Dinner Table Alphas*

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We show that household linkages, formed primarily of spousal employment ties, are important in explaining asset managers' skills and their portfolio choices. Mutual fund managers with spouses that work at the executive and C-suite levels obtain monthly gross returns of up to 0.32% above asset managers with non-executive spouses. This effect is driven largely by managers' quarterly stock trades in the industries where their spouses are employed. The spouse-industry stocks bought by executive-spouse-linked managers outperform those bought by the nonexecutive-spouse linked managers by a large and significant 4.30% in the next quarter. Symmetrically, the stocks sold by executive-spouse-linked managers underperform those sold by the nonexecutive-spouse linked managers by a significant -4.33% in the following quarter. These patterns suggest that spousal relationships facilitate fund managers' comprehension of industry-level information. The linked fund managers' spouse-industry trades predict subsequent earnings surprises and firm level news. Overall, our results highlight the importance of household links to information production in the asset management industry.

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I. Introduction

Households, primarily formed by the marriage market, constitute the fundamental unit of financial preference, consumption decision, and wealth allocation (Becker, 1974, 1975; Campbell, 2006). Yet, despite extensive research in household finance, little is known about how household linkages and compositions- particularly spousal relationships- affect professional decision-making. There is limited empirical evidence connecting an individual's ability to produce within the financial markets to the identity and the role of their spouse, even though marriage is often regarded as of first-order importance to an individual's human capital (Wiswall and Zafar, 2021). In this paper, we examine how spousal ties influence professional asset managers' investment decisions and their ability to generate abnormal returns. By jointly analyzing the identities of mutual fund managers and their spouses, we uncover how household employment dynamics intersect with the production of alphas within the asset management industry.

Using a novel and comprehensive dataset that links U.S. households, asset manager identities, and professional work histories, we examine how managers' investment performance and stock-picking skills relate to the contemporaneous employment positions of their spouses. We find that mutual funds managed by individuals whose spouses hold executive or C-suite positions earn monthly gross returns of up to 0.32% higher than those managed by individuals with non-executive spouses. This result is robust across panel regressions, portfolio sorts, and specifications exploiting within-fund variation, indicating that spousal employment characteristics meaningfully influence professional investment outcomes.

The outperformance from these managers is not driven by trading in their spouses' specific firms, but rather by superior stock selection within the industries where their spouses are employed. Specifically, managers' trades in spouse-industry stocks significantly predict next-quarter abnormal

returns: spouse-industry stocks bought (sold) by executive-spouse-linked managers outperform (underperform) those bought (sold) by non-executive-spouse-linked managers by 4.30% (4.33%) per quarter. Furthermore, focusing on the executive-spouse-linked managers, such profitable trades only exist on their management of stocks within their spouses' industries, and not in other industries. Since these trades remain profitable after standard risk adjustments, we infer that spousal ties allow for industry-specific information flow into asset prices. Moreover, executive-linked managers tilt their portfolios toward their spouses' industries, being more likely to trade stocks that operate within those sectors. Collectively, our findings indicate that spousal employment ties facilitate the transmission and/or digestion of industry-relevant information within households, shaping fund managers' portfolio choices and alpha generation.

In addition, we further show that such quarterly spouse-industry trades can forecast firm-level information events. Specifically, the net quarterly changes in industry-specific stock positions made by executive-spouse-linked asset managers predict subsequent earnings surprises. Moreover, the net purchases on same-spouse-industry stocks by executive-spouse-linked managers predict important firm-level operational and governance events, such as asset impairments, downsizings, CEO turnovers, and corporate guidance increases. These patterns suggest that, through interactions within the household, managers with executive-level spouses can predict industry and firm-level fundamentals, which in turn enable them to earn superior returns on their trades.

This paper makes several contributions to literature. First, our findings highlight the role of household linkages in the production of returns through portfolio choice. Prior research typically examines financial sophistication and investment outcomes at the household level, emphasizing the roles of wealth, education, and risk preferences (Campbell, 2006; Campbell, Ramadorai, and Ranish, 2019). While recent work shows that spousal disagreements in macroeconomic expectations influence

household asset allocation (Da, 2025), little is known about how spouses' respective skills and human capital interact to shape joint information networks. To our knowledge, this study is the first to document how professional household linkages- specifically, spousal employment ties- affect information acquisition and return generation in financial markets.

Moreover, prior works on asset managers show that social and professional networks are important determinants of trading behavior and investment performance (Cohen, Frazzini, and Malloy, 2008, 2010; Engelberg, Gao, and Parsons, 2013; Pool, Stoffman, and Yonker, 2015; Ammann, Cochradt, Cohen, and Heller, 2025)[1]. This literature is a part of a broader body of work on the role of social networks in financial markets (Hwang and Kim, 2009; Ozsoylev, Walden, Yavuz, and Bildik, 2014; Khanna, Kim, and Lu, 2015; see also Hirshleifer, 2015, for a review). We extend this line of research by demonstrating that industry-specific linkages formed through spousal ties constitute a significant and previously overlooked dimension of these networks, influencing managers' access to information and their investment performance. Despite the frequent assumption that household pairings is a first order determinant of individual human capital (Wiswall and Zafar, 2021), our study provides the first empirical evidence from the asset management industry supporting this view.

The remainder of the paper is organized as follows. Section II describes the data and details on the construction of household linkages for mutual fund managers. Section III presents the main empirical analysis. We begin by examining the abnormal returns associated with spouse-linked portfolio managers and then decompose their quarterly portfolios by industry sector. We show that calendar-time portfolios that mimic managers' industry-specific trades generate significant abnormal

[1] This is in addition to the personal characteristics of individual managers (see for example, Chuprinin and Sosyura, 2018; Bai, Ma, Mullaly, and Solomon, 2019; and others).

returns. The final part of Section III links these trading patterns to firm-level information events, specifically earnings surprises. Section IV discusses the results and concludes.

II. Data

The CRSP mutual fund database provide mutual fund characteristics, and the Thomson-Reuters CDA/Spectrum database provide the identities of their quarterly holdings. We use the MFLinks dataset from WRDS to match equity mutual funds to portfolio identifiers in the Thomson Reuter database, which reports fund holdings at the quarterly frequency (see Chen, 2019 and Chen, 2025).

We focus on domestic actively managed equity mutual funds and obtain a list of fund manager names and profiles from Morningstar Direct. These managers are then matched to our primary household dataset from Labels & Lists (L2), which contains publicly available consumer finance information on U.S. households, including household members and residential addresses. This matching procedure allows us to identify the household composition of these fund managers. Next, we collect detailed employment histories for all identified household members using data from Revelio Labs, which also validates the fund manager identities. Combining these sources, we construct a panel of equity funds that contain both standard mutual fund characteristics (such as performance, age, and size) and their managers' household spousal employment characteristics (in particular, the seniority and the firm of their spouse's employment) from January 2003 through December 2022.

We use the CSRP Stock Database for stock prices and returns, IBES is used for firm-level earnings and forecasts, and Capital IQ to obtain firm-level material news and events. In this section, we describe the datasets in detail, our sample selection criteria, as well as data cleaning and matching process.

