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 (sold) by executive-spouse linked managers outperform (underperform) those bought (sold) by the non-executive-spouse linked managers by 4.30% (4.33%) per quarter. These patterns suggest that spousal relationships facilitate fund managers' comprehension of industry-level information. We further find that fund managers' spouse-industry trades predict subsequent earnings surprises. Overall, our results indicate that the boundaries of information advantages in asset management extend beyond the managers themselves and highlight the importance of household linkages 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 in financial markets. 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 alpha 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 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.

To explore the underlying mechanism, we find that the outperformance 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-linked managers by 4.30% (4.33%) per quarter. Since these trades remain profitable after standard risk adjustments, we infer that spousal ties may allow for incomplete industry-specific information flow into asset prices. Moreover, executive-linked managers tilt their portfolios toward stocks in their spouses' industries, both by being more likely to trade those stocks (extensive margin) and by allocating larger dollar amounts to them when they do (intensive margin). Collectively, our findings indicate that spousal employment ties facilitate the transmission 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. These patterns suggest that, through interactions within the household, managers with executive-level spouses are able to acquire a deeper understanding of industry-level fundamentals, which in turn enables them to earn superior returns on their trades.

This paper makes several contributions to the 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 research on asset managers demonstrates that networks—both professional and social—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). This literature connects to a broader body of work examining 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 influence 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 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 Section

We obtain mutual 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 residential addresses. This matching procedure enables us to identify the household composition of a set of fund managers. Next, we collect detailed employment histories for all identified household members using data from Revelio Labs, which also allows us to validate fund manager identities. Combining these sources, we construct a panel that links fund managers' professional outcomes and household employment characteristics, from which we can trace the relationship between spousal employment and fund performance from January 2003 through December 2022.

We also use the CRSP mutual fund database to obtain fund-level characteristics, the Thomson-Reuters CDA/Spectrum database to obtain quarterly fund holdings, CSRP Stock Data to obtain stock prices and returns, and IBES to obtain firm-level earnings and forecasts. 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).[1] 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 composition 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 LinkedIn profile webpage, inferred demographic characteristics (e.g., race, gender), geographic location (city and state), educational background, and complete employment history. From the employment history, we further obtain information on each job's title, firm name, industry, role, seniority, start and end dates, and job location.

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

[1] 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.

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). Given the availability and granularity of these classifications, 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. The most common industry linkage among fund managers is "Other Financial Investment Activities," though we also observe a mix of representation in industries such as "Pharmaceutical and Medicine Manufacturing" and "Management, Scientific, and Technical Consulting Services."

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 spouse of Diana S. at the Dodge and Cox Stock Fund serves as a director of a real estate firm; the spouse of Tasso C. at the Wells Fargo and Transamerica Small Cap Funds holds 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 net and gross returns of portfolios managed by spouse-linked mutual fund managers. Our primary explanatory variable classifies each manager's spouse according to their employment role, distinguishing between executive and non-executive positions. We find that fund managers whose spouses hold high-level professional roles—specifically, those with executive or C-suite titles—achieve superior return performance in the portfolios they manage.

As a 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 include at least one manager whose spouse holds a senior professional title (level $\geq$ 5, e.g., Vice

President of Engineering). *Spouse Exec+* funds are linked to executive-level spouses, and *Spouse CSuite* funds are linked to C-suite-level spouses. We find that both net and gross returns increase monotonically with the spouse's employment rank, with funds linked to executive and C-suite spouses exhibiting the highest average returns. Similarly, past 12-month returns are greater for these funds. Fund size shows little variation across groups, whereas funds managed by individuals linked to executive and C-suite spouses tend to manage older funds. Because these results are based on univariate comparisons, we next turn to multivariate regression analyses that incorporate control variables and fixed effects to more rigorously assess 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 net monthly fund returns as the dependent variable, while columns (6) through (10) use gross 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 0.06% per month in net returns (t = 1.80) and 0.05% per month in gross returns (t = 1.38). 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 0.10% (t = 2.93) and 0.12% (t = 3.90) per month in net and gross 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 0.12% (t = 2.31) in net returns and 0.16% (t = 3.50) in gross 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 0.14% (t = 2.74) higher net returns and 0.15% (t = 2.86) higher gross 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 he/she manages, and his/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 net and gross monthly returns increase by 0.25% (t = 2.36) and 0.32% (t = 3.22), respectively.

