

Darya Yuferova

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Academic Experience

Norwegian School of Economics (NHH)

Assistant Professor of Finance

Aug-2016 – Present

Education

Rotterdam School of Management, Erasmus University

PhD in Finance

Sep-2011 – Jun-2016

Supervisors: Mathijs van Dijk and Dion Bongaerts

NYU Stern Business School

Visiting scholar

Aug-2014 – Dec-2014

Host: Marti G. Subrahmanyam, Charles E. Merrill Professor of Economics and Finance

Duisenberg School of Finance / VU University Amsterdam

MSc in Finance, cum laude

Aug-2010 – Oct-2011

Major: Risk Management

Novosibirsk State University

BSc in Economics, cum laude

Sep-2006 – Jun-2010

Major: Mathematical Methods in Economics

Research Interests

Interplay between market microstructure and asset pricing

Job Market Paper

Intraday Return Predictability, Informed Limit Orders, and Algorithmic Trading

(single-authored)

I study the strategic choice of informed traders for market vs. limit orders by analyzing the informational content of the limit order book. In particular, I examine intraday return predictability from market and limit orders for all NYSE stocks over 2002-2010, distinguishing between two sources of predictability: inventory management and information. In contrast to the traditional view in the literature, I find that informed limit (not market) orders are the dominant source of intraday return predictability. The findings further indicate that the advent of algorithmic trading is associated with more informed trading, especially through market orders. Overall, my evidence emphasizes the role of limit orders in informed trading, which has implications for theory, investors, and widely used measures of informed trading.

Presented at:

- o PhD seminar, Tinbergen Institute; FMA Doctoral Student Consortium; PhD course "Market liquidity" by Thierry Foucault and Marco Pagano; PhD seminar, Rotterdam School of Management, Erasmus University; PhD seminar, NYU Stern Business School

Working Papers

The Propagation of Shocks Across International Equity Markets: A Microstructure Perspective

(with Dion Bongaerts, Richard Roll, Dominik Rösch, and Mathijs van Dijk)

We study the high-frequency propagation of shocks across international equity markets. We identify intraday shocks to stock prices, liquidity, and trading activity for 12 equity markets around the world based on non-parametric jump statistics at the 5-minute frequency from 1996 to 2011. Shocks to prices are prevalent and large, with regular spillovers across markets – even within the same 5-minute interval. We find that price shocks are predominantly driven by information rather than liquidity. Consistent with the information channel, price shocks do not revert and often occur around macroeconomic news announcements. Liquidity shocks tend to be isolated events that are neither associated with price shocks nor with liquidity shocks on other markets. Our results challenge the widespread view that liquidity plays an important role in the origination and propagation of financial market shocks.

Presented at: (*) presented by co-author

- o 2016 Annual Conference in International Finance, Hong Kong (*); 8th Financial Risks International Forum on Scenarios, Stress, and Forecasts in Finance (Paris, France); 5th Emerging Markets Finance Conference (Mumbai, India); joint conference of the 21st Annual Meeting of the German Finance Association (DGF) and 13th Symposium on Finance, Banking, and Insurance (Karlsruhe, Germany) (*); Extreme Events in Finance (Royaumont, France) (*); INFER workshop on Financial Globalization, International Trade, and Development (Bordeaux, France); PhD seminar Rotterdam School of Management, Erasmus University

Low-Latency Trading and Price Discovery: Evidence from the Tokyo Stock Exchange in the Pre-Opening and Opening Periods

(with Mario Bellia, Lorian Pelizzon, Marti G. Subrahmanyam, and Jun Uno)

We study whether the presence of low-latency traders (including high-frequency traders (HFTs)) in the pre-opening period contributes to price discovery and liquidity provision in the subsequent opening call auction. We empirically investigate these questions using a unique dataset based on server IDs provided by the Tokyo Stock Exchange (TSE), one of the largest stock markets in the world. Our data allow us to develop a more comprehensive classification of traders than in the prior literature, and to investigate the behavior of the different categories of traders, based on their speed of trading and inventory holdings. We find that HFTs dynamically alter their presence in different stocks and on different days; therefore, we focus on HFT activity only when traders utilize their low-latency capacity. We find that, in spite of the lack of immediate execution, about one quarter of HFTs participate in the pre-opening period, and contribute significantly to price discovery. They also contribute to liquidity provision in the opening call auction. In line with the previous literature, we also document that HFTs contribute to price discovery and are liquidity consumers during the continuous period. However, this result is driven by the three quarters of HFTs that were inactive in the pre-opening period. In contrast, those that were active in the pre-opening period contribute to liquidity provision in the subsequent continuous session. This indicates that, while HFTs contribute to both price discovery and liquidity provision, there is considerable heterogeneity in their contributions to both.

Research proposal "Strategic behavior of high frequency traders during pre-opening period" was awarded a grant from EUROFIDAI and BEDOFIH

Presented at: (*) presented by co-author

- o SAFE Microstructure Workshop, Goethe University (*); Conference on Securities Markets Trends, Risks and Policies, CONSOB-BAFFI CAREFIN, Bocconi University (*); Swiss Society for Financial Market Research SGF Conference; Nippon Finance Association Meeting (*); CFS Conference on High Frequency Trading (*); 4th International Conference on the Industrial Organisation of Securities and Derivatives Markets: High Frequency Trading (*); FMA European Conference (*)

Teaching Experience

Rotterdam School of Management, Erasmus University

Jan-2012 – Jun-2016

- o 2015: Lectures for Alternative investments (Bachelor course)
- o 2013 and 2015: Workshops for Investments (Master course)
- o 2012 – 2015: Master thesis supervision and co-readerships
- o 2012 – 2013: Bachelor thesis supervision

Professional Experience

Robeco Asset Management

May-2011 – Aug-2011

- o "Superquant" internship. Worked on research project: "Style rotation for FOREX investment strategies"

Skills

Languages:

Russian (native), English (fluent, TOEFL IBT 104, CAE B), Dutch (intermediate)

Programming:

Eviews, OxMetrics, Matlab, R, SAS, Excel (VBA)

Databases:

Thomson Reuters Tick History, NASDAQ TotalView ITCH, TAQ, CRSP, DataStream, Bloomberg

Prizes, Awards, and Scholarships

- o Vereniging Trustfonds Erasmus Universiteit Rotterdam Research Visit Grant, 2014
- o AFA Student Travel Grant, 2014
- o Best Student Award, 2011 MSc in Risk Management program, Duisenberg School of Finance
- o Scholarship, Duisenberg School of Finance (75% of tuition fee)
- o 1st place, International Scientific Students Conference XLVIII, 2010, Novosibirsk, Russia
- o MDM Bank Scholarship (Sep-2009 – Jun-2010)
- o Ernst & Young Scholarship (Sep-2009 – Jun-2010)
- o Grant from the Administration of Novosibirsk region for "considerable achievements in studies, scientific, scientific-technical and creative activity"