

# MICHAEL FARRELL

University of Kentucky  
Gatton College of Business and Economics  
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## Education

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Ph.D., Finance, University of Kentucky	(expected) 2019
M.Sc., Finance, Concordia University	2014
B.A., Economics, McGill University	2009

## Research Interests

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Investments, FinTech, Data Science

## Working Papers

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“Read Between the Filings: Daily Mutual Fund Holdings and Liquidity Provision”, 2018  
(Job Market Paper)

Many questions about mutual fund trading require daily holdings, yet mutual funds are only required to report quarterly holdings. I model intraquarter trading and use the genetic algorithm to estimate the trade pattern that is most consistent with the fund’s daily reported returns. I validate the model empirically on a sample of institutional trades from Ancerno and I confirm that the method more accurately predicts daily holdings when compared to existing naive assumptions. Further, my method is substantially more accurate in classifying a fund’s tendency to supply liquidity, and this increased precision has important implications for identifying superior performing funds. Specifically, a long-short strategy based on the model’s liquidity provision measures earns significant abnormal returns, while a similar strategy that relies on quarterly holdings does not exhibit any outperformance.

“The Democratization of Investment Research”, 2018 (with T. Clifton Green, Russell Jame, and Stanimir Markov)

We find evidence that crowdsourced investment research facilitates informed trading by retail investors and enhances market liquidity. Specifically, retail order imbalances are correlated with the tone of Seeking Alpha research article, and the ability of retail order imbalances to predict returns is significantly larger on research article days. Firms with exogenous reductions in crowdsourced research coverage experience significant increases in price impact and bid-ask spreads, and the effect is stronger for high retail ownership firms. Our findings suggest that technological innovations have helped democratize access to investment research with important implications for firm liquidity.

## Awards

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Gatton Fellowship	2017-2018
Luckett Fellowship	2014-2017
Outstanding Graduate Assistant Award	2016
Max Steckler Fellowship	2014-2015
M.Sc. Best Research Presentation	2013
Scotiabank M.Sc. Fellowship in Finance	2012

## Professional Activities

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FMA Doctoral Consortium Participant	2018
Referee for <i>Managerial Finance</i>	2018
Session Chair at FMA Conference	2016
Discussant at FMA Conference	2015, 2016

## Teaching Experience

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### *University of Kentucky*

FIN 300: Corporate Finance	Summer 2017
· Average evaluation: 4.85/5.00	
FIN 410: Investment Analysis	Summer 2016
· Average evaluation: 4.54/5.00	
B&E 105: Technology for Business Solutions	2015-2017
· Assistant in Online Mass Lecture	

## Programming Languages and Skills

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### Linux

Cloud computing

### Python

Webscraping, text parsing, and computational linguistics

Data management

Machine learning

### R, Stata

Statistical analysis

## Languages

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English (Native)

French (Fluent)

Spanish (Conversational)

## Memberships

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American Finance Association, Financial Management Association

## References

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### **Kristine Hankins** (co-chair)

William E. Seale Associate Professor of Finance

Phone: (859) 257-7726. Email: khank2@uky.edu.

### **Russell Jame** (co-chair)

Assistant Professor of Finance and Garvice D. Kincaid Faculty Fellow

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### **Chris Clifford**

Phillip Morris Associate Professor of Finance

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