A. L2 and Revelio Labs Data

We obtain data from L2, a provider of consumer and household information compiled from a variety of publicly available and commercially licensed sources. These sources include property and mortgage records (ATTOM and Black Knight), new mover databases (the USPS and a private change-of-address database licensed through a large national consumer data provider), charitable and political contribution records (credit and debit card histories combined with FEC data), U.S. Census data, and credit bureaus (a combination of Experian and other credit bureaus under a nondisclosure agreement).[2] Our L2 dataset covers U.S. households from 2020 to 2024 and records the identities of individuals residing at the same address over time. We use this comprehensive dataset to construct historical household compositions for a set of fund managers and identify spousal linkages, which we backfill to the beginning of our mutual fund sample period for use throughout the analysis.

For individuals' employment histories and job information, we rely on Revelio Labs, a third-party provider that compiles and standardizes workforce data from millions of public employment records, including LinkedIn profiles, online resumes, job postings, and company websites and reports. The dataset spans both public and private firms, offering comprehensive coverage of employees worldwide. For every individual, Revelio Labs reports the person's name, the link to his/her LinkedIn profile webpage, inferred demographic characteristics (e.g., race, gender), geographic location (city and state), educational background, and complete employment history. This also gives detailed information on an individual's employment history, including relevant data on the job's title, firm name, industry, role, seniority, start and end dates, and location.

[2] L2 verifies that all data collection and use comply with applicable data privacy regulations, providing opt-in and opt-out options for end users- even in states where such options are not legally required.

We link the L2 and Revelio Labs datasets based on individual names. A match is considered successful if an individual shares the same name, city, and state across both datasets, and the combination is unique. Using this procedure, we successfully match 24,792,079 individuals with valid identifiers in both L2 and Revelio Labs.

B. Matching Fund Managers to L2-Revelio Labs

To identify fund managers' household members and their employment histories, we follow a four-step procedure. First, we match our list of Morningstar fund managers with the L2-Revelio Labs dataset using individual names. This initial step may generate multiple potential matches for managers with common names. Second, for each potential match, we use company names from their employment histories from Revelio Labs to manually verify identities and retain only confirmed matches corresponding to the actual fund managers. Third, using the matched managers and their L2 identifiers, we extract all individuals from L2 who shared the same address (same "address_id") as the managers. We exclude cases where more than ten individuals were associated with the same address, as these likely reflect data errors or multi-unit residences (e.g. apartment buildings) rather than true households. Fourth, for the remaining household members, we collect their employment histories and job records from Revelio Labs. The resulting dataset contains, for each fund manager, the identified household members and their detailed employment histories information (employer names, industries, positions, job titles, roles, seniority, start and end dates, etc). After completing the above procedure, we identify 1,656 unique fund managers and 4,175 unique household members.

Our data on employment histories assigns seniority levels to job positions, ranging from entry-level roles (e.g., interns, trainees, and paralegals at level 1) to C-suite executives (e.g., Chief Executive Officers, Chief Operating Officers, and Chief Financial Officers at level 7). Our primary analyses

group individuals into executive and non-executive categories- specifically, those working at or above level 6 are classified as executives, while those below level 6 are classified as non-executives. Table 1 Panel A reports the distribution of spousal linkages across executive and C-suite households at the four-digit NAICS industry level. While the most common industry linkage among fund managers is "Other Financial Investment Activities," we also observe a mix of representation in industries such as "Pharmaceutical and Medicine Manufacturing" and "Management, Scientific, and Technical Consulting Services."[3] Table 1 Panel B presents examples of executive–level linkages, with details on the specific companies that employ fund managers' spouses. The table illustrates a diverse set of high-level industry connections directly associated with fund manager households. For instance, the Dodge and Cox Stock Fund is connected (through household employment) to a director of a real estate firm; the Wells Fargo and Transamerica Small Cap Fund is connected to advanced research and liaison roles in medical science firms. These examples highlight household linkages that may grant fund managers access to extensive information and professional networks- an aspect we examine more closely in the following section.

III. Main Results

A. Average Mutual Fund Returns

We begin our analysis by examining the gross and net returns of portfolios managed by spouse-linked mutual fund managers. Our primary explanatory variable classifies each manager's spouse according to their employment characteristics, distinguishing between executive and non-executive positions. We find that fund managers whose spouses hold high-level professional roles-

[3] Our analysis on portfolio level returns is robust to excluding finance related industries.

specifically, those with executive or C-suite titles- achieve superior return performance in the portfolios they manage.

As the first step, Table 2 presents univariate comparisons of fund performance and characteristics across groups of mutual funds classified by spousal employment linkages. We construct five categories of funds. *Spouse Unlinked* funds are those with no manager matched to a household member in our work history database at the time of the fund-month observation. *Spouse Linked* funds have at least one manager matched to a household member- typically a spouse. *Spouse Mgr+* funds have at least one manager whose spouse holds a senior professional title (Revelio Lab job seniority level ≥ 5, e.g., Vice President of Engineering). *Spouse Exec+* funds are linked to executive-level spouses (seniority level ≥ 6, e.g. Managing Director) , and *Spouse CSuite* funds are linked to C-suite-level spouses (seniority level = 7, e.g. CEO, CFO, etc).

Spouse Linked tend to indicate lower fund level returns than funds with unmatched spouses. However, within the set of fund managers with matched professional spouses, both gross and net returns increase monotonically with the spouse's employment rank. Funds linked to executive and C-suite spouses exhibiting the highest average returns. These univariate summaries are associated with certain other fund characteristics. Individuals linked to executive and C-suite spouses tend to manage older and larger funds that have better past returns. We we next turn to multivariate regression analyses that incorporate controls and fixed effects to disentangle these confounding variables and better isolate the performance implications of spousal employment linkages.

Table 3 reports panel regressions of fund performance on indicators of spouse-linked managers using monthly observations of equity mutual funds from January 2002 to December 2022. Columns (1) through (5) use gross monthly fund returns as the dependent variable, while columns (6) through (10) use net monthly fund returns.

In columns (1) and (6), the explanatory variable of interest is the *Spouse Linked* indicator. We find that the *Spouse-Linked* indicator is negatively associated with fund performance: on average, spouse-linked funds underperform unlinked funds by approximately 0.05% per month in gross returns (t = 1.38) and 0.06% per month in net returns (t = 1.80). As such, our tests are not likely to be driven by selection into the Revelio dataset of work histories by spouses. In columns (2) and (7), we instead include the *Spouse Mgr*+ indicator. We observe no significant abnormal performance associated with these funds, indicating that the effect of spousal employment likely depends on higher executive status rather than mid-level professional roles.

Indeed, when we focus on indicators for executive and C-suite titles- representing the upper echelon of managerial status- we find a significant positive relationship between these household pairings and monthly fund performance. Columns (3) and (8) show that funds managed by individuals linked to executive-level spouses outperform other equity mutual funds by 0.12% (t = 3.90) and 0.10% (t = 2.93) per month in gross and net returns, respectively. The effect is even stronger for C-suite-linked households. As shown in columns (4) and (9), these funds outperform others in the sample by 0.16% (t = 3.50) in gross returns and 0.12% (t = 2.31) in net returns each month.

