

```

1  *** MASTERDATA FILE ***
2
3  ** CREATE AND STRUCTURE FUND DATA FILE
4  clear all
5  cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)"
6  import excel "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\stata test 2nd try.xlsx"
   , sheet("NBFL") firstrow
7
8  * DESTRING *
9  destring Flow Return Excessreturn MRP SMB HML PR1YR FlowL, replace force float dpcomma
10
11 * DATE FORMAT *
12 gen date2 = date(År, "DMY")
13 format date2 %td
14 gen year = year(date2)
15 format year %ty
16 gen month = month(date2)
17 drop År
18 drop MRP SMB HML PR1YR
19
20 encode Fondsnavn, generate(Fund)
21 drop Fondsnavn
22 sort Fund date2
23
24 save data, replace
25
26 ** CREATE AND STRUCTURE MARKET FACTOR DATA FILE
27 clear all
28 import excel "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\stata test 2nd try.xlsx"
   , sheet("MF") firstrow
29 destring MRP SMB HML PR1YR Rflm, replace force float dpcomma
30 gen date2 = date(date, "DMY")
31 format date2 %td
32 drop date
33 save MF, replace
34
35 ** RE-OPEN FUND DATA
36 use data, clear
37
38 ** IMPORT AND MERGE MARKET DATA
39 joinby date2 using MF, unmatched(none)
40
41 save masterdata, replace
42
43 *****
44 *** MASTERDATA FILE FOR RETAIL INVESTOR FUNDS ***
45
46 clear all
47 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
48 use masterdata, clear
49 xtset Fund date2
50 sort Fund date2
51 egen id = group(Fund)
52
53 * Drop funds with less than 100 investors over their entire life time
54 drop if id == 1
55 drop if id == 8
56 drop if id == 9
57 drop if id == 12
58 drop if id == 14
59 drop if id == 15
60 drop if id == 16
61 drop if id == 17
62 drop if id == 22
63 drop if id == 23
64 drop if id == 25
65 drop if id == 31
66 drop if id == 32
67 drop if id == 35
68 drop if id == 36
69 drop if id == 37
70 drop if id == 40
71 drop if id == 42
72 drop if id == 43
73 drop if id == 46

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74 drop if id == 60
75 drop if id == 61
76 drop if id == 62
77 drop if id == 69
78 drop if id == 74
79 drop if id == 76
80 drop if id == 79
81 drop if id == 81
82 drop if id == 83
83 drop if id == 86
84 drop if id == 87
85 drop if id == 88
86 drop if id == 89
87 drop if id == 90
88
89 drop id
90 save masterdata3, replace
91
92 *****
93 *** FIGURE 5 ***
94 ** PANEL A: YEARLY GROWTH AND RETURN
95 clear all
96 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
97 use masterdata, clear
98 tsset Fund date2
99 by Fund year: gen count=_N
100 gen int mdate = ym(year, month)
101 format mdate %tm
102 xtset Fund mdate
103
104 * ROLLING ONE YEAR RETURN AND FLOW
105 sort Fund mdate
106 gen rets = 1 + Return
107 by Fund (mdate) : gen int n_obs_r = sum(!missing(rets))
108 gen yrrets = (L1.rets*L2.rets*L3.rets*L4.rets*L5.rets*L6.rets*L7.rets*L8.rets*L9.rets*L10.
rets*L11.rets*L12.rets)
109 gen yrret = yrrets - 1
110
111 gen flow = 1 + Flow
112 by Fund(mdate) : gen int n_obs_f = sum(!missing(flow))
113 gen yrflows = (L1.flow*L2.flow*L3.flow*L4.flow*L5.flow*L6.flow*L7.flow*L8.flow*L9.flow*L10
.flow*L11.flow*L12.flow)
114 gen yrflow = yrflows - 1
115
116 drop if mi(yrret)
117 drop if mi(yrflow)
118
119 * SORT INTO PORTFOLIOS BASED ON LAST ONE YEAR RETURN **
120 egen returnrank = xtile(yrret) if yrret!=0, by(mdate) p(10(10)90)
121 collapse yrflow, by(returnrank) cw
122 twoway (line yrflow returnrank), title("Panel A Relative Return and Growth") xtitle(
"Return") ytitle("Yearly Growth") saving(growthreturn, replace)
123
124
125 ** PANEL B: YEARLY GROWTH AND STANDARD DEVIATION OF RETURN
126 clear all
127 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
128 use masterdata, clear
129 tsset Fund date2
130 by Fund year: gen count=_N
131 gen int mdate = ym(year, month)
132 format mdate %tm
133 xtset Fund mdate
134
135 * COMPUTE YEARLY GROWTH RATE IN T, ROLLING
136 gen flow=1 + Flow
137 by Fund(mdate) : gen int n_obs_f = sum(!missing(flow))
138 gen yrflows = (L1.flow*L2.flow*L3.flow*L4.flow*L5.flow*L6.flow*L7.flow*L8.flow*L9.flow*L10
.flow*L11.flow*L12.flow)
139 gen yrflow = yrflows - 1
140
141 * CALCULATE A RUNNING TOTALS OF RET AND RET^2 AND COUNT OF NON MISSING OBSERVATIONS
142 sort Fund mdate
143 by Fund (mdate), sort: gen sum_ret = sum(Return)
144 by Fund (mdate): gen sum_ret_sq = sum(Return^2)

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145 by Fund (mdate): gen int n_obs = sum(!missing(Return))
146 gen variance = (L1.sum_ret_sq - L12.sum_ret_sq)/(L1.n_obs-L12.n_obs) ///
147               - ((L1.sum_ret - L12.sum_ret)/(L1.n_obs-L12.n_obs))^2
148 gen sd = sqrt(variance)
149
150 drop if mi(sd)
151 drop if mi(yrflow)
152
153 * SORT INTO PORTFOLIOS BASED ON ONE YEAR STANDARD DEVIATION OF MONTHLY RETURNS
154 egen sdrank = xtile(sd) if sd!=0, by(mdate) p(10(10)90)
155 collapse yrflow, by (sdrank) cw
156
157 twoway (line yrflow sdrank), title("Panel B Relative Riskiness and Growth") xtitle("Std.
of return") ytitle("Yearly Growth") saving(growthsd, replace)
158
159
160 *****
161 *** TABLE 1 ***
162 ** LISTING FUND ID
163 clear all
164 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
165 use masterdata, clear
166 tsset Fund date2
167 bys Fund year: gen count= N
168 sort Fund date2
169 egen id = group(Fund)
170 sort Fund date2
171 keep Fund id
172 duplicates drop
173 save FundID, replace
174 log using Appendix 3 Fund ID, replace
175 leftalign Fund, all
176 list id Fund
177 log close
178 translate Appendix 3 Fund ID.smcl Appendix 3 Fund ID.pdf, replace
179
180 *****
181 *** TABLE 2 ***
182 ** FUND STATISTICS
183 clear all
184 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
185 use masterdata, clear
186 tsset Fund date2
187 bys Fund year: gen count= N
188 sort Fund date2
189 egen m_pr_fund = count(date2), by (Fund)
190 gen yr_pr_fund = m_pr_fund/12
191 collapse yr_pr_fund Forvaltningskapital (sum) Namedummy, by(Fund)
192 gen short = .
193 replace short = 1 if yr_pr_fund <=4
194 gen mediumshort = .
195 replace medium = 1 if yr_pr_fund >4
196 replace medium = . if yr_pr_fund >8
197 gen mediumlong = .
198 replace mediumlong = 1 if yr_pr_fund >8
199 replace mediumlong = . if yr_pr_fund >12
200 gen long_funds = 1 if yr_pr_fund > 12
201
202 gen s = .
203 replace s = 1 if yr_pr_fund <=5
204 gen md = .
205 replace md = 1 if yr_pr_fund >5
206 replace md = . if yr_pr_fund >10
207 gen lo = .
208 replace lo = 1 if yr pr fund >10
209
210 sum yr pr fund s md lo
211 sum Forvaltningskapital if s==1
212 sum Forvaltningskapital if md==1
213 sum Forvaltningskapital if lo==1
214
215 ** FACTOR DESCRIPTIVES AND CROSS-CORRELATION MATRIX
216 clear all
217 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
218 use masterdata, clear

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219 tsset Fund date2
220 bys Fund year: gen count= N
221 gen int mdate = ym(year, month)
222 format mdate %tm
223 xtset Fund mdate
224
225 collapse Rflm Excessreturn SMB HML PR1YR MRP Flow, by(mdate)
226
227 sum Rflm Excessreturn MRP SMB HML PR1YR Flow, detail
228 sum Rflm Excessreturn MRP SMB HML PR1YR Flow
229
230 correlate Rflm Excessreturn MRP SMB HML PR1YR Flow
231
232 ttest Rflm==0
233 ttest Excessreturn==0
234 ttest MRP==0
235 ttest SMB==0
236 ttest HML==0
237 ttest PR1YR==0
238 ttest Flow==0
239 *****
240 *** TABLE 3 ***
241 ** DEVELOPMENTS IN THE NORWEGIAN MUTUAL FUND MARKET
242
243 ** AVERAGES IN 2000, 2007, 2015
244 clear all
245 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
246 use masterdata, clear
247
248
249 ** COMPUTE AVERAGE ASSETS, NET FLOW, FLOW, AND RETURN
250 drop if year==1999
251 drop if year==2001
252 drop if year==2002
253 drop if year==2003
254 drop if year==2004
255 drop if year==2005
256 drop if year==2006
257 drop if year==2008
258 drop if year==2009
259 drop if year==2010
260 drop if year==2011
261 drop if year==2012
262 drop if year==2013
263 drop if year==2014
264
265 sort year
266 by year : sum Forvaltningskapital Nettotegning Flow Return Antallkundeforhold
267
268 collapse (sum) Forvaltningskapital Nettotegning Antallkundeforhold, by(date2)
269
270 *****
271 *** TABLE 4 ***
272 ** CARHART 4 FACTOR MODEL
273 clear all
274 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
275 use masterdata, clear
276 tsset Fund date2
277 bys Fund year: gen count= N
278 sort Fund date2
279 egen id = group(Fund)
280 sort Fund date2
281
282 statsby _b, by(Fund) saving(caregs, replace): reg Excessreturn MRP SMB HML PR1YR, robust
283
284 quietly: bys Fund: eststo: reg Excessreturn MRP SMB HML PR1YR, robust
285 regsave using regg, replace
286 esttab, se nostar r2
287 matrix C = r(coefs)
288 matrix S = r(stats)
289 eststo clear
290 local rnames : rownames C
291 local models : coleq C
292 local models : list uniq models
293 local i 0

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294
295 foreach name of local rnames {
296     local ++i
297     local j 0
298     capture matrix drop b
299     capture matrix drop se
300     foreach model of local models {
301         local ++j
302         matrix tmp = C[`i', 2*`j'-1]
303         if tmp[1,1]<. {
304             matrix colnames tmp = `model'
305             matrix b = nullmat(b), tmp
306             matrix tmp[1,1] = C[`i', 2*`j']
307             matrix se = nullmat(se), tmp
308         }
309     }
310     ereturn post b
311     quietly estadd matrix se
312     eststo `name'
313 }
314
315 local snames : rownames S
316 local i 0
317
318 foreach name of local snames {
319     local ++i
320     local j 0
321     capture matrix drop b
322     foreach model of local models {
323         local ++j
324         matrix tmp = S[`i', `j']
325         matrix colnames tmp = `model'
326         matrix b = nullmat(b), tmp
327     }
328     ereturn post b
329     eststo `name'
330 }
331 log using Table_3, replace
332 esttab using tab3.csv, se mtitle noobs compress nonumb replace
333 log close
334 translate Table_3.smcl Table_3.pdf, replace
335
336 *****
337 *** TABLE 7 ***
338 clear all
339 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
340 use caregs.dta
341 ren b_MRP MRP
342 ren b_SMB SMB
343 ren b_HML HML
344 ren b_PRLYR PRLYR
345 ren b_cons Alpha
346 joinby Fund using FundID
347 egen Rank=rank(-Alpha), unique
348 sort Rank
349 save Rankone, replace
350 gen Ranking = "Best" if Rank<6
351 replace Ranking = "Worst" if Rank>92
352 drop if mi(Ranking)
353 list Rank Fund id MRP SMB HML PRLYR Alpha, sepby(Ranking) header
354
355 *****
356 *** TABLE 5 ***
357 ** CARHART + FLOW(T-1)
358 clear all
359 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
360 use masterdata, clear
361 tsset Fund date2
362 bys Fund year: gen count=_N
363 sort Fund date2
364 egen id = group(Fund)
365 sort Fund date2
366
367 statsby b, by(Fund) saving(laregs, replace): reg Excessreturn MRP SMB HML PRLYR FlowL,
robust

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368
369 quietly: bys Fund: eststo: reg Excessreturn MRP SMB HML PR1YR FlowL, robust
370
371 esttab, se nostar r2
372 matrix C = r(coefs)
373 matrix S = r(stats)
374 eststo clear
375 local rnames : rownames C
376 local models : coleq C
377 local models : list uniq models
378 local i 0
379
380 foreach name of local rnames {
381     local ++i
382     local j 0
383     capture matrix drop b
384     capture matrix drop se
385     foreach model of local models {
386         local ++j
387         matrix tmp = C[`i', 2*`j'-1]
388         if tmp[1,1]<. {
389             matrix colnames tmp = `model'
390             matrix b = nullmat(b), tmp
391             matrix tmp[1,1] = C[`i', 2*`j']
392             matrix se = nullmat(se), tmp
393         }
394     }
395     ereturn post b
396     quietly estadd matrix se
397     eststo `name'
398 }
399
400 local snames : rownames S
401 local i 0
402
403 foreach name of local snames {
404     local ++i
405     local j 0
406     capture matrix drop b
407     foreach model of local models {
408         local ++j
409         matrix tmp = S[`i', `j']
410         matrix colnames tmp = `model'
411         matrix b = nullmat(b), tmp
412     }
413     ereturn post b
414     eststo `name'
415 }
416 log using Table_4, replace
417 esttab using tab4.csv, se mtitle noobs compress nonumb replace
418 log close
419 translate Table 4.smcl Table 4.pdf, replace
420
421 *****
422 *** TABLE 8 ***
423 clear all
424 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
425 use laregs.dta
426 ren b MRP MRP
427 ren _b_SMB SMB
428 ren _b_HML HML
429 ren _b_PR1YR PR1YR
430 ren _b_FlowL FlowL
431 ren _b_cons Alpha
432 joinby Fund using FundID
433 egen Rank=rank(-Alpha), unique
434 sort Rank
435 save Ranktwo, replace
436 gen Ranking = "Best" if Rank<6
437 replace Ranking = "Worst" if Rank>92
438 drop if mi(Ranking)
439 list Rank Fund id MRP SMB HML PR1YR FlowL Alpha, sepby(Ranking) header
440
441 *****
442 *** TABLE 6 ***

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443 ** CARHART + FLOW
444 clear all
445 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
446 use masterdata, clear
447 tsset Fund date2
448 bys Fund year: gen count=_N
449 sort Fund date2
450 egen id = group(Fund)
451 sort Fund date2
452
453 statsby _b, by(Fund) saving(latregs, replace): reg Excessreturn MRP SMB HML PR1YR Flow,
robust
454
455 quietly: bys Fund: eststo: reg Excessreturn MRP SMB HML PR1YR Flow, robust
456
457 esttab, se nostar r2
458 matrix C = r(coefs)
459 matrix S = r(stats)
460 eststo clear
461 local rnames : rownames C
462 local models : coleq C
463 local models : list uniq models
464 local i 0
465
466 foreach name of local rnames {
467     local ++i
468     local j 0
469     capture matrix drop b
470     capture matrix drop se
471     foreach model of local models {
472         local ++j
473         matrix tmp = C[`i', 2*`j'-1]
474         if tmp[1,1]<. {
475             matrix colnames tmp = `model'
476             matrix b = nullmat(b), tmp
477             matrix tmp[1,1] = C[`i', 2*`j']
478             matrix se = nullmat(se), tmp
479         }
480     }
481     ereturn post b
482     quietly estadd matrix se
483     eststo `name'
484 }
485
486 local snames : rownames S
487 local i 0
488
489 foreach name of local snames {
490     local ++i
491     local j 0
492     capture matrix drop b
493     foreach model of local models {
494         local ++j
495         matrix tmp = S[`i', `j']
496         matrix colnames tmp = `model'
497         matrix b = nullmat(b), tmp
498     }
499     ereturn post b
500     eststo `name'
501 }
502 log using Table 5, replace
503 esttab using tab5.csv, se mtitle noobs compress nonumb replace
504 log close
505 translate Table_5.smcl Table_5.pdf, replace
506
507 *****
508 *** TABLE 9 ***
509
510 clear all
511 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
512 use latregs.dta
513 ren _b_MRP MRP
514 ren _b_SMB SMB
515 ren _b_HML HML
516 ren _b_PR1YR PR1YR

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517 ren _b Flow Flow
518 ren _b cons Alpha
519 joinby Fund using FundID
520 egen Rank=rank(-Alpha), unique
521 sort Rank
522 save Rankthree, replace
523 gen Ranking = "Best" if Rank<6
524 replace Ranking = "Worst" if Rank>92
525 drop if mi(Ranking)
526 list Rank Fund id MRP SMB HML PR1YR Flow Alpha, sepby(Ranking) header
527
528
529 *****
530 *** CHANGES IN RANKING ***
531 clear all
532 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
533 use Rankone
534 drop MRP SMB HML PR1YR Alpha Fund
535 ren Rank Rank1
536 joinby id using Ranktwo
537 drop MRP SMB HML PR1YR Alpha Fund
538 ren Rank Rank2
539 joinby id using Rankthree
540 drop MRP SMB HML PR1YR Alpha
541 leftalign Fund, all
542 gen ID = id
543 gen rank1 = Rank1
544 gen rank2 = Rank2
545 gen Rank3 = Rank
546 drop id Rank1 Rank2 Rank
547 ren rank1 Rank1
548 ren rank2 Rank2
549
550 gen oneminustwo = Rank1 - Rank2
551 gen oneminusthree = Rank1 - Rank3
552 sort oneminustwo
553
554 save ranking, replace
555
556 *****
557 *** TABLE 10 ***
558 clear all
559 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
560 use masterdata, clear
561 gen long mdate = ym(year, month)
562 format %tm mdate
563 *bysort Fund: replace mdate = mdate + _n - 1
564 isid Fund mdate, sort
565
566 * Generate before, during and after the financial crisis dummies
567 gen byte bcrisis=mdate<=mofd(mdy(11,30,2007))
568 gen byte dcrisis=mdate>=mofd(mdy(12,31,2007)) & mdate<=mofd(mdy(06,30,2009))
569 gen byte acrisis=mdate>mofd(mdy(07,31,2009))
570
571 ** COMPUTE CONTROL VARIABLES **
572 * Monthly LOG TNA in t-1
573 sort Fund year
574 gen ltna = log(Forvaltningskapital)
575 by Fund : gen ltna lag = ltna[ n-1]
576
577 * Age variable - this is age by months - give absolutely nothing to the market
578 * models
579 sort Fund mdate
580 gen a = 1
581 by Fund : gen agemonth=sum(a)
582 drop a
583
584 * Drop years with less than twelve months
585 bys Fund year: gen count=_N
586 drop if count<12
587
588 * Standard deviation of monthly return in past years
589 xtset Fund mdate
590 * CALCULATE SOME RUNNING TOTALS OF RET AND RET^2
591 by Fund (mdate), sort: gen sum_ret = sum(Excessreturn)

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592 by Fund (mdate): gen sum ret sq = sum(Excessreturn^2)
593 * AND A RUNNING COUNT OF NON MISSING OBSERVATIONS
594 by Fund (mdate): gen int n obs = sum(!missing(Excessreturn))
595 * NOW CALCULATE RUNNING STANDARD DEVIATIONS
596 gen variance = (L1.sum ret sq - L12.sum ret sq)/(L1.n obs-L12.n obs) ///
597               - ((L1.sum_ret - L12.sum_ret)/(L1.n_obs-L12.n_obs))^2
598 gen sd = sqrt(variance)
599 *drop if mi(sd)
600
601 ** CREATE ALPHAS **
602 * ----- basic regression mata code: DO NOT CHANGE CODE BELOW -----
603 * linear regression in Mata using quadcross() - help mata cross(), example 2
604 mata:
605 mata clear
606 mata set matastrict on
607 real rowvector myreg(real matrix Xall)
608 {
609     real colvector y, b, Xy
610     real matrix X, XX
611
612     y = Xall[.,1]           // dependent var is first column of Xall
613     X = Xall[.,2::cols(Xall)] // the remaining cols are the independent variables
614     X = X,J(rows(X),1,1)   // add a constant
615
616     XX = quadcross(X, X)   // linear regression, see help mata cross(), example 2
617     Xy = quadcross(X, y)
618     b = invsym(XX) * Xy
619
620     return(rows(X), b')
621 }
622 end
623 * ----- end of basic regression mata code: DO NOT CHANGE CODE ABOVE -----
624
625
626 rangestat (myreg) Excessreturn MRP SMB HML PRLYR, interval(mdate -11 0) by(Fund) casewise
627 rename myreg* (obs b_MRP b_SMB b_HML b_PRLYR b_cons)
628
629
630 * ----- spot check the coefficients for a few cases -----
631
632 local i 50
633 reg Excessreturn MRP SMB HML PRLYR if inrange(mdate, mdate[`i']-11, mdate[`i']) & Fund ==
634 Fund[`i']
635 list obs b * in `i'
636
637 local i 150
638 reg Excessreturn MRP SMB HML PRLYR if inrange(mdate, mdate[`i']-11, mdate[`i']) & Fund ==
639 Fund[`i']
640 list obs b_* in `i'
641
642 * Rank alphas
643 drop if mi(sd)
644 ren b_cons alpha
645 egen alphanrank=rank(alpha), by(mdate) unique
646 sort mdate Fund
647 by mdate : replace alphanrank = alphanrank/_N
648
649 * Piecewise linear regression fixed effect with rank on Carhart's alpha
650 mkspline P1 0.2 P2 0.4 P3 0.6 P4 0.8 P5 = alphanrank
651 * Total
652 eststo Total : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna lag sd, robust absorb(Fund)
653 * Before
654 eststo Before : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna lag sd if bcrisis==1, robust
655 absorb(Fund)
656 * During
657 eststo During : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna_lag sd if dcrisis==1, robust
658 absorb(Fund)
659 * After
660 eststo After : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna_lag sd if acrisis==1, robust absorb
661 (Fund)
662
663
664 estout Total Before During After, cells(b(star fmt(%9.3f)) se(par)) starlevels(* 0.10 **
665 0.05 *** 0.010) stats(r2_a N, fmt(%9.3f %9.0g) labels(Adj_R-squared)) legend title("Table
666 10") label collabels(none) varlabels(FlowL "Flow(t-1)" ltna_lag "Log TNA(t-1)" sd SD P1 Q1
667 (BOTPERF) P2 Q2 P3 Q3 P4 Q4 P5 Q5(TOPPERF) _cons Constant)

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659
660 *****
661 *** TABLE 11 ***
662 clear
663 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
664 use masterdata, clear
665 gen long mdate = ym(year, month)
666 format %tm mdate
667 *bysort Fun: replace mdate = mdate + n - 1
668 isid Fund mdate, sort
669 xtset Fund mdate
670
671 * Generate before, during and after financial crisis dummies
672 gen byte bcrisis=mdate<=mofd(mdy(11,30,2007))
673 gen byte dcrisis=mdate>=mofd(mdy(12,31,2007)) & mdate<=mofd(mdy(06,30,2009))
674 gen byte acrisis=mdate>mofd(mdy(07,31,2009))
675
676 by Fund: gen ReturnL = Return[ n-1]
677 by Fund: gen MRL = MR[_n-1]
678
679 * Fixed effect regressions
680 eststo Total : qui areg Return Flow FlowL ReturnL MR MRL, robust absorb(Fund)
681 * Fixed effect before (<2008), during (2008-2009) and after (>2009) financial crisis
682 eststo Before : qui areg Return Flow FlowL ReturnL MR MRL if bcrisis==1, robust absorb(
Fund)
683 eststo During : qui areg Return Flow FlowL ReturnL MR MRL if dcrisis==1, robust absorb(
Fund)
684 eststo After : qui areg Return Flow FlowL ReturnL MR MRL if acrisis==1, robust absorb(Fund)
685
686 estout Total Before During After, cells(b(star fmt(%9.3f)) se(par)) starlevels( * 0.10 **
0.05 *** 0.010) stats(r2 a N, fmt(%9.3f %9.0g) labels(Adj R-squared)) legend title("Table
11") label collabels(none) varlabels(FlowL Flow(t-1) ReturnL Return(t-1) MR "Market
return" MRL "Market return(t-1)" cons Constant)
687
688 *****
689 *** TABLE 12 ***
690
691 * 3-month flow
692 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
693 use masterdata, clear
694 bys Fund year: gen count=_N
695 drop if count<12
696 gen int mdate = ym(year, month)
697 format mdate %tm
698 xtset Fund mdate
699 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
700 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
701 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
702 generate qflow = exp(s3.sumlogflow) - 1
703 ** Quantile portfolios
704 egen qportfolio = xtile(qflow) if qflow!=., by(mdate) p(20(20)80)
705 ** Mean flow for quantiles
706 drop if mi(qportfolio)
707 collapse qflow, by(qportfolio)
708 ren qportfolio Flow
709 save 3-month_flow, replace
710
711 * 6-month flow
712 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
713 use masterdata, clear
714 bys Fund year: gen count= N
715 drop if count<12
716 gen int mdate = ym(year, month)
717 format mdate %tm
718 xtset Fund mdate
719 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
720 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
721 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
722 generate hyflow = exp(s6.sumlogflow) - 1
723 ** Quantile portfolios
724 egen hypportfolio = xtile(hyflow) if hyflow!=., by(mdate) p(20(20)80)
725 ** Mean flow for quantiles
726 drop if mi(hypportfolio)
727 collapse hyflow, by(hypportfolio)
728 ren hypportfolio Flow

