Quantitative Trading (II)

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Abstract

This session will start with an empirical study of the high frequency market data behavior such as the bid-ask bounce, the Epps effect and the intraday periodicity in the transaction activities. We will then review various quantitative methodologies, such as microstructure noise models and Fourier methods, that capture these stylized high frequency behaviors. Some statistical methodologies that decompose the high frequency price movements into their directions and magnitudes will also be introduced. Some concepts of limit order book and their corresponding models will be briefly discussed. This series of 2 presentations is summarized by further underlining the fast evolution of FinTech and various possibilities in collaborating with other technological advancements.