Columns (5) and (10) present the most comprehensive multivariate specifications in our panel regressions, incorporating all prior indicators of spousal employment levels. In addition, we include indicators for key occupational categories- such as directors, attorneys, consultants, and accountants- as explanatory variables. In this horserace of predictors, the *Spouse Exec*+ indicator emerges as the most relevant determinant of monthly excess fund returns. Specifically, funds managed by individuals with executive-level spouses earn 0.15% (t = 2.86) higher gross returns and 0.14% (t = 2.74) higher net returns per month. Although the coefficients on the *Spouse CSuite, Director, Attorney,* and *Consultant* indicators are positive, they lose statistical significance.

These predictive results could be driven by unobserved determinants of the fundamental matching between a mutual fund manager, the fund she manages, and her spouse's employment. To alleviate this concern and further isolate the economic channels behind the observed predictability, Table 4 reports regression tests restricted to funds that are contemporaneously linked to a work-matched spouse. The baseline specifications in columns (1) and (4) show that most of the variation in fund returns is captured by time fixed effects (baseline $R^2 = 0.814$). Nevertheless, variations in spousal employment levels continue to exhibit significant explanatory power. Columns (2), (3), (5), and (6) introduce mutual fund fixed effects in addition to time fixed effects to absorb any unobserved, time-invariant characteristics specific to individual funds. The remaining variation in the explanatory variables- *Spouse Exec+* and *Spouse CSuite-* is therefore driven by: (1) non-executive spouses being promoted into executive positions while the fund manager remains employed at the same fund; (2) fund managers with executive-level spouses being hired into funds with existing spousal linkages; and (3) the reverse of these transitions, such as spousal demotions, retirements, or manager departures. Under this *within-fund* specification, we find that when a fund becomes linked to an executive- or C-suite-level spouse, its gross and net monthly returns increase by up to 0.32%.

Lastly, we show the robustness of our regression results by constructing calendar-time portfolios of mutual funds. Table 5 reports results from monthly rebalanced, value-weighted trading portfolios that go long and short mutual funds based on spousal linkage status. Panel A presents portfolio gross returns, and Panel B reports net returns (i.e., returns after management fees and other expenses). In Panel A, we find that a portfolio holding non-executive-spouse-linked mutual funds- those managed by individuals contemporaneously married to non-executive spouses- earns an average raw excess return of 0.58% per month ($t = 2.13$). After adjusting for the Fama-French (1993) and Carhart (1997) four factors, this return becomes slightly negative at -0.047% ($t = 1.38$). In contrast, a portfolio formed of executive-spouse-linked mutual funds- those managed by individuals married to

executive-level spouses- earns an average raw excess return of 0.81% per month (t = 2.60), which remains positive at 0.14% (t = 1.60) after four-factor adjustments. The long-short portfolio, which holds executive-spouse-linked funds and shorts non-executive-spouse-linked funds, yields statistically significant calendar-time returns. This portfolio earns a raw excess return of 0.24% per month (t = 2.62) and a four-factor alpha of 0.19% per month (t = 2.28) over the 227 months in which executive linkages are observed in the sample.

Panel B reports results using net returns instead of gross returns and shows similar patterns. A value-weighted portfolio of executive-spouse-linked mutual funds outperforms that of non-executive-spouse-linked funds. The corresponding long-short calendar-time portfolio earns a raw excess gross return of 0.24% per month (t = 2.70), which remains significant after adjusting for the Fama-French-Carhart four factors, yielding an alpha of 0.19% (t = 2.37). Although shorting mutual funds is not feasible in practice, the sizable and statistically significant difference in monthly returns between executive- and non-executive-spouse-linked portfolios highlights a robust pattern of abnormal performance associated with household employment linkages.

B. Portfolio Holdings

How do spousal employment linkages benefit fund managers? In this section, we investigate the mechanisms through which such linkages contribute to abnormal fund performance. To do so, we decompose the abnormal performance documented earlier by analyzing quarter-to-quarter portfolio holdings from mandatory disclosure filings. Our sample comprises 77 quarterly cross-sections of fund-stock-quarter observations, covering the period for which both holdings and household linkage information are available.

Table 6 first summarizes the excess returns of all stocks held and traded by spouse-linked equity funds. Table 7 then focuses on the subset of trades that are most relevant to the spouse's area of employment and expertise. Specifically, we examine fund managers' trades in 4-digit NAICS industries corresponding to their spouses' employment. We find that the returns associated with these trades are economically meaningful, suggesting that spousal industry linkages represent an important channel behind cross-sectional stock predictability. Table 8 then compares the returns on trades within spouse-employment industries to those on trades outside these industries. Trades within spouse-employment industries are more profitable, consistent with managers having access to industry-specific information through their household employment connections that is likely less available in other industries.

Table 6 reports the average excess returns of stocks held in the portfolios of executive-spouse-linked and non-executive-spouse-linked mutual funds. In rows (1) and (2), we compute the value-weighted average returns of total equity holdings, measured using quarter-end prices, for funds matched to non-executive and executive spouses, respectively. The magnitudes and dispersions of returns across these two calendar-time portfolios are broadly consistent with those reported in Table 5. A long–short portfolio strategy that takes a long position in the holdings of executive-spouse-linked funds and a short position in those of non-executive-spouse-linked funds earns an average four-factor risk-adjusted alpha of approximately 0.30% per quarter ($t = 0.96$). The quarterly portfolio returns are less statistically significant than the average monthly returns, which is consistent with unobserved within-quarter trading activities by mutual fund managers that generate alpha (Kacperczyk, Sialm, and Zheng, 2008).

When we focus directly on trades (buys and sales) made by executive- and non-executive-linked portfolios, we again observe patterns consistent with superior investment skill among managers

linked to executive spouses. Rows (4) and (5) of Table 6 report the average excess returns of stocks bought by non-executive- and executive-spouse-linked mutual funds, respectively, while rows (7) and (8) report the returns of stocks sold by these same groups. We find that stocks purchased by executive-spouse-linked portfolios outperform those purchased by non-executive-spouse-linked portfolios by an average of 0.59% per quarter (t = 1.66) on a four-factor risk-adjusted basis. Conversely, stocks sold by executive-spouse-linked portfolios underperform those sold by non-executive-spouse-linked portfolios by 0.09% (t = 0.29). In row (10), we form the strategy that longs the long-short buys portfolio and shorts the long-short sales portfolio and report the returns. This strategy yields an average return of around 0.70% to 0.78%, depending on risk factor models, and is statistically significant at 10%.

The results in Table 6 suggest that funds linked to executive-level spouses tend to make trades that outperform those of non-executive-linked funds, which may help explain their higher average returns documented earlier. One caveat, however, is that while the returns reported in Table 6 are economically meaningful, they are at best weakly statistically significant. This is likely due to the coarse aggregation of all mutual fund trades, many of which may be driven by liquidity or other non-informational motives. As a result, the effects of spousal employment linkages may be diluted when considering the full set of holdings by spouse-linked fund managers. To better understand the benefits of spousal employment linkages, we next focus on a subset of trades where these informational channels are more likely to operate.

