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# Mutual Fund Managers' Timing Abilities

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## Abstract

This paper examines Chinese mutual fund managers' abilities to time market, market volatility, and market-wide liquidity. Using a sample of Chinese mutual funds, we employ both cross-sectional and bootstrap analyses and find strong evidence that, during 2001–2011, Chinese mutual fund managers demonstrated the ability to time market returns, volatility, and market liquidity. We also find top timers outperform bottom timers by 6–7% annually in out-of-sample tests, manifesting the practical meaning of timing ability. We then conduct robustness checks of our findings and the results are the same.

*Keywords:* Market timing ; Liquidity timing; Volatility timing

*JEL Classifications:* G10; G11; G19; G29

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