```

```

729 save 6-month flow, replace
730
731 * 1-yr flow
732 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
733 use masterdata, clear
734 bys Fund year: gen count=_N
735 drop if count<12
736 gen int mdate = ym(year, month)
737 format mdate %tm
738 xtset Fund mdate
739 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
740 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
741 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
742 generate yrflow = exp(s12.sumlogflow) - 1
743 ** Quantile portfolios
744 egen yrportfolio = xtile(yrflow) if yrflow!=., by(mdate) p(20(20)80)
745 ** Mean flow for quantiles
746 drop if mi(yrportfolio)
747 collapse yrflow, by(yrportfolio)
748 ren yrportfolio Flow
749 save 1-yr_flow, replace
750
751 * 3-years flow
752 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
753 use masterdata, clear
754 bys Fund year: gen count=_N
755 drop if count<12
756 gen int mdate = ym(year, month)
757 format mdate %tm
758 xtset Fund mdate
759 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
760 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
761 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
762 generate threeyrflow = exp(s36.sumlogflow) - 1
763 ** Quantile portfolios
764 egen threeyrportfolio = xtile(threeyrflow) if threeyrflow!=., by(mdate) p(20(20)80)
765 ** Mean flow for quantiles
766 drop if mi(threeyrportfolio)
767 collapse threeyrflow, by(threeyrportfolio)
768 ren threeyrportfolio Flow
769 save 3-yr_flow, replace
770
771 * 5-years flow
772 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
773 use masterdata, clear
774 bys Fund year: gen count= N
775 drop if count<12
776 gen int mdate = ym(year, month)
777 format mdate %tm
778 xtset Fund mdate
779 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
780 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
781 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
782 generate fiveyrflow = exp(s60.sumlogflow) - 1
783 ** Quantile portfolios
784 egen fiveyrportfolio = xtile(fiveyrflow) if fiveyrflow!=., by(mdate) p(20(20)80)
785 ** Mean flow for quantiles
786 drop if mi(fiveyrportfolio)
787 collapse fiveyrflow, by(fiveyrportfolio)
788 ren fiveyrportfolio Flow
789 save 5-yr flow, replace
790
791 use 3-month flow, clear
792 joinby Flow using 6-month_flow
793 joinby Flow using 1-yr_flow
794 joinby Flow using 3-yr_flow
795 joinby Flow using 5-yr_flow
796
797 xpose, clear varname
798 gen Flow = "3-month flow" if _varname=="qflow"
799 replace Flow = "6-month flow" if _varname=="hyflow"
800 replace Flow = "1-year flow" if _varname=="yrflow"
801 replace Flow = "3-year flow" if _varname=="threeyrflow"
802 replace Flow = "5-year flow" if _varname=="fiveyrflow"
803 drop _varname