Specifically, we focus on trades in stocks that operate within the same industries as the fund managers' spouses. We conjecture that regular interactions with spouses provide fund managers with industry-relevant insights- such as emerging trends, changes in economic or firm outlook, and shifts in the competitive landscape- that can be valuable when trading stocks in those industries. Moreover,

such informational advantage should vary with the spouse's role and seniority within the firm. Spouses in executive positions are likely to have broader and more timely access to strategic and forward-looking industry information than non-executive spouses. Through household connections, such information may flow to fund managers and translate into superior trading performance in spouse-employment industries.

In Table 7, we form calendar-time portfolios of stocks traded (bought and sold) by executive-spouse-linked and non-executive-spouse-linked fund managers, restricting the sample to trades in stocks that operate in the same four-digit NAICS industries as the managers' spouses. Rows (1) and (2) show that portfolios of same-industry stock purchases by executive-spouse-linked managers generate positive average quarterly returns, whereas those of non-executive-spouse-linked managers yield negative average returns. For example, the average four-factor risk-adjusted excess return for executive-spouse-linked funds' same-industry stock purchases is 3.09% (t = 1.50), compared with −1.21% (t = 1.21) for non-executive-spouse-linked funds. The corresponding long-short portfolio in row (3) delivers a sizable 4.30% (t = 1.79) four-factor alpha per quarter.

The results for stock sales follow a similar pattern. Rows (4) and (5) show that same-industry stocks sold by executive-spouse-linked fund managers underperform those sold by non-executive-spouse-linked managers. Specifically, same-industry stock sales by executive-spouse-linked managers exhibit four-factor alphas of −5.78% (t = 2.94), compared with −1.45% (t = 1.13) for non-executive-spouse-linked funds. The long-short portfolio in row (6) yields −4.33% (t = 2.40) per quarter. In Row (7), we form the strategy that goes long the long-short buys portfolio and short the long-short sales portfolio and report the returns. This strategy yields an average quarterly return of between 8.84% and 9.77%, depending on risk factor models, and is highly statistically significant.

To go one step further and examine the value of industry-level information associated with spousal employment, we focus on executive-spouse-linked portfolios and compare their trades within spouse-employment industries to their trades outside those industries. If the mutual fund manager exhibits similar skills in picking spouses and she is in picking stocks, we should observe comparable outperformance in industries unrelated to the spouse's employment, where managers lack such connections. Table 8 shows that this is not true. Although managers with executive spouses earn positive returns on buy trades and negative returns on sell trades outside spouse-employment industries, their trades within spouse-employment industries are much more profitable. In particular, the returns to sales exceed those to buys, indicating superior timing or selection on the sell side. A long-short strategy that goes long the long–short buy portfolio and short the long–short sell portfolio delivers large quarterly returns (approximately 8% to 9%) and is highly statistically significant.[4]

Overall, our evidence indicates that trades by fund managers with executive-level spouses are more informative than those by managers without executive-level spouses. This effect is concentrated in the same-spouse-industries and does not extend to trades outside the spouse's industry, where managers lack comparable connections. Together, these results highlight meaningful within-household knowledge complementarity that is associated with excess managerial investment performance, a channel largely overlooked in the existing mutual fund literature. More broadly, our findings support spousal employment connections as an important- and again largely overlooked-source of stock return predictability.

[4] Table A1 reports the average quarterly returns of calendar-time portfolios of stocks traded by (both executive and non-executive linked) managers in the four-digit NAICS industries outside of the industry that employ their spouses. We find that non-spouse-industry trades by executive-linked managers are not significantly different in returns than those by non-executive-linked managers. As shown in Tables 6 through 8, the most significant source of the abnormal performance by executive linked mutual fund managers derives from spouse-linked industry.

C. Portfolio Tilt

Although we show that executive spousal employment industry linkages are associated with more informative trades by fund managers, it remains unclear whether these managers actually allocate more of their trading activity toward same-industry In Table 9, we observe that managers with executive-level spouses engage in greater trading activity within spouse-employment industries, along both intensive margin and extensive margin. Combined with the return patterns documented in Table 7 and 8, this provides evidence consistent with the hypothesis that spousal linkages facilitate access to industry-related information and enable managers to act upon it in their portfolio decisions.

To evaluate industry portfolio tilt by linked fund managers, Table 9 reports regressions of quarterly industry-level trading measures on an indicator for having an executive-level spouse, an indicator for whether the industry employs the spouse, and their interaction. The unit of observation is industry-portfolio-quarter (4-digit NAICS × fund portfolio × time). In Column (1), the dependent variable is an indicator that equals to one if the portfolio manager trades any stock within an industry during the quarter (extensive margin). In Column (2), the dependent variable is the dollar value of industry trades scaled by the average of the portfolio's beginning- and end-of-quarter sizes (intensive margin). All specifications include industry × portfolio fixed effects to absorb unconditional variation in trading that arises from stable characteristics of the portfolio-industry pairing.

We find that the interaction between the executive-spouse indicator and the spouse-industry indicator is positive and statistically significant across specifications, indicating that executive-spouse-linked managers trade more actively in industries where their spouses are employed. Specifically, a executive-spouse-linked fund manager is 6.8% more likely ($t = 4.89$) to trade in the industry that employs the executive-level spouse. Moreover, the dollar value of such trades- scaled by the average of beginning and end-of-quarter portfolio size- is, on average, 6.1% higher for these executive-industry

pairs. This elevated quarter-to-quarter trading intensity is consistent with more aggressive and informed portfolio actions in industries where managers plausibly possess superior information and thus greater potential to generate alpha. These results also shed light on how information is generated within households and used by fund managers: rather than trading on stock-specific information about their spouses' firms, which they are typically discouraged or even restricted from doing, managers appear to leverage industry-level insights acquired through household interactions.

D. Information Events

In this section, we further examine the underlying sources of outperformance in same-spouse-industry trades. We show that quarterly trades by executive-spouse-linked portfolio managers are associated with firm-level earnings surprises and other fundamental information events. These findings suggest that, through interactions with their executive-level spouses, fund managers acquire industry-specific insights that enable them to better anticipate news from same-industry firms.

Table 10 reports regressions of Standardized Unexpected Earnings (SUE) (see Livnat and Mendenhall, 2006) on measures of trading activity by executive-spouse-linked fund managers, using a panel of stock-by-quarter observations. The primary explanatory variable, *% of Trade,* captures the intensity of executive-linked trading in a stock's spouse-industry segment. For each quarter, we aggregate the net dollar value of buys and sales made by all executive-spouse-linked portfolios in stocks belonging to the spouse's 4-digit NAICS industry. A stock's *% of Trade* is defined as the stock's dollar purchases as a fraction of total industry-level purchases by executive-spouse-linked managers minus its dollar sales as a fraction of total industry-level sales by executive-spouse-linked managers. By construction, this measure ranges from –100% to 100%, scaling the relative weight of executive-linked buying versus selling pressure. Stocks with no observed trades by executive-spouse-linked managers in their industry are assigned a value of zero.

