



Press release - Announcing the winner of the FESE De la Vega Prize 2022

Tuesday 31st May 2022

The Federation of European Securities Exchanges (FESE) is delighted to announce the winners of the FESE De la Vega Prize 2022: **Samuel M. Hartzmark**, Associate Professor of Finance at the University of Chicago Booth School of Business, and **David H. Solomon**, Associate Professor of Finance at the Boston College Carroll School of Management, were awarded this year's Prize for their [paper](#) "Predictable Price Pressure".

The authors rigorously identify the importance of predictable price pressures as an economically significant and market-wide phenomenon, thus providing new insights into price formation in financial markets.

The paper finds that, contrary to the assumptions of most asset pricing models, prices are impacted by non-fundamental demand moves in the form of predictable uninformed cash flows. Specifically, buying pressure from dividend payments (announced weeks prior) predicts higher value-weighted market returns, with market-level price multipliers of 1.5 to 2.3 and no short-term reversal. This effect holds internationally, varies with reinvestment intensity, and increases with high VIX (Volatility Index).

These results suggest price pressure is a widespread result of flows, rather than an anomaly, and could be a potential explanation for many phenomena that remain puzzles according to standard finance theory.

The Prize was formally awarded by Rainer Riess, FESE Director General, on Tuesday 31st May 2022 at the [FESE Convention](#).

ENDS.

FESE De la Vega Prize Jury

Söhnke M. Bartram, Ph.D., Professor of Finance, University of Warwick and CEPR
Sarah Draus, Ph.D., Autoriteit Financiële Markten
Alain Durré, Ph.D., Executive Director and Economiste en chef, Goldman Sachs Paris
Thomas Johann, Assistant Professor, University of Mannheim
Jonas Heese, Marvin Bower Associate Professor of Business Administration at Harvard Business School
Arman Khachatryan, Ph.D., Director General, Financial Policy: Economic and Financial Affairs, Eurasian Economic Commission
Ángel Pardo Tornero, Professor, Department of Financial Economics, University of Valencia
Talis Putnins, Professor, Finance Discipline Group, University of Technology Sydney
Roger Silvers, Assistant Professor, School of Accounting, David Eccles School of Business, The University of Utah
Apostolos Thomadakis, Ph.D., Researcher, CEPS
Christian Westheide, Assistant Professor of Finance, University of Vienna

Notes to editors:

The Federation of European Securities Exchanges (FESE) represents 35 exchanges in equities, bonds, derivatives and commodities through 16 Full Members and 1 Affiliate Member from 30 countries.

At the end of April 2022, FESE members had 9,098 companies listed on their markets, of which 17% are foreign companies contributing towards European integration and providing broad and liquid access to Europe's capital markets. Many of our members also organise specialised markets that allow small and medium sized companies across Europe to access capital markets; 1,480 companies were listed in these specialised markets/segments in equity, increasing choice for investors and issuers. Through their RM and MTF operations, FESE members are keen to support the European Commission's objective of creating a Capital Markets Union.

FESE is registered in the European Union Transparency Register: 71488206456-23.

For further information, please contact:

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About the FESE De la Vega Prize

Each year since 2000, the FESE De la Vega Prize has been awarded to a young scholar for an outstanding research paper on financial markets. The Prize particularly values papers about current developments in European financial markets which promote public markets. More information is available [here](#).