

# International mutual fund selectivity and market timing during up and down market conditions

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## Abstract

This study examines the selectivity and market-timing ability of international mutual fund managers. Ninety-seven international mutual funds with a minimum of five-year return history selected from the *Morningstar OnDisc* database are analyzed. Our findings suggest that managers of international mutual funds possess good selectivity and overall performance. We also find weak evidence of poor market-timing ability. Consistent with prior findings from domestic mutual funds, there is a negative correlation between the international fund managers' selection ability and market-timing ability. Finally, managers for European funds show poorer performance than those managing the other three international fund groups.

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