We find that the *% of Trade* variable significantly predicts all four measures of earnings surprises. Column (1) regresses cumulative abnormal returns around earnings announcements- measured over the [−1,+1] trading-day window- on this variable. A stock that accounts for 100% of industry-level purchases by executive–linked managers in a given quarter is predicted to earn a cumulative abnormal return of 2.07% (t = 2.48) around its earnings announcement. Columns (2) and (3) use Compustat-derived Standardized Unexpected Earnings (SUE) as the dependent variables. Column (2) relies on the seasonal random-walk benchmark, while column (3) calculates SUE excluding extraordinary items. A 100% increase in the *% of Trade* variable raises these SUE measures by 1.87% (t = 2.86) and 1.03% (t = 2.70), respectively. Column (4) examines earnings surprises measured relative to IBES analyst forecasts. Here, a comparable increase in the *% of Trade* variable raises the IBES-standardized unexpected earnings by 0.20% (t = 1.96). Overall, our evidence in Table 10 suggests is consistent with executive-spouse-linked managers being informed about same-industry stocks' cash flows fundamentals.

Table 11 reports regressions of the occurrence of key corporate development events on *% of Trade* (defined as in Table 10). We obtain event indicators from Capital IQ and examine four event types: asset impairments/write-offs (column (1)), discontinued operations/downsizing (column (2)), CEO turnover (column (3)), and guidance increases (column (4)). These events capture salient changes in firms' operating conditions and governance. We find that net buying by executive-spouse-linked managers is associated with same-industry firms having a lower likelihood of assets impairments/write-offs (t = 2.07), downsizing/discontinued operations (t = 1.74), and CEO turnover (t = 1.44), and a higher likelihood of guidance increases (t = 3.46) next quarter. Overall, our results suggest that executive-spouse-linked managers are able to not only predict same-industry firms' cash-flow fundamentals (as in Table 10), but also predict their broader operating and governance

environments: these managers tend to build positions in firms with stable/improving conditions and reduce exposure to firms that subsequently experience adverse events. These insights about firms in spouse industries are likely results of within household knowledge transfers, which provide additional support for the value of spousal employment linkages.

IV. Conclusion

In this paper, we study the impact of intra-household linkages on the financial performance of U.S. professional money managers. We find that spousal employment ties play a meaningful role in shaping the investment performance, portfolio choices, and information production within the asset management industry. Using a novel dataset that links mutual fund managers to their household members and employment histories, we document that managers with spouses employed in executive and C-suite positions generate significantly higher abnormal returns than managers with non-executive-level spouses. These return differentials are robust across panel regressions, portfolio sorts, and specifications that exploit within-fund variation. Moreover, this performance premium arises primarily through managers' trades in the same industries in which their spouses work. Managers with executive and C-suite spouses tend to tilt their portfolios toward these spouse-related industries and earn higher returns on such trades. Finally, we show that the trades by executive-spouse-linked managers predict firm-level information events, including earnings surprises and key corporate developments. Stocks that receive greater buying pressure from executive-spouse-linked managers subsequently experience more positive abnormal returns around earnings announcement dates, exhibit larger unexpected earnings, and are less likely to experience adverse developments (and more likely to experience favorable ones). These findings indicate that spousal employment linkages facilitate the acquisition and processing of industry-specific fundamental information.

Our results highlight that the boundaries of information production in financial markets extend beyond individual managers and their professional environments. Household connections, formed through marriage and shaped by the professional roles of spouses, constitute a previously overlooked channel through which information flows into asset prices. Future research may further explore the implications of household human capital for asset pricing and market efficiency.

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Table 1. Summary Statistics on Mutual Fund Spousal Linkages

Panel A: The NAICS Industry (4-digit NAICS) Distribution of Mutual Fund Spousal Linkages Across Executive and C-suite Households

4-Digit NAICS Industries	Unique Exec-Linked Funds
Pharmaceutical and Medicine Manufacturing	3
Manufacturing and Reproducing Magnetic and Optical Media	1
Other Support Activities for Transportation	3
Newspaper, Periodical, Book, and Directory Publishers	2
Software Publishers	4
All Other Telecommunications	2
Depository Credit Intermediation	2
Other Financial Investment Activities	10
Insurance Carriers	2
Agencies, Brokerages, and Other Insurance Related Activities	4
Architectural, Engineering, and Related Services	2
Computer Systems Design and Related Services	2
Management, Scientific, and Technical Consulting Services	4
Scientific Research and Development Services	1
Advertising, Public Relations, and Related Services	1
Colleges, Universities, and Professional Schools	8
Outpatient Care Centers	2
Home Health Care Services	1
General Medical and Surgical Hospitals	1
Continuing Care Retirement and Assisted Living Facilities	1
Other Amusement and Recreation Industries	1
Grantmaking and Giving Services	2

This panel lists the distribution of mutual fund portfolios whose managers' spouses are employed at or above the executive levels in various 4-digit NAICS industries in our sample of mutual funds from 2003 to 2022.

Panel B. Manager-Dinner Table-Company Triplets of Managers with Executive+ Dinner Table Connections with Highest Fund Returns

Fund Name	Role of Linked Indiv	Ultimate Parent Linked Indiv
Dodge & Cox Stock	directors	Albany Road Real Estate Partners
Fidelity Stk Selector	strategic marketing	WPP
JP Morgan Equity Income	business development	Ennabl
	business development	Roper Technologies
	business development	Marsh & McLennan Cos.
JP Morgan Growth & Income	business development	Ennabl
	business development	Roper Technologies
	business development	Marsh & McLennan Cos.
Hartford Sml/Mid Cap	market development	Amgen, Inc.
	marketing representative	Amgen, Inc.
	site	Amgen, Inc.
Wells Fargo Adv Sml Co	research scientist	North American Science Assoc.
	ambassador	North American Science Assoc.
	medical science liaison	Syntiron LLC
Transamerica Small Cap	research scientist	North American Science Assoc.
	ambassador	North American Science Assoc.
	medical science liaison	Syntiron LLC
UAM Integra Cap Mgmt	physician	Health Care for the Homeless
Chase Growth Fund	financial analysis	KPMG International Cooperative
	scientific	Treasure State Internet Telegraph
PGIM Jennison Rising Div	directors	Guardian Direct Energy Program
	business development	Charney Cos.
	real estate broker	Baohaus
	real estate broker	RCVRY Labs
	real estate broker	Titan Capital Management
	real estate broker	Velocity Capital Group
Dreyfus Select Managers	directors	Movement

This panel lists examples of the linkages of fund managers to various companies that employ their spouses at or above the executive levels. The role of the linked individual is provided by the Revelio Labs database.