```

```

804 gen Q1 = v1
805 gen Q2 = v2
806 gen Q3 = v3
807 gen Q4 = v4
808 gen Q5 = v5
809 drop v1 v2 v3 v4 v5
810 gen Q5minQ1 = Q5-Q1
811 drop if Q1 == 1
812 format Q1 Q2 Q3 Q4 Q5 Q5minQ1 %9.3f
813 list
814
815 *****
816 *** TABLE 13 ***
817 ** HORIZON-BY-HORIZON
818
819 ** 3-MONTH FLOW
820 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
821 use masterdata, clear
822
823 * Drop observations for funds that are less than 1 year, defining 1-year as one times
  january to december
824 bys Fund year: gen count= N
825 drop if count<12
826
827 * Set date with new date variable
828 gen int mdate = ym(year, month)
829 format mdate %tm
830 xtset Fund mdate
831
832 * Cumulative growth rates; it cumulate three months rolling
833 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
834 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
835 generate qflow = exp(s3.sumlogflow) - 1
836
837 by Fund : gen qflowL = qflow[ n-1]
838
839 ** Quantile portfolios - 5 quintiles based the cumulative three month flow each month
840 egen qportfolioL = xtile(qflowL) if qflowL!=., by(mdate) p(20(20)80)
841 drop if mi(qportfolioL)
842
843 keep Fund mdate Excessreturn qflowL qportfolioL
844 sort qportfolioL mdate
845
846 mean Excessreturn, over(qportfolioL)
847
848 gen Q1 = Excessreturn if qportfolioL==1
849 gen Q2 = Excessreturn if qportfolioL==2
850 gen Q3 = Excessreturn if qportfolioL==3
851 gen Q4 = Excessreturn if qportfolioL==4
852 gen Q5 = Excessreturn if qportfolioL==5
853
854 * One sample ttest
855 * here we get p-values almost equal to zero for the alternative
856 * hypotheses that the mean is more and unequal to zero
857 ttest Q1 == 0
858 ttest Q2 == 0
859 ttest Q3 == 0
860 ttest Q4 == 0
861 ttest Q5 == 0
862
863 ** Hold top 20% short bottom 20%
864 collapse Q5 Q1, by(mdate)
865 sort mdate
866 gen LS = Q5-Q1
867 mean LS
868 ttest LS == 0
869
870 ** 6-MONTH FLOW
871 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
872 use masterdata, clear
873
874 * Drop observations for funds that are less than 1 year, defining 1-year as one times
  january to december
875 bys Fund year: gen count= N
876 drop if count<12

