Indexes in Emerging Markets, MSCI , November 2014
- i. "Factor Investing in Emerging Markets", Morningstar, Patricia Oey, 12 Dec 2013
- j. "The Volatility Effect in Emerging Markets David Blitz," Juan Pang and Pim van Vliet* Emerging Markets Review, Vol. 16, pp. 31-45, 2013
- k. "How We Came to Develop an Ex-State-Owned Emerging Markets Index," by Jeremy Schwartz, Wisdom Tree Capital, October 10, 2017.
- l. "The Value and Size Effects in Emerging Markets," Advisory Research Investment Management, June 2014.
- m. "Global Factors and Emerging Market Spreads," by Martín González-Rozada, Eduardo Levy Yeyati, Journal of International Money and Finance, Volume 27, Issue 8, December 2008, Pages 1325-1336
- n. "What would you do if you discovered a new investment factor?" ([Abnormal Returns](#)).

4. What's your edge? A look at great investors. Implications for EM.

- a. "Buffett's Alpha," by Andrea Frazzini, David Kabiller, and Lasse Heje Pedersen, November 21, 2013.
- b. What Is Your Investing Edge? By John Huber ([Link](#))
- c. "Hedge Fund Manager Mark Sellers on Becoming a Great Investor," Talk at the Harvard Business School. ([Link](#))
- d. "Interview with Mexico's Carlos Slim on Business, Investing and Entrepreneurship", Investors Archive, 2016 ([Link](#)); "Documentary on Carlos Slim," Alux.com ([Link](#))
- e. "Interview with Brazil's Jorge Paulo Lehman," Investors Archive, 2017 ([Link](#))
- f. "Interview with Malaysia's Robert Kuok," CCTV ([Link](#))
- g. "Biography of Robert Kuok," China Morning Post, 2017 (PDF)

- h. "A Man for All Markets: From Las Vegas to Wall Street, How I Beat the Dealer and the Market, by Edward O. Thorp (Random House, January 2017).
 - i. Hedge Fund Market Wizards: How Winning Traders Win, by Jack D. Schwager (Wiley, April 2012).
- 5. Portfolio construction and investment process; a look at several successful approaches.
 - a. Emerging market portfolio strategies, investment performance, transaction cost and liquidity risk by Roberto Violi I Enrico Camerini II ([Link](#))
 - b. "Factor Investing in Emerging Markets Webinar," EDHEC Risk Institute, Scientific Beta,
 - c. "Revisiting the Traditional Emerging Market Equities Allocation Framework," GMO White Paper by Amit Bhartia and Mehak Dua , July 2017.
 - d. "Emerging Value and Margin of Superiority," Ben Inker, GMO Quarterly Letter, 2Q 2017
 - e. "Profitable Growth: Avoiding the 'Growth Fetish' in Emerging Markets," case study by Nan Zhou, Seung Ho Park and Gerardo R. Ungson (Harvard Business Review 2012).
 - f. "How Corporate Governance Matters" (Credit Suisse Research Institute)
 - g. "Corporate Governance in Emerging Markets," MSCI, June 2017.
 - h. Corporate Governance in China, MSCI, September 2017.
- 6. Behavioral Finance; fertile ground in EM. Country bias. Booms and panics.
 - a. "Threshold Models of Collective Behavior," Mark Granovetter. The American Journal of Sociology, Vol. 83, No. 6 (May, 1978), 1420-1443.
 - b. The Little Book of Stupidity: How We Lie to Ourselves and Don't Believe Others, by Sia Mohajer, November 16, 2015.
 - c. Domestic and foreign country bias in international equity portfolios, Erkin Diyarbakirlioglu, Journal of Multinational Financial Management, Volume 21, Issue 5, December 2011, Pages 301-329.

