



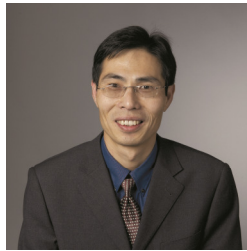
Chinese Finance Association of America

美国华人金融协会

*Chinese Finance Association of America cordially invites you to join us for
a feature presentation*

“The Impact of Passive Investing on Market Vulnerability”

Featuring



James Xiong, Ph.D, CFA

Senior Research Consultant
Ibbotson Associates

Assets invested in passively managed equity mutual funds and exchange traded funds (ETFs) have grown steadily in recent years, reaching more than one trillion dollars by the end of 2010. In this presentation, Dr. James Xiong from Ibbotson Associates, a Morningstar company, will investigate the impact of increased index related trading on market risk. His research shows that growth in passively managed equity assets meaningfully corresponds to a decrease in the ability of investors to diversify risk in recent decades. He and his coworker discovered that this is due to an increase in cross-sectional trading commonality associated with the rise in passive investing. However, investors can improve their investment processes by incorporating the impact of increased trading commonality into their risk modeling framework. (The presentation is based on a forthcoming Financial Analysts Journal (FAJ), March / April 2012) paper by Dr. James Xiong and Rodney Sullivan.)

Monday, September 12, 2011

5:15 p.m. - 7:00 p.m.

The Union League Club of Chicago
Tudor Room 700, 7th Floor
65 West Jackson Blvd
Chicago, Illinois

Agenda: 5:15 – 5:30pm Registration
5:30 – 6:00pm Networking
6:00 – 6:40pm Presentation by Dr. James Xiong



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6:40 – 7:00pm Q&A

Fee: CFAA Member – \$8; Non-CFAA Member with online payment - \$13; Walk-ins - \$18

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- Note:**
- [Business casual attire is required, shirts with collar, no jeans or sneakers allowed.](#)
 - No refunds will be issued unless the event is canceled.
 - CFAA members are defined as those who submitted CFAA membership forms and fees with confirmation from CFAA Board of Directors.

Speaker's Bio:

James Xiong, Ph.D., CFA is a senior research consultant for Ibbotson Associates, a registered investment advisor and wholly owned subsidiary of Morningstar, Inc. Xiong develops new methodologies and algorithms that deal with momentum investing, portfolio optimization, strategic and dynamic asset allocation, insurance product allocation, mutual fund selection, alternative asset class investments, simulation-based wealth forecasting, and other investment and financial planning areas. He also conducts extensive research on investment-related areas and provides research support for consulting and software development groups.

His papers have appeared in the Financial Analysts Journal (2010, 2011, 2012 forthcoming), Journal of Risk Management in Financial Institutions, Journal of Portfolio Management and Journal of Financial Planning, among other publications. He wrote chapters for a few books. He was frequently invited to present to both professionals (including CFA Institute webcast in May 2011) and university graduate students.

Xiong joined Morningstar in 2000 as a software engineer and later served as a quantitative analyst. Prior to joining Ibbotson Associates, Dr. Xiong worked as a researcher at Argonne National Laboratory, Northern Illinois University, Brookhaven National Laboratory, and the University of Houston. He has published more than 15 papers in scientific journals, including Physical Review Letters, a prestigious world journal in physics.

Xiong holds a bachelor's degree in physics from Wuhan University in China, a master's degree and doctorate degree in physics from the University of Houston, and the Chartered Financial Analyst (CFA) designation



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About CFAA

Chinese Finance Association of America (CFAA) is an independent not-for-profit, non-partisan organization committed to promoting educational and cultural exchange among finance professionals between the United States and Greater China through facilitating communication and the exchange of ideas in the financial industry. Incorporated and headquartered in Chicago, Illinois, CFAA is aimed to serve Chinese finance professionals and others who are interested in the financial industry of Greater China. Please visit our website www.ChineseFinanceAssociation.org for more information about CFAA. To become a CFAA member, or to renew your CFAA membership and make your membership payment, please go to the [membership section](#) on our website. If you are interested in the volunteering opportunities at CFAA, please submit the [volunteer and staff application form](#). For global career opportunities in finance, please visit our newly launched [Online Job Center](#) through our partnership with one of the leading global career placement companies eFinancialCareers.com.