Special Topics in Finance
재무특별세미나
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Grading Policy: In-class presentation and discussion participation (25%), Term paper (25%), Two Exams (50%)

Term paper: Options: (1) replication of a published paper or (2) creative paper

Office hours: 1:00-2:00 Wednesday and by appointment
Class hours: 2:00-4:50 Monday, Wednesday, Friday at Room 506

Useful Websites

Google Scholar: http://www.scholar.google.com/
NYSE website: http://www.nyse.com
Nasdaq website: http://www.nasdaq.com/

Data

Trade and Quote (TAQ) database is a collection of intraday trades and quotes for all securities listed on the New York Stock Exchange, American Stock Exchange, Nasdaq National Market System and SmallCap issues. Data is designed for sophisticated users participating in a research project. Because of the low pricing scheme, only limited support is available for the product. The TAQ User's Guide is also available in PDF format.
Data: http://wrds.wharton.upenn.edu/

TAQ Help

Nastraq provides NASDAQ dealer quote data
http://wrds-web.wharton.upenn.edu/wrds/ds/nastraq/index.cfm

Monthly Share Volume Reports (http://www.NASDAQtrader.com/static/tdhome.stm)
The Monthly Share Volume Reports reflect reported volume and ranking for all market participants trading in each NASDAQ® stock (including volume during extended hours trading).

Electronic papers

Review of Financial Studies: http://www.rfs.org/ (all published and forthcoming papers)

Journal of Financial Economics:
http://www.sciencedirect.com/science?_ob=PublicationURL&_cdi=5938&_pubType=J&_auth=y&_acct=C000050221&_version=1&_urlVersion=0&_userid=10&md5=b89c7b235eb1012d7a69f0f6b308302a (1995 to present)

AFA & Journal of Finance: http://www.afajof.org/ (all published and forthcoming papers)


Journal of Financial Markets:
http://www.sciencedirect.com/science?_ob=PublicationURL&_cdi=6071&_pubType=J&_auth=y&_acct=C000050221&_version=1&_urlVersion=0&_userid=10&md5=7956b30cf0aca57164f36bfcf4375a7e5 (April 1998 to present)

Journal of Financial Intermediation:

Useful Books and Readings


Free Draft Copy


Introduction - http://www.acsu.buffalo.edu/~keechung/MGF743/Pow...

Part 1: Trading Protocols and Market Structures

T&E Chapter 4. Orders and Order Properties
T&E Chapter 5. Market Structures
T&E Chapter 6. Order-driven Markets
T&E Chapter 13. Dealers

Part 2: Basic Models

T&E Chapter 10. Informed Traders and Market Efficiency
T&E Chapter 11. Order Anticipators http://www.cfapubs.org/doi/pdf/10.2469/faj.v69.n2.6 (cut and paste this link to download the paper).
T&E Chapter 14. Bid/ask Spreads
T&E Chapter 20. Volatility
T&E Chapter 21. Liquidity and Transaction Cost Measurement

   Adverse selection model I
   Adverse selection model II
   Excel Application
   Strategic trade models I: Basic Model  Kyle model figure
   Strategic trade models II: An Extension – Kee H. Chung, Oliver Kim, Steve C. Lim, and Sean Yang. 2014 “Strategic informed trading and the market reaction to earnings announcements.”
   Chung et al PEAD paper figure

Part 3: Selected Topics

A. Determinants of spreads – early literature


B. Components of spreads

Spread component model


Forthcoming in Foundations and Trends in Finance


C. **Trade classification**


D. **Nasdaq controversy, stock price clustering, and SEC market reforms**


E. Order preferencing


F. Market structure, execution costs, and high frequency trading (HFT)


G. Minimum price variation (tick size) and decimalization


H. Competition in the capital market


I. Intraday patterns and test of alternative theories


J. Spread, depth, and information release


K. Trades, information, and prices


L. Commonality in liquidity and market efficiency


M. Disclosure, transparency, and market quality


N. Market microstructure and asset pricing


O. Market microstructure and interactions with other areas


The following papers will be covered in corporate finance seminar


15. Fang, V. W., Tian, X. and Tice, S., Does Stock Liquidity Enhance or Impede Firm Innovation?.