Table 2. Sample Means of Fund Characteristics Across Spousal Employment Linkages

	Net Return (%)	Gross Return (%)	Log TNA	Log Fund Age	Past 12-Month Return (%)
Spouse Unlinked	0.776	0.840	19.568	2.400	9.971
Spouse Linked	0.682	0.762	19.594	2.598	9.312
Spouse Mgr+	0.705	0.780	19.989	2.668	10.216
Spouse Exec+	0.886	0.969	20.169	2.892	12.262
Spouse CSuite	0.965	1.058	19.493	2.895	12.332

This table reports the sample mean of fund-level characteristics for funds with different employment levels of spousal linkages. *Net Return* is the fund's total monthly returns after expenses. *Gross Return* is the fund's net monthly return added by yearly expenses divided by 12. *Spouse Unlinked* indicates funds without any managers linked to any spouse marked as employed in the Revelio database. *Spouse Linked* indicates funds with at least one manager linked to any spouse marked as employed in the Revelio database. *Spouse Mgr+* indicates funds with at least one manager linked to spouse with employment at level 5 (VP Engineering, etc.) and above. *Spouse Exec+* indicates funds with at least one manager linked to spouse with employment at level 6 and level 7 (the executive and C-suite levels). *Spouse CSuite* indicates funds with at least one manager linked to spouse with employment at C-suite levels (Chief Executive Officers, etc.).

Table 3. Monthly Fund Returns Test

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Gross Return %					Net Return %				
Spouse Linked	-0.0487				-0.0713	-0.0643*				-0.0889*
	(-1.377)				(-1.489)	(-1.801)				(-1.836)
Spouse Mgr+		-0.00885			-0.00527		-0.0214			0.00252
		(-0.336)			(-0.106)		(-0.800)			(0.0497)
Spouse Exec+			0.117***		0.149***			0.0950***		0.141***
			(3.902)		(2.864)			(2.926)		(2.743)
Spouse CSuite				0.159***	0.0455				0.123**	0.0220
				(3.497)	(0.670)				(2.308)	(0.308)
Directors					0.123					0.138*
					(1.463)					(1.739)
Attorneys					0.0720					0.0781
					(1.094)					(1.213)
Consultants					0.152					0.148
					(1.149)					(1.186)
Accountants					-0.0540					-0.0272
					(-0.547)					(-0.294)
Other Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year-Month FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	580,281	580,281	580,281	580,281	580,281	580,281	580,281	580,281	580,281	580,281
Adjusted R2	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076	0.076

This table regresses *Gross* and *Net Returns* on indicators of spousal linkages at different employment levels, controls, and year-month fixed effects. *Gross Return* is the fund's net monthly return added by their yearly expenses divided by 12. *Net Return* is the fund's total monthly returns after expenses. Other controls are fund size, past 12-month returns, and log fund age. *Spouse Linked* equals 1 for funds with at least one manager linked to any spouse marked as employed in the Revelio database. *Spouse Mgr+* equals 1 for funds with at least one manager linked to spouse with employment at level 5 (VP Engineering, etc.) and above. *Spouse Exec+* equals 1 for funds with at least one manager linked to spouse with employment at level 6 and level 7 (the executive and C-suite levels). *Spouse CSuite* equals 1 for funds with at least one manager linked to spouse with employment at C-suite levels (Chief Executive Officers, etc.). The t-statistics reported in parentheses are clustered at the fund level.

Table 4. Spouse-Linkage Change Test

	(1)	(2)	(3)	(4)	(5)	(6)
	Gross Return %			Net Return %		
Spouse Exec+	0.148***	0.252**		0.142***	0.248**	
	(4.393)	(2.365)		(4.052)	(2.355)	
Spouse CSuite			0.320***			0.316***
			(3.217)			(3.216)
Other Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Fund FE	No	Yes	Yes	No	Yes	Yes
Observations	19,059	19,046	19,046	19,059	19,046	19,046
Adjusted R2	0.814	0.816	0.816	0.814	0.816	0.816

This table regresses *Gross* and *Net Returns* on indicators of spousal linkages at executive and C-suite levels, controls, year-month and fund fixed effects. *Gross Return* is the fund's net monthly return added by their yearly expenses divided by 12. *Net Return* is the fund's total monthly returns after expenses. Other controls are fund size, past 12-month returns, and log fund age. *Spouse Exec+* equals 1 for funds with at least one manager linked to spouse with employment at level 6 and level 7 (the executive and C-suite levels). *Spouse CSuite* equals 1 for funds with at least one manager linked to spouse with employment at C-suite levels (Chief Executive Officers, etc.). Fund fixed effects are included in columns (2), (3), (5), and (6). The t-statistics reported in parentheses are clustered at the fund level.

Table 5.
Calendar-Time Portfolios of Formed Dinner Table Linked Mutual Funds

Panel A. Gross Monthly Excess Returns of Calendar Time Portfolios Formed of Executive-Linked and Non-Executive-Linked Mutual Funds

	Gross Monthly Excess Returns			
	Raw	CAPM Alpha	3F Alpha	4F Alpha
Non-Executive Spouse	**0.578%**	-0.057%	-0.048%	-0.047%
	(2.127)	(1.545)	(1.421)	(1.377)
Executive+ Spouse	**0.813%**	0.112%	0.136%	0.140%
	(2.600)	(1.148)	(1.572)	(1.604)
Executive+ Minus Non-Exec	**0.235%**	**0.168%**	**0.184%**	**0.187%**
	(2.619)	**(1.949)**	**(2.266)**	**(2.281)**
Average Number of Funds (Non-Executive Spouse)	74.37	74.37	74.37	74.37
Average Number of Funds (Executive+ Spouse)	7.33	7.33	7.33	7.33
Number of Months	227	227	227	227

This panel reports the value-weighted monthly gross returns of calendar time portfolios formed of executive+ and non-executive spouse-linked mutual funds. *Non-Executive Spouse* is the calendar time portfolio of mutual funds with at least one manager linked to spouse employed below the executive level. *Executive+ Spouse* is the calendar time portfolio of mutual funds with at least one manager linked to spouse employed at or above the executive level. *Executive+ Minus Non-Exec* denotes the calendar time portfolio that longs the *Executive+ Spouse* portfolio and shorts the *Non-Executive Spouse* portfolio. OLS t-statistics of the monthly returns are listed in parenthesis.

Panel B. Net Monthly Excess Returns of Calendar Time Portfolios Formed of Executive-Linked and Non-Executive-Linked Mutual Funds

	Net Monthly Excess Returns			
	Raw	CAPM Alpha	3F Alpha	4F Alpha
Non-Executive Spouse	0.511%	**-0.123%**	**-0.115%**	**-0.114%**
	(1.881)	**(3.362)**	**(3.394)**	**(3.336)**
Executive+ Spouse	**0.754%**	0.052%	0.077%	0.081%
	(2.411)	(0.540)	(0.890)	(0.925)
Executive+ Minus Non-Exec	**0.242%**	**0.176%**	**0.192%**	**0.194%**
	(2.704)	**(2.037)**	**(2.359)**	**(2.373)**
Average Number of Funds (Non-Executive Spouse)	74.37	74.37	74.37	74.37
Average Number of Funds (Executive+ Spouse)	7.33	7.33	7.33	7.33
Number of Months	227	227	227	227

This panel reports the value-weighted monthly net returns of calendar time portfolios formed of executive+ and non-executive spouse-linked mutual funds. *Non-Executive Spouse* is the calendar time portfolio of mutual funds with at least one manager linked to spouse employed below the executive level. *Executive+ Spouse* is the calendar time portfolio of mutual funds with at least one manager linked to spouse employed at or above the executive level. *Executive+ Minus Non-Exec* denotes the calendar time portfolio that longs the *Executive+ Spouse* portfolio and shorts the *Non-Executive Spouse* portfolio. OLS t-statistics of the monthly returns are listed in parenthesis.