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 net returns, and Panel B reports gross returns (i.e., returns before management fees and other expenses). In Panel A, we find that a portfolio holding non-executive–linked mutual funds—those managed by individuals contemporaneously married to non-executive spouses—earns an average raw excess return of 0.51% per month (t = 1.88). After adjusting for the Fama–French (1993) and Carhart (1997) four factors, this return becomes slightly negative at −0.114% (t = 3.34). In contrast, a portfolio formed of executive-linked mutual funds—those managed by individuals married to executive-level spouses—earns an average raw excess return of 0.75% per month (t = 2.41), which remains positive at 0.081% (t = 0.93) after four-factor adjustments. The long–short portfolio, which holds executive-linked funds and shorts non-executive–linked funds, yields statistically significant calendar-time returns. This portfolio earns a raw excess return of 0.24% per month (t = 2.70) and a four-factor alpha of 0.19% per month (t = 2.37) over the 227 months in which executive linkages are observed in the sample.

Panel B reports results using gross returns instead of net returns and shows similar patterns. A value-weighted portfolio of exectuvie-linked mutual funds outperforms that of non-executive–

linked funds. The corresponding long–short calendar-time portfolio earns a raw excess gross return of 0.24% per month (t = 2.62), which remains significant after adjusting for the Fama–French–Carhart four factors, yielding an alpha of 0.19% (t = 2.28). Although shorting mutual funds is not feasible in practice, the sizable and statistically significant difference in monthly returns between executive- and non-executive–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. 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 industries corresponding to their spouses' 4-digit NAICS classifications. 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 and through which managers acquire information and develop investment skill

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). 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 reports the average excess returns of stocks held in the portfolios of executive-linked and non-executive–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–linked funds and a short position in those of non-executive–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-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-linked portfolios outperform those purchased by non-executive–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-linked portfolios underperform those sold by non-executive–linked portfolios by 0.09% (t = 0.29).

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 not 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 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. Our conjecture is that, through regular interactions with their executive-level spouses, fund managers acquire insights about these industries—such as emerging trends, shifts in economic or performance outlooks, and the evolving competitive landscape—which may provide them with valuable information when trading same-industry stocks.

In Table 7, we form calendar-time portfolios of stocks traded (bought and sold) by executive-linked and non-executive–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-linked managers generate positive average quarterly returns, whereas those of non-executive–linked managers yield negative average returns. For example, the average four-factor risk-adjusted excess return for executive-linked funds' same-industry stock purchases is 3.09% (t = 1.50), compared with −1.21% (t = 1.21) for non-executive–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-linked fund managers underperform those sold by non-executive–linked managers. Specifically, same-industry stock sales by executive-linked managers exhibit four-factor alphas of −5.78% (t = 2.94), compared with −1.45% (t = 1.13) for non-executive–linked funds. The

long–short portfolio in row (6) yields −4.33% (t = 2.40) per quarter, reinforcing the notion that executive-linked fund managers possess an informational advantage in trading stocks within their spouses' industries.

Overall, our evidence indicates that fund managers with exeutive-level spouses make more informative same-industry trades, which may materially contribute to their fund outperformance.

C. Portfolio Tilt

While we show that executive spousal employment linkages are associated with more informative trades by fund managers, it remains unclear whether these linked managers actually allocate more of their trading activity toward same-industry stocks. Importantly, in the U.S., insiders and their spouses are restricted from trading in the spouse's own firm, meaning that the vast majority of portfolios in our sample hold no positions in the specific public firms that employ the managers' spouses. This restriction could, in principle, lead these portfolios to tilt *away* from industries in which spouses are employed. Despite this, we observe that managers with executive-level spouses engage in greater trading activity within those same industries, along both intensive margin and extensive margin. Combined with the return patterns documented in Table 7, 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 8 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). Column (1) uses as the dependent variable a trading indicator equal to one if the portfolio manager trades any stock within

that industry during the quarter (extensive margin). Column (2) examines the intensity of industry trading by regressing the dollar value of 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-linked managers trade more actively in industries where their spouses are employed. Specifically, a fund manager is 6.8% more likely ($t = 4.89$) to trade in an industry that employs an 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 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-linked portfolio managers are associated with firm-level information events, particularly earnings surprises. These findings suggest that, through interactions with their executive-level spouses, fund managers acquire industry-specific

insights that enable them to better anticipate the cash flow conditions and performance of same-industry firms.

