CFA Society Netherlands

Call for Papers: Diversification in Changing Markets. Free Lunch or Illusion of Spread?

The editorial board of the *VBA Journaal* invites you to submit contributions for the 2026 winter edition. This edition's theme is **"Diversification in Changing Markets."** In an era where geopolitical tensions, inflation, technological developments, and shifting market dynamics converge, diversification requires greater attention from investors. The editors question whether investors in this new era can rely on diversification without being consciously aware of current developments, risks, and implications. Can investors or market participants trust that the diversifying properties of and between investments will remain present in the future?

On the one hand, correlations between asset classes increase during periods of stress, making spreading seem less effective. Furthermore, in a "broadly diversified index," one must consider whether there is a cause for hidden concentrations, now that a number of companies and a single sector represent such a large portion of the index. On the other hand, new opportunities are emerging through alternative investments, technological innovations, and customized solutions. Is diversification still "the only free lunch," or does the current market environment require a fundamental revision of this principle? Do bonds provide a sufficiently diversifying effect alongside equities now that inflation remains higher? Are there new diversification opportunities to be discovered, for example, in private markets?

Topics of Interest

We welcome contributions addressing, but not limited to, the following topics:

- **Diminishing diversification benefits:** To what extent are correlations between traditional asset classes structurally increasing, and what does this mean for portfolio construction?
- **Alternative investments:** What role do private markets, infrastructure, hedge funds, and commodities play in improving diversification? Are these instruments truly effective in stress scenarios?
- **Geographical spread:** Do international markets still offer sufficient diversification in a world of geopolitical fragmentation, reshoring, and regional power blocs?
- **ESG and sustainability:** Do ESG objectives lead to higher concentration risks or, conversely, to new forms of diversification? What impact do sector exclusions and/or the choice for more concentrated portfolios have on diversification?
- **Factor investing and smart beta:** To what extent do factor strategies contribute to diversification, and what are the risks regarding crowding?
- **Technological developments:** How do AI and data analysis influence the way diversification is applied and measured?
- **Top-down approach:** Does an integral portfolio approach offer new possibilities to apply diversification at the return-driver level?
- **Practical cases:** Experiences of institutional investors and asset managers in implementing new diversification strategies.
- **Past diversification results:** To what extent do observed diversification benefits in recent years align with theory?
- **The role of scenarios:** Can scenario analysis reveal hidden diversification and make portfolios more robust?

We aim to collect a wide range of perspectives and insights. Your contribution can help develop a deeper understanding of the changes currently taking place between active and passive investing and better fathom developments for the future.

Criteria for Acceptance

- Originality and relevance to the theme.
- Depth of analysis and substantiation.
- Practical implications for professionals in the sector.
- Clarity and accessibility of presentation.
- Limited use of Artificial Intelligence; the content must be primarily the original work of the author(s).

We encourage both academics and industry professionals to contribute.
Through this call for papers, we invite interested authors to submit a summary of their contribution by **August 15, 2026**, to the editorial office (irma.willemsen@cfasociety.nl). This must be original work that has not been published elsewhere. The article can be submitted in either English or Dutch.

For more information about author instructions and examples of previous publications, please visit our website: https://cfasociety.nl/en/vbajournaal.