Table 6. Calendar Time Portfolios Formed of Underlying Stocks in Dinner Table Linked Manager Portfolios

		Quarterly Returns			
		Raw	CAPM Alpha	3F Alpha	4F Alpha
(1)	Holdings of Mgrs with Non-Executive Spouses	**2.305%**	0.082%	0.122%	0.103%
		(2.503)	(0.480)	(0.768)	(0.641)
(2)	Holdings of Mgrs with Executive+ Spouses	**2.788%**	0.325%	0.442%	0.394%
		(2.627)	(0.908)	(1.408)	(1.250)
(3)	(2) minus (1)	0.483%	0.243%	0.320%	0.292%
		(1.512)	(0.764)	(1.058)	(0.953)
(4)	Stocks Bought by Mgrs with Non-Executive Spouses	**2.378%**	0.112%	0.172%	0.168%
		(2.521)	(0.564)	(0.920)	(0.888)
(5)	Stocks Bought by Mgrs with Executive+ Spouses	**3.181%**	0.658%	**0.764%**	**0.754%**
		(2.918)	(1.747)	**(2.140)**	**(2.082)**
(6)	(5) minus (4)	**0.803%**	0.547%	0.593%	0.586%
		(2.294)	(1.565)	(1.694)	(1.651)
(7)	Stocks Sold by Mgrs with Non-Executive Spouses	**2.304%**	0.045%	0.050%	0.014%
		(2.452)	(0.233)	(0.258)	(0.071)
(8)	Stocks Sold by Mgrs with Executive+ Spouses	**2.351%**	-0.118%	0.007%	-0.082%
		(2.125)	(0.281)	(0.018)	(0.228)
(9)	(8) minus (7)	0.066%	-0.168%	-0.047%	-0.102%
		(0.176)	(0.446)	(0.141)	(0.308)
(10)	(6) minus (9)	**0.781%**	**0.758%**	**0.703%**	**0.746%**
		(1.966)	**(1.829)**	**(1.749)**	**(1.845)**
	Number of Quarters	77	77	77	77

This tables reports the value-weighted quarterly gross returns of calendar-time portfolios formed of mutual funds' stock holdings. Rows (1) and (2) reports the value-weighted returns of the holdings of executive+ and non-executive-spouse-linked portfolios. Rows (4) and (5) reports the value-weighted returns of stocks purchased by executive+ and non-executive-spouse-linked portfolios. Rows (7) and (8) reports the value-weighted returns of stocks sold by executive+ and non-executive-spouse-linked portfolios. The long-short portfolio returns for each of these strategies are reported in rows (3), (6), and (9). Row (10) reports the returns to the strategy that goes long the long-short buys and short the long-short sells (row (6) – row(9)). OLS t-statistics of the monthly returns are listed in parenthesis.

Table 7. Same Spouse-NAICS Industry (4-digit NAICS) Trades

		Quarterly Returns			
		Raw	CAPM Alpha	3F Alpha	4F Alpha
(1)	Net Buys by Non-Executive Linked Mgrs within Same Linked Industry	-0.284%	-2.118%	-1.712%	-1.250%
		(0.169)	(1.908)	(1.552)	(1.121)
(2)	Net Buys by Executive+ Linked Mgrs within Same Linked Industry	3.603%	2.657%	2.546%	3.123%
		(1.772)	(1.347)	(1.250)	(1.522)
(3)	(2) minus (1)	3.887%	**4.775%**	4.258%	4.372%
		(1.675)	**(2.081)**	(1.822)	(1.822)
	Number of Quarters	59	59	59	59
(4)	Net Sells by Non-Executive Linked Mgrs within Same Linked Industry	0.775%	-1.594%	-1.473%	-1.417%
		(0.404)	(1.279)	(1.159)	(1.109)
(5)	Net Sells by Executive+ Linked Mgrs within Same Linked Industry	-3.626%	**-5.934%**	**-5.678%**	**-5.850%**
		(1.522)	**(3.049)**	**(2.860)**	**(2.977)**
(6)	(5) minus (4)	**-4.401%**	**-4.339%**	**-4.205%**	**-4.434%**
		(2.512)	**(2.407)**	**(2.273)**	**(2.475)**
	Number of Quarters	62	62	62	62
(7)	(3) minus (6)	**8.835%**	**9.770%**	**8.967%**	**9.027%**
		(2.851)	**(3.206)**	**(2.866)**	**(2.824)**
	Number of Quarters	51	51	51	51

This table reports value-weighted quarterly gross returns of calendar-time portfolios formed of mutual funds' stock holdings in the same industries as the firms employing fund managers' spouses. Rows (1) and (2) reports the value-weighted returns of stocks purchased by executive+ and non-executive-spouse-linked portfolios in the same 4-digit NAICS industries as the firms employing their spouses. Rows (4) and (5) reports the value-weighted returns of stocks sold by executive+ and non-executive-spouse-linked portfolios in the same 4-digit NAICS industries as the firms employing their spouses. The long-short portfolio returns for each of these strategies are reported in rows (3) and (6). Row (7) reports the returns to the strategy that goes long the long-short buys and short the long-short sells (row (3) – row(6)). OLS t-statistics of the quarterly returns are listed in parenthesis.

Table 8. Same vs. Non-Spouse-NAICS Industry (4-digit NAICS) Trades

		Quarterly Returns			
		Raw	CAPM Alpha	3F Alpha	4F Alpha
(1)	Net Buys by Executive+ Linked Mgrs Outside the Linked Industry	**2.066%**	0.433%	0.673%	**0.703%**
		(1.692)	(0.987)	(1.719)	**(1.750)**
(2)	Net Buys by Executive+ Linked Mgrs within Same Linked Industry	3.603%	2.657%	2.546%	3.123%
		(1.772)	(1.347)	(1.250)	(1.522)
(3)	(2) minus (1)	1.538%	2.224%	1.872%	2.419%
		(0.770)	(1.118)	(0.920)	(1.177)
	Number of Quarters	59	59	59	59
(4)	Net Sells by Executive+ Linked Mgrs Outside the Linked Industry	1.538%	-0.366%	-0.230%	-0.259%
		(1.207)	(0.810)	(0.536)	(0.606)
(5)	Net Sells by Executive+ Linked Mgrs within Same Linked Industry	-3.626%	**-5.934%**	**-5.678%**	**-5.850%**
		(1.522)	**(3.049)**	**(2.860)**	**(2.977)**
(6)	(5) minus (4)	**-5.164%**	**-5.567%**	**-5.448%**	**-5.591%**
		(2.794)	**(2.955)**	**(2.840)**	**(2.928)**
	Number of Quarters	62	62	62	62
(7)	(3) minus (6)	**8.017%**	**9.029%**	**8.398%**	**8.804%**
		(2.307)	**(2.633)**	**(2.372)**	**(2.448)**
	Number of Quarters	51	51	51	51

This tables reports the value-weighted quarterly gross returns of calendar time portfolios formed of mutual funds' holdings in the same vs. different industries as the firms that employ their spouses. Rows (1) and (2) reports the value-weighted returns of stocks purchased by executive+ spouse-linked portfolios in the same and different 4-digit NAICS industries as their spouses' employment. Rows (4) and (5) reports the value-weighted returns of stocks sold by executive+ spouse-linked portfolios in the same and different 4-digit NAICS industries as their spouses' employment. The long-short portfolio returns for each of these strategies are reported in rows (3) and (6). Row (7) reports the returns to the strategy that goes long the long-short buys and short the long-short sells (row (3) – row (6)). OLS t-statistics of the monthly returns are listed in parenthesis.