Table 9 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 by Executive-Spouse-Mgrs in Prior Quarter*, 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 sells 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-linked managers minus its dollar sales as a fraction of total industry-level sales. 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).

IV. Conclusion

In this paper, we study the impact of intra-household dynamics 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-linked managers predict firm-level information events, particularly earnings surprises. Stocks that receive greater buying pressure from executive-linked managers subsequently experience more positive abnormal returns around earnings announcement dates and display larger unexpected earnings. These findings indicate that spousal linkages facilitate the acquisition and interpretation 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 linked by manager spouses to 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	Linked Manager	Role of Linked Indiv	Ultimate Parent Linked Indiv
Dodge & Cox Stock	Diana S	directors	Albany Road Real Estate Partners
Fidelity Stk Selector	Katherine S	strategic marketing	WPP
JP Morgan Equity Income	Clare H	business development	Ennabl
		business development	Roper Technologies
		business development	Marsh & McLennan Cos.
JP Morgan Growth & Income	Clare H	business development	Ennabl
		business development	Roper Technologies
		business development	Marsh & McLennan Cos.
Hartford Sml/Mid Cap	Sean K	market development	Amgen, Inc.
		marketing representative	Amgen, Inc.
		site	Amgen, Inc.
Wells Fargo Adv Sml Co	Tasso C	research scientist	North American Science Assoc.
		ambassador	North American Science Assoc.
		medical science liaison	Syntiron LLC
Transamerica Small Cap	Tasso C	research scientist	North American Science Assoc.
		ambassador	North American Science Assoc.
		medical science liaison	Syntiron LLC
UAM Integra Cap Mgmt	Robert J	physician	Health Care for the Homeless
Chase Growth Fund	Brian L	financial analysis	KPMG International Cooperative
		scientific	Treasure State Internet Telegraph
PGIM Jennison Rising Div	Shaun H	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	Raj V	directors	Movement

This panel lists examples of the linkages of fund manager 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 their yearly expenses divided by 12. *Spouse Unlinked* indicates that the fund manager is not linked to any spouse marked as employed in the Revelio database. *Spouse Linked* indicates that the fund manager is linked to any spouse marked as employed in the Revelio database. *Spouse Mgr+* is for fund managers linked at level 5 (VP Engineering, etc.) and above by the Revelio. *Spouse Exec+* is for fund managers linked to spouses employed at level 6 and level 7 (the executive and C-suite levels). *Spouse Csuite* is for fund managers whose spouse have C-suite titles (Chief Executive Officers, etc.).