```

```

877
878 * Set date with new date variable
879 gen int mdate = ym(year, month)
880 format mdate %tm
881 xtset Fund mdate
882
883 * Cumulative growth rates; it cumulate three months rolling
884 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
885 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
886 generate hyflow = exp(s6.sumlogflow) - 1
887
888 by Fund : gen hyflowL = hyflow[_n-1]
889
890 ** Quantile portfolios - 5 quintiles based the cumulative six month flow each month
891 egen hyportfolioL = xtile(hyflowL) if hyflow!=., by(mdate) p(20(20)80)
892 drop if mi(hyportfolioL)
893
894 keep Fund mdate Excessreturn hyflowL hyportfolioL
895 sort hyportfolioL mdate
896
897 mean Excessreturn, over(hyportfolioL)
898
899 gen Q1 = Excessreturn if hyportfolioL==1
900 gen Q2 = Excessreturn if hyportfolioL==2
901 gen Q3 = Excessreturn if hyportfolioL==3
902 gen Q4 = Excessreturn if hyportfolioL==4
903 gen Q5 = Excessreturn if hyportfolioL==5
904 * One sample ttest
905 * here we get p-values almost equal to zero for the alternative
906 * hypotheses that the mean is more and unequal to zero
907 ttest Q1 == 0
908 ttest Q2 == 0
909 ttest Q3 == 0
910 ttest Q4 == 0
911 ttest Q5 == 0
912
913 ** Hold top 20% short bottom 20%
914 collapse Q5 Q1, by(mdate)
915 sort mdate
916 gen LS = Q5-Q1
917 mean LS
918 ttest LS == 0
919
920 ** 1-YEAR FLOW
921 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
922 use masterdata, clear
923
924 * Drop observations for funds that are less than 1 year, defining 1-year as one times
  january to december
925 bys Fund year: gen count= N
926 drop if count<12
927
928 * Set date with new date variable
929 gen int mdate = ym(year, month)
930 format mdate %tm
931 xtset Fund mdate
932
933 * Cumulative growth rates; it cumulate three months rolling
934 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
935 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
936 generate yrflow = exp(s12.sumlogflow) - 1
937
938 by Fund : gen yrflowL = yrflow[ n-1]
939
940 ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
941 egen yrportfolioL = xtile(yrflowL) if yrflow!=., by(mdate) p(20(20)80)
942 drop if mi(yrportfolioL)
943
944 keep Fund mdate Excessreturn yrflowL yrportfolioL
945 sort yrportfolioL mdate
946
947 mean Excessreturn, over(yrportfolioL)
948
949 gen Q1 = Excessreturn if yrportfolioL==1
950 gen Q2 = Excessreturn if yrportfolioL==2