Table 9. Portfolio Tilt

	(1)	(2)
	Traded	% of Trades
Spouse Industry	-0.0239	0.0162
	(-1.565)	(0.849)
Spouse Exec+	-0.0180	-0.0743***
	(-1.011)	(-2.663)
Spouse Industry X Spouse Exec+	0.0679***	0.0608**
	(4.889)	(2.341)
NAICS X Portfolio Fixed Effect	Yes	Yes
Observations	2,094,859	2,094,859
Adjusted R-squared	0.244	0.188

This table regresses industry-level trading measures on indicators for linked spouse's industry, employment levels, and the interaction. The unit of observation is NAICS industry by Fund by Quarter. The dependent variable in column (1) is the indicator of at least 1 quarterly trade in the spouse industry stocks by the fund portfolio. The dependent variable in column (2) is the dollar amount of trades (buys and sales) as a percentage fraction of the total trades by the fund portfolio. *Spouse Industry* indicates whether the NAICS industry is the same as the one that employs the fund manager spouse. *Spouse Exec+* indicates whether the spouse is employed at the executive or the C-suite level. The t-statistics are double clustered by NAICS industry and Time.

Table 10. Earnings Surprises and Trading by Executive-Spouse-Linked Mutual Funds

	(1)	(2)	(3)	(4)
	CAR[-1,1]	Standardized Unexpected Earnings (Random Walk)	Standardized Unexpected Earnings (Extraordinary)	Standardized Unexpected Earnings (IBES Analyst)
% of Trade	0.0207**	0.0187***	0.0103***	0.00202*
	(2.477)	(2.856)	(2.697)	(1.961)
NAICS by Time Fixed Effects	Yes	Yes	Yes	Yes
Observations	175,049	174,664	174,692	126,525
Adjusted R-squared	0.030	0.015	0.015	-0.028

This table regresses the measurements of Earnings Surprises on the aggregate trading activity by mutual funds linked to executive-level spouses. The unit of observation is Stock by Quarter. As dependent variable, Column (1) uses the Cumulative Abnormal Return in the -1 to 1 trading days around the earnings announcement. Column (2) uses Standardized Unexpected Earnings calculated using the time-series random walk model of earnings. Column (3) uses Standardized Unexpected Earnings calculated using the time-series random walk model of earnings after excluding extraordinary items. Column (4) uses Standardized Unexpected Earnings calculated from IBES analyst forecasts. *% of Trade* is the stock's dollar purchases as a fraction of total industry-level purchases by executive-spouse-linked managers minus its dollar sales as a fraction of total industry-level sales by executive-spouse-linked managers. The t-statistics are double clustered by NAICS industry and Time.

Table 11. Information Events and Trading by Executive-Spouse-Linked Mutual Funds

	(1)	(2)	(3)	(4)
	Assets Impairments/ Write Offs	Discontinued Operations/ Downsizings	CEO Turnover	Raising Corporate Guidance
% of Trade	-0.0717**	-0.0196*	-0.0799	0.0990***
	(2.071)	(1.744)	(1.447)	(3.456)
NAICS by Time Fixed Effects	Yes	Yes	Yes	Yes
Observations	163,293	163,293	163,293	163,293
Adjusted R-squared	0.160	0.111	0.023	0.093

This table regresses the occurrence of firm-level information events on the aggregate trading activity by mutual funds linked to executive-level spouses . The unit of observation in Stock by Quarter. Firm-level information events are collected from Capital IQ. The dependent variables are indicator variables for assets impairment/write offs (column (1)), discontinued operations/downsizing (column (2)), CEO turnover (column (3)), raising corporate guidance (column (4)) . *% of Trade* is the stock's dollar purchases as a fraction of total industry-level purchases by executive-spouse-linked managers minus its dollar sales as a fraction of total industry-level sales by executive-spouse-linked managers. The t-statistics are double clustered by NAICS industry and Time.

Appendix

Table A1. Non-Spouse-NAICS Industry (4-digit NAICS) Trades

		Quarterly Returns			
		Raw	CAPM Alpha	3F Alpha	4F Alpha
(1)	Net Buys by Non-Executive Linked Mgrs Outside the Linked Industry	**2.151%**	-0.256%	-0.152%	-0.175%
		(2.082)	(1.073)	(0.689)	(0.785)
(2)	Net Buys by Executive+ Linked Mgrs Outside the Linked Industry	**2.892%**	0.378%	0.479%	0.431%
		(2.576)	(0.925)	(1.206)	(1.076)
(3)	(2) minus (1)	**0.741%**	0.633%	0.631%	0.606%
		(1.915)	(1.578)	(1.573)	(1.491)
	Number of Quarters	75	75	75	75
(4)	Net Sells by Non-Executive Linked Mgrs Outside the Linked Industry	**2.486%**	0.031%	0.095%	0.125%
		(2.279)	(0.105)	(0.322)	(0.421)
(5)	Net Sells by Executive+ Linked Mgrs Outside the Linked Industry	**2.448%**	-0.018%	0.037%	-0.032%
		(2.159)	(0.043)	(0.093)	(0.081)
(6)	(5) minus (4)	-0.038%	-0.050%	-0.057%	-0.157%
		(0.097)	(0.121)	(0.140)	(0.394)
	Number of Quarters	74	74	74	74
(7)	(3) minus (6)	0.827%	0.729%	0.741%	0.814%
		(1.709)	(1.449)	(1.437)	(1.579)
	Number of Quarters	74	74	74	74

This tables reports the value-weighted quarterly gross returns of calendar time portfolios formed of mutual funds' holdings in the different industries as the firms that employ their spouses. Rows (1) and (2) reports the value-weighted returns of stocks purchased by executive+ and non-executive-spouse-linked portfolios in different 4-digit NAICS industries as the firms employing their spouses. Rows (4) and (5) reports the value-weighted returns of stock sold by executive+ and non-executive-spouse-linked portfolios in different 4-digit NAICS industries as the firms employing their spouses. The long-short portfolio returns for each of these strategies are reported in rows (3) and (6). Row (7) reports the returns to the strategy that goes long the long-short buys and short the long-short sells (row (3) – row (6)). OLS t-statistics of the monthly returns are listed in parenthesis.