Table 3. Monthly Fund Returns Test

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Net Return %					Gross Return %				
Spouse Linked	-0.0643*				-0.0889*	-0.0487				-0.0713
	(-1.800)				(-1.835)	(-1.376)				(-1.488)
Spouse Mgr+		-0.0214			0.00252		-0.00883			-0.00527
		(-0.799)			(0.0497)		(-0.335)			(-0.106)
Spouse Exec+			0.0950***		0.141***			0.117***		0.149***
			(2.927)		(2.742)			(3.902)		(2.863)
Spouse CSuite				0.123**	0.0221				0.159***	0.0456
				(2.310)	(0.309)				(3.499)	(0.671)
Directors					0.138*					0.123
					(1.738)					(1.463)
Attorneys					0.0781					0.0720
					(1.213)					(1.094)
Consultants					0.148					0.152
					(1.186)					(1.149)
Accountants					-0.0272					-0.0541
					(-0.294)					(-0.547)
Other Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	580,042	580,042	580,042	580,042	580,042	580,042	580,042	580,042	580,042	580,042
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 of *Net* and *Gross Returns* on indicators of Spouse-Linkage at different employment levels, controls, and time fixed effects. *Net Return* is the fund's total monthly returns after expenses. *Gross Return* is the fund's net monthly return added by their yearly expenses divided by 12. Other controls are size, past 12 month returns, and log fund age. *Spouse Linked* indicates that the fund manager is linked to any spouse marked as employed in the Revelio database. *Spouse Mgr+* is for fund managers linked at level 5 (VP Engineering, etc.) and above by the Revelio. *Spouse Exec+* is for fund managers linked to spouses employed at level 6 and level 7 (the executive and csuite levels). *Spouse Csuite* is for fund managers whose spouse have C-suite titles (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)
	Net Return %			Gross Return %		
Spouse Exec+	0.142***	0.248**		0.148***	0.252**	
	(4.052)	(2.355)		(4.393)	(2.365)	
Spouse CSuite			0.316***			0.320***
			(3.216)			(3.217)
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 *Net* and *Gross Returns* on indicators of Spouse-Linkage at Executive and CSuite levels with Fund Fixed Effects. *Net Return* is the fund's total monthly returns after expenses. *Gross Return* is the fund's net monthly return added by their yearly expenses divided by 12. Other controls are size, past 12 month returns, and log fund age. *Spouse Exec+* is for fund managers linked to spouses employed at level 6 and level 7 (the executive and csuite levels). *Spouse Csuite* is for fund managers whose spouse have C-suite titles (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. 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)**	**(-3.445)**	**(-3.336)**
Executive+ Spouse	**0.754%**	0.052%	0.077%	0.081%
	(2.411)	(0.540)	(0.890)	(0.925)
Executive+ Minus Non-Exec	**0.243%**	**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 records 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 linked to spouses whose employment titles are below the executive level. *Executive+ Spouse* is the calendar ttime portfolio of mutual funds linked to spouses whose employment titles are 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. 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)	(-1.500)	(-1.484)
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 records 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 linked to spouses whose employment titles are below the executive level. *Executive+ Spouse* is the calendar time portfolio of mutual funds linked to spouses whose employment titles are 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)
	Number of Quarters	77	77	77	77

This tables records the value-weighted quarterly gross returns of calendar time portfolios formed of positions within executive+ and non-executive spouse linked mutual funds. Rows (1) and (2) holds and records the value-weighted returns of the holdings of executive and non-executive linked portfolios. Rows (4) and (5) holds the value-weighted stocks purchased by executive and non-executive linked portfolios. Rows (7) and (8) holds the value-weighted stocks sold by executive and non-executive linked portfolios. OLS t-statistics of the monthly returns are listed in parenthesis.

Table 7. 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 tables records the value-weighted quarterly gross returns of calendar time portfolios formed of positions within the same industries as the firms that employ their spouses for executive+ and non-executive spouse linked mutual funds. Rows (1) and (2) holds and records the value-weighted returns of stocks purchased by executive and non-executive linked portfolios in the same NAICS industries as their spouses' employment. Rows (4) and (5) holds and records the value-weighted returns of stock sold by executive and non-executive linked portfolios in the same NAICS industries as their spouses' employment. The long-short portfolio returns for each of these strategies are recorded in rows (3) and (6). OLS t-statistics of the monthly returns are listed in parenthesis.

Table 8. 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 the panel of NAICS industry by Fund by Quarter observations for fund portfolios linked to a contemporaneously employed spouse. Column (1) regresses the indicator of at least 1 quarterly trade in the industry stocks by the fund portfolio. Column (2) regresses the % of Trades as a dollar weighted 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 csuite level. The t-statistics are double clustered by NAICS industry and Time.

Table 9. Standardized Unexpected Earnings and Trading by 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 by Executive-Spouse-Mgrs in Prior Quarter	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 for Stock by Quarter observations against aggregate trades by mutual funds linked to executive-level spouses. Column (1) regresses the Cumulative Abnormal Return in the -1 to 1 trading days around the earnings announcement. Column (2) regresses Standardized Unexpected Earnings calculated using the time-series random walk model of earnings. Column (3) regresses Standardized Unexpected Earnings calculated using the time-series random walk model of earnings after excluding extraordinary items. Column (4) regresses Standardized Unexpected Earnings calculated from IBES analyst forecasts. *% of Trade by Executive-Spouse-Mgrs in Prior Quarter* is how much of gross buys and sells that such trades compose of in the prior quarter by executive and csuite linked mutual funds. The t-statistics are double clustered by NAICS industry and Time.