7. A history of bubbles and extreme cyclicity in Emerging Markets. Taking advantage of volatility to generate alpha.
- a. "The Recession of 2019," Gavekal Research. (PDF Fin. Papers)
 - b. The Volatility Machine, Michael Pettis (Oxford University Press, 2001)
 - c. Business cycles : history, theory and investment reality, by Lars Tvede, (Wiley,)2006
 - d. How to Make Money with Global Macro by Javier Gonzalez, 2016.
 - e. "Understanding EM Crisis," Variant Perception July 2018 (PDF)
 - f. "Dutch Tulips and Emerging Markets", Paul Krugman, *Foreign Affairs*, Vol. 74, No. 4 (Jul. - Aug., 1995), pp. 28-44
 - g. "A Primer on Emerging Market Crises," Rudiger Dornbusch, NBER Working Paper No. 8326, 2001
 - h. "Bubbles for Fama," Robin Greenwood Andrei Shleifer Yang You Working Paper 23191, National Bureau of Economic Research ([Link](#))
 - i. Is It Possible to Identify "Bubbles"? Can Investors Profit from This? May 29, 2017 by Michael Edesess, Advisor Perspectives
 - j. "A History of Emerging Markets Bear Markets," Ben Carlson, A Wealth of Common Sense, August 2018 ([Link](#))
 - k. Interview with Simon White, Variant Perception Transcript (PDF)
 - l. GLOBAL CYCLES: CAPITAL FLOWS, COMMODITIES, AND SOVEREIGN DEFAULTS, 1815-2015 Carmen M. Reinhart Vincent Reinhart Christoph Trebesch Working Paper 21958 <http://www.nber.org/papers/w21958>
 - m. The Asian Financial Crisis," Variant Perception ([Link](#))
 - n. What was the 1997 Asian financial crisis ([Link](#))

- o. Manias, Panics, and Crashes, by Charles Kindleberger, Sixth Edition, Palgrave Macmillan, 2011
 - p. "The Onset of the East Asian Financial Crisis," by Steven Radelet and Jeffrey Sachs, NBER Working Paper No. 6680, August 1998
 - q. "The Asian crisis: A view from the IMF," S Fischer, IMF, January 1998.
 - r. "What drives financial crises in emerging markets?," by Tuomas Komulainen and Johanna Lukkarila, Boffit Discussion Papers, 2003, No. 5.
8. The major institutional investors in EM. Characteristics of Institutional Investing. The influence of business-risk and career risk on portfolio decisions.
- a. Global Wealth Report 2017 (Credit Suisse Research Institute)
 - b. Why do hedge funds still exist?, Larry Swedroe, [ETF.com](#)
 - c. How do Sovereign Wealth Funds Invest? A Glance at SWF Asset Allocation," by State Street Global Advisors, International Forum of Sovereign Wealth Funds, December 2015.
9. The explosion of ETFs. Active vs. passive investing. ETFs in emerging markets. The role of ETFs in active investing. Fundamental and Smart Beta funds.
- a. "The Top 97 Emerging Markets ETFs," ETF.com.
 - b. "Smart-beta Fuels Best-Performing EM ETFs, ETF.com, October 24, 2016.
10. Technology and China's Industrial Planning: Robotics, AI, and Renewable energy.
- a. Interview with AI expert Kai-Fu Lee ([McKinsey](#))
 - b. China's tech lag highlighted ([SCMP](#))
 - c. China wants high-tech cars with German help ([NYT](#))
 - d. Wake up call for China's chip industry ([Caixing](#))
 - e. China leads the way with electric vehicles ([McKinsey](#))
 - f. A global look on Chinese robotics ([ZDNET](#))
 - g. Germany impedes China tech m&a ([WSJ](#))

- h. "China is leading in the robot wars" ([OZ](#))
- i. "This company's robots are changing the world," Bloomberg, October 2017 ([Link](#))
- j. "To Make a New Kind of Shoe Adidas Had to Change Everything," By Rowland Manthorpe, Wired.com, October 4, 2017.
- k. "Will technology enable workers or replace them? A long-read Q&A with Daron Acemoglu," by James Pethokoukis, AEIdeas Blog, October 2, 2017.
- l. "Tony Seba: A Futurist's Vision of Energy ," by Simon Lack, SL Advisors, October 8, 2017.
- m. "Digitization: The next stop for the apparel-sourcing caravan," by Achim Berg, Saskia Hedrich, Tim Lange, and Karl-Hendrik Magnus, The McKinsey Institute, September 2017.

11. The Rise of the Asian Consumer.

- a. The Emerging Consumer, Credit Suisse Research Institute, 2015.
- b. "Asia: Leaning In," by Henry H. McVey, KKR, October 11, 2017.

12. Frontier Markets

- a. "Frontier Stock Markets: Local vs Global Factors," Douglas W. Blackburn and Nusret Cakici, March 2017 .
- b. Frontier markets facing oblivion," Financial Times, June 29, 2018 ([Link](#))
- c. Frontier Investor: How to Prosper in the Next Emerging Markets, by Marko Dimitrijevic, Columbia Business School Publishing, Oct 18, 2016.