```

```

951 gen Q3 = Excessreturn if yrportfolioL==3
952 gen Q4 = Excessreturn if yrportfolioL==4
953 gen Q5 = Excessreturn if yrportfolioL==5
954 * One sample ttest
955 * here we get p-values almost equal to zero for the alternative
956 * hypotheses that the mean is more and unequal to zero
957 ttest Q1 == 0
958 ttest Q2 == 0
959 ttest Q3 == 0
960 ttest Q4 == 0
961 ttest Q5 == 0
962
963 ** Hold top 20% short bottom 20%
964 collapse Q5 Q1, by(mdate)
965 sort mdate
966 gen LS = Q5-Q1
967 mean LS
968 ttest LS == 0
969
970 ** 3-YEAR FLOW
971 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
972 use masterdata, clear
973
974 * Drop observations for funds that are less than 1 year, defining 1-year as one times
  january to december
975 bys Fund year: gen count=_N
976 drop if count<12
977
978 * Set date with new date variable
979 gen int mdate = ym(year, month)
980 format mdate %tm
981 xtset Fund mdate
982
983 * Cumulative growth rates; it cumulate three months rolling
984 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
985 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
986 generate tyrflow = exp(s36.sumlogflow) - 1
987
988 by Fund : gen tyrflowL = tyrflow[ n-1]
989
990 ** Quantile portfolios - 5 quintiles based the cumulative 3-year flow each month
991 egen tyrportfolioL = xtile(tyrflowL) if tyrflow!=., by(mdate) p(20(20)80)
992 drop if mi(tyrportfolioL)
993
994 keep Fund mdate Excessreturn tyrflowL tyrportfolioL
995 sort tyrportfolioL mdate
996
997 mean Excessreturn, over(tyrportfolioL)
998
999 gen Q1 = Excessreturn if tyrportfolioL==1
1000 gen Q2 = Excessreturn if tyrportfolioL==2
1001 gen Q3 = Excessreturn if tyrportfolioL==3
1002 gen Q4 = Excessreturn if tyrportfolioL==4
1003 gen Q5 = Excessreturn if tyrportfolioL==5
1004 * One sample ttest
1005 * here we get p-values almost equal to zero for the alternative
1006 * hypotheses that the mean is more and unequal to zero
1007 ttest Q1 == 0
1008 ttest Q2 == 0
1009 ttest Q3 == 0
1010 ttest Q4 == 0
1011 ttest Q5 == 0
1012
1013 ** Hold top 20% short bottom 20%
1014 collapse Q5 Q1, by(mdate)
1015 sort mdate
1016 gen LS = Q5-Q1
1017 mean LS
1018 ttest LS == 0
1019
1020 ** 5-YEAR FLOW
1021 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1022 use masterdata, clear
1023
1024 * Drop observations for funds that are less than 1 year, defining 1-year as one times

```

```

1025  january to december
1026  bys Fund year: gen count=_N
1027  drop if count<12
1028  * Set date with new date variable
1029  gen int mdate = ym(year, month)
1030  format mdate %tm
1031  xtset Fund mdate
1032
1033  * Cumulative growth rates; it cumulate three months rolling
1034  by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1035  by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1036  generate fyrflow = exp(s60.sumlogflow) - 1
1037
1038  by Fund : gen fyrflowL = fyrflow[_n-1]
1039
1040
1041  ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
1042  egen fyrportfolioL = xtile(fyrflowL) if fyrflow!=., by(mdate) p(20(20)80)
1043  drop if mi(fyrportfolioL)
1044
1045  keep Fund mdate Excessreturn fyrflowL fyrportfolioL
1046  sort fyrportfolioL mdate
1047
1048
1049  mean Excessreturn, over(fyrportfolioL)
1050
1051  gen Q1 = Excessreturn if fyrportfolioL==1
1052  gen Q2 = Excessreturn if fyrportfolioL==2
1053  gen Q3 = Excessreturn if fyrportfolioL==3
1054  gen Q4 = Excessreturn if fyrportfolioL==4
1055  gen Q5 = Excessreturn if fyrportfolioL==5
1056  * One sample ttest
1057  * here we get p-values almost equal to zero for the alternative
1058  * hypotheses that the mean is more and unequal to zero
1059  ttest Q1 == 0
1060  ttest Q2 == 0
1061  ttest Q3 == 0
1062  ttest Q4 == 0
1063  ttest Q5 == 0
1064
1065
1066  ** Hold top 20% short bottom 20%
1067  collapse Q5 Q1, by(mdate)
1068  sort mdate
1069  gen LS = Q5-Q1
1070  mean LS
1071  ttest LS == 0
1072  *****
1073  *** TABLE 14 ***
1074  ** HORIZON-BY-HORIZON
1075
1076  ** 3-MONTH FLOW
1077  cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1078  use masterdata, clear
1079
1080  * Drop observations for funds that are less than 1 year, defining 1-year as one times
1081  january to december
1082  bys Fund year: gen count= N
1083  drop if count<12
1084
1085  * Set date with new date variable
1086  gen int mdate = ym(year, month)
1087  format mdate %tm
1088  xtset Fund mdate
1089
1090  * Cumulative growth rates; it cumulate three months rolling
1091  by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1092  by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1093  generate qflow = exp(s3.sumlogflow) - 1
1094
1095  by Fund : gen qflowL = qflow[_n-1]
1096
1097  ** Keep only large funds (30% largest)
1098  egen size = xtile(Forvaltningskapital) if Forvaltningskapital!=., by(mdate) p(30(40)70)

```

```

1098 keep if size == 3
1099
1100 ** Quantile portfolios - 5 quintiles based the cumulative three month flow each month
1101 egen qportfolioL = xtile(qflowL) if qflow!=., by(mdate) p(20(20)80)
1102 drop if mi(qportfolioL)
1103
1104
1105 keep Fund mdate Excessreturn qflowL qportfolioL
1106 sort qportfolioL mdate
1107
1108 mean Excessreturn, over(qportfolioL)
1109
1110 gen Q1 = Excessreturn if qportfolioL==1
1111 gen Q2 = Excessreturn if qportfolioL==2
1112 gen Q3 = Excessreturn if qportfolioL==3
1113 gen Q4 = Excessreturn if qportfolioL==4
1114 gen Q5 = Excessreturn if qportfolioL==5
1115 * One sample ttest
1116 * here we get p-values almost equal to zero for the alternative
1117 * hypotheses that the mean is more and unequal to zero
1118 ttest Q1 == 0
1119 ttest Q2 == 0
1120 ttest Q3 == 0
1121 ttest Q4 == 0
1122 ttest Q5 == 0
1123
1124 ** Hold top 20% short bottom 20%
1125 collapse Q5 Q1, by(mdate)
1126 sort mdate
1127 gen LS = Q5-Q1
1128 mean LS
1129 ttest LS == 0
1130
1131 ** 6-MONTH FLOW
1132 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1133 use masterdata, clear
1134
1135 * Drop observations for funds that are less than 1 year, defining 1-year as one times
1136 * january to december
1137 bys Fund year: gen count=_N
1138 drop if count<12
1139
1140 * Set date with new date variable
1141 gen int mdate = ym(year, month)
1142 format mdate %tm
1143 xtset Fund mdate
1144
1145 * Cumulative growth rates; it cumulate three months rolling
1146 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1147 by Fund (mdate): gen int n obs = sum(!missing(Flow))
1148 generate hyflow = exp(s6.sumlogflow) - 1
1149 by Fund : gen hyflowL = hyflow[_n-1]
1150
1151 ** Keep only large funds (30% largest)
1152 egen size = xtile(Forvaltningskapital) if Forvaltningskapital!=., by(mdate) p(30(40)70)
1153 keep if size == 3
1154
1155 ** Quantile portfolios - 5 quintiles based the cumulative six month flow each month
1156 egen hypportfolioL = xtile(hyflowL) if hyflow!=., by(mdate) p(20(20)80)
1157 drop if mi(hypportfolioL)
1158
1159 keep Fund mdate Excessreturn hyflowL hypportfolioL
1160 sort hypportfolioL mdate
1161
1162 mean Excessreturn, over(hypportfolioL)
1163
1164 gen Q1 = Excessreturn if hypportfolioL==1
1165 gen Q2 = Excessreturn if hypportfolioL==2
1166 gen Q3 = Excessreturn if hypportfolioL==3
1167 gen Q4 = Excessreturn if hypportfolioL==4
1168 gen Q5 = Excessreturn if hypportfolioL==5
1169 * One sample ttest
1170 * here we get p-values almost equal to zero for the alternative
1171 * hypotheses that the mean is more and unequal to zero

```



```

1172 ttest Q1 == 0
1173 ttest Q2 == 0
1174 ttest Q3 == 0
1175 ttest Q4 == 0
1176 ttest Q5 == 0
1177
1178 ** Hold top 20% short bottom 20%
1179 collapse Q5 Q1, by(mdate)
1180 sort mdate
1181 gen LS = Q5-Q1
1182 mean LS
1183 ttest LS == 0
1184
1185 ** 1-YEAR FLOW
1186 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1187 use masterdata, clear
1188
1189 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1190 bys Fund year: gen count= N
1191 drop if count<12
1192
1193 * Set date with new date variable
1194 gen int mdate = ym(year, month)
1195 format mdate %tm
1196 xtset Fund mdate
1197
1198 * Cumulative growth rates; it cumulate three months rolling
1199 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1200 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1201 generate yrflow = exp(s12.sumlogflow) - 1
1202
1203 by Fund : gen yrflowL = yrflow[ n-1]
1204
1205 ** Keep only large funds (30% largest)
1206 egen size = xtile(Forvaltningskapital) if Forvaltningskapital!=., by(mdate) p(30(40)70)
1207 keep if size == 3
1208
1209 ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
1210 egen yrportfolioL = xtile(yrflowL) if yrflow!=., by(mdate) p(20(20)80)
1211 drop if mi(yrportfolioL)
1212
1213 keep Fund mdate Excessreturn yrflowL yrportfolioL
1214 sort yrportfolioL mdate
1215
1216 mean Excessreturn, over(yrportfolioL)
1217
1218 gen Q1 = Excessreturn if yrportfolioL==1
1219 gen Q2 = Excessreturn if yrportfolioL==2
1220 gen Q3 = Excessreturn if yrportfolioL==3
1221 gen Q4 = Excessreturn if yrportfolioL==4
1222 gen Q5 = Excessreturn if yrportfolioL==5
1223 * One sample ttest
1224 * here we get p-values almost equal to zero for the alternative
1225 * hypotheses that the mean is more and unequal to zero
1226 ttest Q1 == 0
1227 ttest Q2 == 0
1228 ttest Q3 == 0
1229 ttest Q4 == 0
1230 ttest Q5 == 0
1231
1232 ** Hold top 20% short bottom 20%
1233 collapse Q5 Q1, by(mdate)
1234 sort mdate
1235 gen LS = Q5-Q1
1236 mean LS
1237 ttest LS == 0
1238
1239 ** 3-YEAR FLOW
1240 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1241 use masterdata, clear
1242
1243 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1244 bys Fund year: gen count=_N

```

```

1245 drop if count<12
1246
1247 * Set date with new date variable
1248 gen int mdate = ym(year, month)
1249 format mdate %tm
1250 xtset Fund mdate
1251
1252 * Cumulative growth rates; it cumulate three months rolling
1253 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1254 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1255 generate tyrflow = exp(s36.sumlogflow) - 1
1256
1257 by Fund : gen tyrflowL = tyrflow[_n-1]
1258
1259 ** Keep only large funds (30% largest)
1260 egen size = xtile(Forvaltningskapital) if Forvaltningskapital!=., by(mdate) p(30(40)70)
1261 keep if size == 3
1262
1263 ** Quantile portfolios - 5 quintiles based the cumulative 3-year flow each month
1264 egen tyrportfolioL = xtile(tyrflowL) if tyrflow!=., by(mdate) p(20(20)80)
1265 drop if mi(tyrportfolioL)
1266
1267 keep Fund mdate Excessreturn tyrflowL tyrportfolioL
1268 sort tyrportfolioL mdate
1269
1270 mean Excessreturn, over(tyrportfolioL)
1271
1272 gen Q1 = Excessreturn if tyrportfolioL==1
1273 gen Q2 = Excessreturn if tyrportfolioL==2
1274 gen Q3 = Excessreturn if tyrportfolioL==3
1275 gen Q4 = Excessreturn if tyrportfolioL==4
1276 gen Q5 = Excessreturn if tyrportfolioL==5
1277 * One sample ttest
1278 * here we get p-values almost equal to zero for the alternative
1279 * hypotheses that the mean is more and unequal to zero
1280 ttest Q1 == 0
1281 ttest Q2 == 0
1282 ttest Q3 == 0
1283 ttest Q4 == 0
1284 ttest Q5 == 0
1285
1286 ** Hold top 20% short bottom 20%
1287 collapse Q5 Q1, by(mdate)
1288 sort mdate
1289 gen LS = Q5-Q1
1290 mean LS
1291 ttest LS == 0
1292
1293 ** 5-YEAR FLOW
1294 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1295 use masterdata, clear
1296
1297 * Drop observations for funds that are less than 1 year, defining 1-year as
1298 * one times january to december
1299 bys Fund year: gen count=_N
1300 drop if count<12
1301
1302 * Set date with new date variable
1303 gen int mdate = ym(year, month)
1304 format mdate %tm
1305 xtset Fund mdate
1306
1307 * Cumulative growth rates; it cumulate three months rolling
1308 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1309 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1310 generate fyrflow = exp(s60.sumlogflow) - 1
1311
1312 by Fund : gen fyrflowL = fyrflow[_n-1]
1313
1314 ** Keep only large funds (30% largest)
1315 egen size = xtile(Forvaltningskapital) if Forvaltningskapital!=., by(mdate) p(30(40)70)
1316 keep if size == 3
1317
1318 ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
1319 egen fyrportfolioL = xtile(fyrflowL) if fyrflow!=., by(mdate) p(20(20)80)

```

```

1320 drop if mi(fyrportfolioL)
1321
1322 keep Fund mdate Excessreturn fyrflowL fyrportfolioL
1323 sort fyrportfolioL mdate
1324
1325 mean Excessreturn, over(fyrportfolioL)
1326
1327 gen Q1 = Excessreturn if fyrportfolioL==1
1328 gen Q2 = Excessreturn if fyrportfolioL==2
1329 gen Q3 = Excessreturn if fyrportfolioL==3
1330 gen Q4 = Excessreturn if fyrportfolioL==4
1331 gen Q5 = Excessreturn if fyrportfolioL==5
1332 * One sample ttest
1333 * here we get p-values almost equal to zero for the alternative
1334 * hypotheses that the mean is more and unequal to zero
1335 ttest Q1 == 0
1336 ttest Q2 == 0
1337 ttest Q3 == 0
1338 ttest Q4 == 0
1339 ttest Q5 == 0
1340
1341 ** Hold top 20% short bottom 20%
1342 collapse Q5 Q1, by(mdate)
1343 sort mdate
1344 gen LS = Q5-Q1
1345 mean LS
1346 ttest LS == 0
1347 *****
1348 *** TABLE 15 ***
1349 clear
1350 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1351 use masterdata3, clear
1352 gen long mdate = ym(year, month)
1353 format %tm mdate
1354 isid Fund mdate, sort
1355
1356 * Generate dummies before, during and after financial crisis
1357 gen byte bcrisis=mdate<=mofd(mdy(11,30,2007))
1358 gen byte dcrisis=mdate>=mofd(mdy(12,31,2007)) & mdate<=mofd(mdy(06,30,2009))
1359 gen byte acrisis=mdate>mofd(mdy(07,31,2009))
1360
1361 ** COMPUTE CONTROL VARIABLES **
1362 * Monthly LOG TNA in t-1
1363 sort Fund year
1364 gen ltna = log(Forvaltningskapital)
1365 by Fund : gen ltna lag = ltna[ n-1]
1366
1367 * Age variable - this is age by months - give absolutely nothing to the market
1368 * models
1369 sort Fund mdate
1370 gen a = 1
1371 by Fund : gen agemonth=sum(a)
1372 drop a
1373
1374 * Drop years with less than twelve months
1375 bys Fund year: gen count=_N
1376 drop if count<12
1377
1378 * Standard deviation of monthly return in past years
1379 xtset Fund mdate
1380 * CALCULATE SOME RUNNING TOTALS OF RET AND RET^2
1381 by Fund (mdate), sort: gen sum_ret = sum(Excessreturn)
1382 by Fund (mdate): gen sum_ret_sq = sum(Excessreturn^2)
1383 * AND A RUNNING COUNT OF NON MISSING OBSERVATIONS
1384 by Fund (mdate): gen int n_obs = sum(!missing(Excessreturn))
1385 * NOW CALCULATE RUNNING STANDARD DEVIATIONS
1386 gen variance = (L1.sum_ret_sq - L12.sum_ret_sq)/(L1.n_obs-L12.n_obs) ///
1387 - ((L1.sum_ret - L12.sum_ret)/(L1.n_obs-L12.n_obs))^2
1388 gen sd = sqrt(variance)
1389
1390 ** CREATE ALPHAS **
1391 * ----- basic regression mata code: DO NOT CHANGE CODE BELOW -----
1392 * linear regression in Mata using quadcross() - help mata cross(), example 2
1393 mata:
1394 mata clear

```

```

1395 mata set matastrict on
1396 real rowvector myreg(real matrix Xall)
1397 {
1398     real colvector y, b, Xy
1399     real matrix X, XX
1400
1401     y = Xall[.,1] // dependent var is first column of Xall
1402     X = Xall[.,2::cols(Xall)] // the remaining cols are the independent variables
1403     X = X,J(rows(X),1,1) // add a constant
1404
1405     XX = quadcross(X, X) // linear regression, see help mata cross(), example 2
1406     Xy = quadcross(X, y)
1407     b = invsym(XX) * Xy
1408
1409     return(rows(X), b')
1410 }
1411 end
1412 * ----- end of basic regression mata code: DO NOT CHANGE CODE ABOVE -----
1413
1414 rangestat (myreg) Excessreturn MRP SMB HML PR1YR, interval(mdate -11 0) by(Fund) casewise
1415 rename myreg* (obs b MRP b SMB b HML b PR1YR b cons)
1416
1417
1418
1419 * ----- spot check the coefficients for a few cases -----
1420
1421 local i 50
1422 reg Excessreturn MRP SMB HML PR1YR if inrange(mdate, mdate[`i']-11, mdate[`i']) & Fund ==
Fund[`i']
1423 list obs b_* in `i'
1424
1425 local i 150
1426 reg Excessreturn MRP SMB HML PR1YR if inrange(mdate, mdate[`i']-11, mdate[`i']) & Fund ==
Fund[`i']
1427 list obs b * in `i'
1428
1429 * Rank alphas
1430 drop if mi(sd)
1431 ren b cons alpha
1432 egen alphanrank=rank(alpha), by(mdate) unique
1433 sort mdate Fund
1434 by mdate : replace alphanrank = alphanrank/_N
1435
1436 * Piecewise linear regression fixed effect with rank on Carhart's alpha
1437 mkspline P1 0.2 P2 0.4 P3 0.6 P4 0.8 P5 = alphanrank
1438 * Total
1439 eststo Total : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna_lag sd, robust absorb(Fund)
1440 * Before
1441 eststo Before : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna_lag sd if bcrisis==1, robust
absorb(Fund)
1442 * During
1443 eststo During : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna lag sd if dcrisis==1, robust
absorb(Fund)
1444 * After
1445 eststo After : qui areg Flow P1 P2 P3 P4 P5 FlowL ltna_lag sd if acrisis==1, robust absorb
(Fund)
1446
1447 estout Total Before During After, cells(b(star fmt(%9.3f)) se(par)) starlevels( * 0.10 **
0.05 *** 0.010) stats(r2_a N, fmt(%9.3f %9.0g) labels(Adj_R-squared)) legend title("Table
15") label collabels(none) varlabels(FlowL "Flow(t-1)" ltna_lag "Log TNA(t-1)" sd SD P1 Q1
(BOTPERF) P2 Q2 P3 Q3 P4 Q4 P5 Q5(TOPPERF) _cons Constant)
1448 *****
1449 ** TABLE 16 **
1450 clear
1451 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1452 use masterdata3, clear
1453 gen long mdate = ym(year, month)
1454 format %tm mdate
1455 *bysort Fun: replace mdate = mdate + _n - 1
1456 isid Fund mdate, sort
1457 xtset Fund mdate
1458
1459 * Generate dummies before, during and after financial crisis
1460 gen byte bcrisis=mdate<=mofd(mdy(11,30,2007))
1461 gen byte dcrisis=mdate>=mofd(mdy(12,31,2007)) & mdate<=mofd(mdy(06,30,2009))

```

```

1462 gen byte acrisis=mdate>moofd(mdy(07,31,2009))
1463
1464 by Fund: gen ReturnL = Return[ n-1]
1465 by Fund: gen MRL = MR[_n-1]
1466
1467 * Fixed effect regression
1468 eststo Total : qui areg Return Flow FlowL ReturnL MR MRL, absorb(Fund)
1469 * Fixed effect regressions before (<2008), during (2008-2009) and after (>2009) financial
    crisis
1470 eststo Before : qui areg Return Flow FlowL ReturnL MR MRL if bcrisis==1, robust absorb(
    Fund)
1471 eststo During : qui areg Return Flow FlowL ReturnL MR MRL if dcrisis==1, robust absorb(
    Fund)
1472 eststo After : qui areg Return Flow FlowL ReturnL MR MRL if acrisis==1, robust absorb(Fund)
1473
1474 estout Total Before During After, cells(b(star fmt(%9.3f)) se(par)) starlevels( * 0.10 **
    0.05 *** 0.010) stats(r2_a N, fmt(%9.3f %9.0g) labels(Adj_R-squared)) legend title("Table
    16") label collabels(none) varlabels(FlowL Flow(t-1) ReturnL Return(t-1) MR "Market
    return" MRL "Market return(t-1)" _cons Constant)

1475
1476 *****
1477 *** TABLE 17 ***
1478
1479 * 3-month flow
1480 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1481 use masterdata3, clear
1482 bys Fund year: gen count=_N
1483 drop if count<12
1484 gen int mdate = ym(year, month)
1485 format mdate %tm
1486 xtset Fund mdate
1487 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
1488 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1489 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1490 generate qflow = exp(s3.sumlogflow) - 1
1491 ** Quantile portfolios
1492 egen qportfolio = xtile(qflow) if qflow!=., by(mdate) p(20(20)80)
1493 ** Mean flow for quantiles
1494 drop if mi(qportfolio)
1495 collapse qflow, by(qportfolio)
1496 ren qportfolio Flow
1497 save 3-month_flow, replace
1498
1499 * 6-month flow
1500 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1501 use masterdata3, clear
1502 bys Fund year: gen count=_N
1503 drop if count<12
1504 gen int mdate = ym(year, month)
1505 format mdate %tm
1506 xtset Fund mdate
1507 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
1508 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1509 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1510 generate hyflow = exp(s6.sumlogflow) - 1
1511 ** Quantile portfolios
1512 egen hypportfolio = xtile(hyflow) if hyflow!=., by(mdate) p(20(20)80)
1513 ** Mean flow for quantiles
1514 drop if mi(hypportfolio)
1515 collapse hyflow, by(hypportfolio)
1516 ren hypportfolio Flow
1517 save 6-month_flow, replace
1518
1519 * 1-yr flow
1520 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1521 use masterdata3, clear
1522 bys Fund year: gen count= N
1523 drop if count<12
1524 gen int mdate = ym(year, month)
1525 format mdate %tm
1526 xtset Fund mdate
1527 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
1528 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1529 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1530 generate yrflow = exp(s12.sumlogflow) - 1

```

```

1531 ** Quantile portfolios
1532 egen yrportfolio = xtile(yrflow) if yrflow!=., by(mdate) p(20(20)80)
1533 ** Mean flow for quantiles
1534 drop if mi(yrportfolio)
1535 collapse yrflow, by(yrportfolio)
1536 ren yrportfolio Flow
1537 save 1-yr_flow, replace
1538
1539 * 3-years flow
1540 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1541 use masterdata3, clear
1542 bys Fund year: gen count=_N
1543 drop if count<12
1544 gen int mdate = ym(year, month)
1545 format mdate %tm
1546 xtset Fund mdate
1547 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
1548 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1549 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1550 generate threeyrflow = exp(s36.sumlogflow) - 1
1551 ** Quantile portfolios
1552 egen threeyrportfolio = xtile(threeyrflow) if threeyrflow!=., by(mdate) p(20(20)80)
1553 ** Mean flow for quantiles
1554 drop if mi(threeyrportfolio)
1555 collapse threeyrflow, by(threeyrportfolio)
1556 ren threeyrportfolio Flow
1557 save 3-yr_flow, replace
1558
1559 * 5-years flow
1560 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1561 use masterdata3, clear
1562 bys Fund year: gen count=_N
1563 drop if count<12
1564 gen int mdate = ym(year, month)
1565 format mdate %tm
1566 xtset Fund mdate
1567 ** Cumulative growth rates; quarterly, half year, yearly, 3-years, 5-years
1568 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1569 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1570 generate fiveyrflow = exp(s60.sumlogflow) - 1
1571 ** Quantile portfolios
1572 egen fiveyrportfolio = xtile(fiveyrflow) if fiveyrflow!=., by(mdate) p(20(20)80)
1573 ** Mean flow for quantiles
1574 drop if mi(fiveyrportfolio)
1575 collapse fiveyrflow, by(fiveyrportfolio)
1576 ren fiveyrportfolio Flow
1577 save 5-yr_flow, replace
1578
1579 use 3-month_flow, clear
1580 joinby Flow using 6-month_flow
1581 joinby Flow using 1-yr_flow
1582 joinby Flow using 3-yr_flow
1583 joinby Flow using 5-yr_flow
1584
1585 xpose, clear varname
1586 gen Flow = "3-month_flow" if _varname=="qflow"
1587 replace Flow = "6-month_flow" if _varname=="hyflow"
1588 replace Flow = "1-year_flow" if _varname=="yrflow"
1589 replace Flow = "3-year_flow" if _varname=="threeyrflow"
1590 replace Flow = "5-year_flow" if _varname=="fiveyrflow"
1591 drop varname
1592 gen Q1 = v1
1593 gen Q2 = v2
1594 gen Q3 = v3
1595 gen Q4 = v4
1596 gen Q5 = v5
1597 drop v1 v2 v3 v4 v5
1598 gen Q5minQ1 = Q5-Q1
1599 drop if Q1 == 1
1600 format Q1 Q2 Q3 Q4 Q5 Q5minQ1 %9.3f
1601 list
1602 *****
1603 *** TABLE 18 ***
1604 ** HORIZON-BY-HORIZON
1605 ** 3-MONTH FLOW

```

```

1606 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1607 use masterdata3, clear
1608
1609 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1610 bys Fund year: gen count=_N
1611 drop if count<12
1612
1613 * Set date with new date variable
1614 gen int mdate = ym(year, month)
1615 format mdate %tm
1616 xtset Fund mdate
1617
1618 * Cumulative growth rates; it cumulate three months rolling
1619 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1620 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1621 generate qflow = exp(s3.sumlogflow) - 1
1622
1623 by Fund : gen qflowL = qflow[_n-1]
1624
1625 ** Quantile portfolios - 5 quintiles based the cumulative three month flow each month
1626 egen qportfolioL = xtile(qflowL) if qflowL!=., by(mdate) p(20(20)80)
1627 drop if mi(qportfolioL)
1628
1629 keep Fund mdate Excessreturn qflowL qportfolioL
1630 sort qportfolioL mdate
1631
1632 mean Excessreturn, over(qportfolioL)
1633
1634 gen Q1 = Excessreturn if qportfolioL==1
1635 gen Q2 = Excessreturn if qportfolioL==2
1636 gen Q3 = Excessreturn if qportfolioL==3
1637 gen Q4 = Excessreturn if qportfolioL==4
1638 gen Q5 = Excessreturn if qportfolioL==5
1639
1640 * One sample ttest
1641 * here we get p-values almost equal to zero for the alternative
1642 * hypotheses that the mean is more and unequal to zero
1643 ttest Q1 == 0
1644 ttest Q2 == 0
1645 ttest Q3 == 0
1646 ttest Q4 == 0
1647 ttest Q5 == 0
1648
1649 ** Hold top 20% short bottom 20%
1650 collapse Q5 Q1, by(mdate)
1651 sort mdate
1652 gen LS = Q5-Q1
1653 mean LS
1654 ttest LS == 0
1655
1656 ** 6-MONTH FLOW
1657 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1658 use masterdata3, clear
1659
1660 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1661 bys Fund year: gen count=_N
1662 drop if count<12
1663
1664 * Set date with new date variable
1665 gen int mdate = ym(year, month)
1666 format mdate %tm
1667 xtset Fund mdate
1668
1669 * Cumulative growth rates; it cumulate three months rolling
1670 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1671 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1672 generate hyflow = exp(s6.sumlogflow) - 1
1673
1674 by Fund : gen hyflowL = hyflow[_n-1]
1675
1676 ** Quantile portfolios - 5 quintiles based the cumulative six month flow each month
1677 egen hypportfolioL = xtile(hyflowL) if hyflowL!=., by(mdate) p(20(20)80)
1678 drop if mi(hypportfolioL)

```

```

1679
1680 keep Fund mdate Excessreturn hyflowL hyportfolioL
1681 sort hyportfolioL mdate
1682
1683 mean Excessreturn, over(hyportfolioL)
1684
1685 gen Q1 = Excessreturn if hyportfolioL==1
1686 gen Q2 = Excessreturn if hyportfolioL==2
1687 gen Q3 = Excessreturn if hyportfolioL==3
1688 gen Q4 = Excessreturn if hyportfolioL==4
1689 gen Q5 = Excessreturn if hyportfolioL==5
1690 * One sample ttest
1691 * here we get p-values almost equal to zero for the alternative
1692 * hypotheses that the mean is more and unequal to zero
1693 ttest Q1 == 0
1694 ttest Q2 == 0
1695 ttest Q3 == 0
1696 ttest Q4 == 0
1697 ttest Q5 == 0
1698
1699 ** Hold top 20% short bottom 20%
1700 collapse Q5 Q1, by(mdate)
1701 sort mdate
1702 gen LS = Q5-Q1
1703 mean LS
1704 ttest LS == 0
1705
1706 ** 1-YEAR FLOW
1707 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1708 use masterdata3, clear
1709
1710 * Drop observations for funds that are less than 1 year, defining 1-year as one times
1711 january to december
1712 bys Fund year: gen count=_N
1713 drop if count<12
1714
1715 * Set date with new date variable
1716 gen int mdate = ym(year, month)
1717 format mdate %tm
1718 xtset Fund mdate
1719
1720 * Cumulative growth rates; it cumulate three months rolling
1721 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1722 by Fund (mdate): gen int n obs = sum(!missing(Flow))
1723 generate yrflow = exp(s12.sumlogflow) - 1
1724
1725 by Fund : gen yrflowL = yrflow[_n-1]
1726
1727 ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
1728 egen yrportfolioL = xtile(yrflowL) if yrflow!=., by(mdate) p(20(20)80)
1729 drop if mi(yrportfolioL)
1730
1731 keep Fund mdate Excessreturn yrflowL yrportfolioL
1732 sort yrportfolioL mdate
1733
1734 mean Excessreturn, over(yrportfolioL)
1735
1736 gen Q1 = Excessreturn if yrportfolioL==1
1737 gen Q2 = Excessreturn if yrportfolioL==2
1738 gen Q3 = Excessreturn if yrportfolioL==3
1739 gen Q4 = Excessreturn if yrportfolioL==4
1740 gen Q5 = Excessreturn if yrportfolioL==5
1741 * One sample ttest
1742 * here we get p-values almost equal to zero for the alternative
1743 * hypotheses that the mean is more and unequal to zero
1744 ttest Q1 == 0
1745 ttest Q2 == 0
1746 ttest Q3 == 0
1747 ttest Q4 == 0
1748 ttest Q5 == 0
1749
1750 ** Hold top 20% short bottom 20%
1751 collapse Q5 Q1, by(mdate)
1752 sort mdate
1753 gen LS = Q5-Q1

```



```

1753 mean LS
1754 ttest LS == 0
1755
1756 ** 3-YEAR FLOW
1757 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1758 use masterdata3, clear
1759
1760 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1761 bys Fund year: gen count=_N
1762 drop if count<12
1763
1764 * Set date with new date variable
1765 gen int mdate = ym(year, month)
1766 format mdate %tm
1767 xtset Fund mdate
1768
1769 * Cumulative growth rates; it cumulate three months rolling
1770 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1771 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1772 generate tyrflow = exp(s36.sumlogflow) - 1
1773
1774 by Fund : gen tyrflowL = tyrflow[_n-1]
1775
1776 ** Quantile portfolios - 5 quintiles based the cumulative 3-year flow each month
1777 egen tyrportfolioL = xtile(tyrflowL) if tyrflow!=., by(mdate) p(20(20)80)
1778 drop if mi(tyrportfolioL)
1779
1780 keep Fund mdate Excessreturn tyrflowL tyrportfolioL
1781 sort tyrportfolioL mdate
1782
1783 mean Excessreturn, over(tyrportfolioL)
1784
1785 gen Q1 = Excessreturn if tyrportfolioL==1
1786 gen Q2 = Excessreturn if tyrportfolioL==2
1787 gen Q3 = Excessreturn if tyrportfolioL==3
1788 gen Q4 = Excessreturn if tyrportfolioL==4
1789 gen Q5 = Excessreturn if tyrportfolioL==5
1790 * One sample ttest
1791 * here we get p-values almost equal to zero for the alternative
1792 * hypotheses that the mean is more and unequal to zero
1793 ttest Q1 == 0
1794 ttest Q2 == 0
1795 ttest Q3 == 0
1796 ttest Q4 == 0
1797 ttest Q5 == 0
1798
1799 ** Hold top 20% short bottom 20%
1800 collapse Q5 Q1, by(mdate)
1801 sort mdate
1802 gen LS = Q5-Q1
1803 mean LS
1804 ttest LS == 0
1805
1806 ** 5-YEAR FLOW
1807 cd "C:\Users\maike\Dropbox\Master Thesis (Lars, Maiken)\Stata"
1808 use masterdata3, clear
1809
1810 * Drop observations for funds that are less than 1 year, defining 1-year as one times
    january to december
1811 bys Fund year: gen count= N
1812 drop if count<12
1813
1814 * Set date with new date variable
1815 gen int mdate = ym(year, month)
1816 format mdate %tm
1817 xtset Fund mdate
1818
1819 * Cumulative growth rates; it cumulate three months rolling
1820 by Fund (mdate), sort : gen sumlogflow = sum(ln(1 + Flow))
1821 by Fund (mdate): gen int n_obs = sum(!missing(Flow))
1822 generate fyrflow = exp(s60.sumlogflow) - 1
1823
1824 by Fund : gen fyrflowL = fyrflow[ n-1]
1825

```

---

```
1826 ** Quantile portfolios - 5 quintiles based the cumulative 1-year flow each month
1827 egen fyrportfolioL = xtile(fyrflowL) if fyrflow!=., by(mdate) p(20(20)80)
1828 drop if mi(fyrportfolioL)
1829
1830 keep Fund mdate Excessreturn fyrflowL fyrportfolioL
1831 sort fyrportfolioL mdate
1832
1833 mean Excessreturn, over(fyrportfolioL)
1834
1835 gen Q1 = Excessreturn if fyrportfolioL==1
1836 gen Q2 = Excessreturn if fyrportfolioL==2
1837 gen Q3 = Excessreturn if fyrportfolioL==3
1838 gen Q4 = Excessreturn if fyrportfolioL==4
1839 gen Q5 = Excessreturn if fyrportfolioL==5
1840 * One sample ttest
1841 * here we get p-values almost equal to zero for the alternative
1842 * hypotheses that the mean is more and unequal to zero
1843 ttest Q1 == 0
1844 ttest Q2 == 0
1845 ttest Q3 == 0
1846 ttest Q4 == 0
1847 ttest Q5 == 0
1848
1849 ** Hold top 20% short bottom 20%
1850 collapse Q5 Q1, by(mdate)
1851 sort mdate
1852 gen LS = Q5-Q1
1853 mean LS
1854 ttest LS == 0
1855
1856
```