Darya Yuferova

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19 July, 2018

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

Working Papers

Intraday Return Predictability, Informed Limit Orders, and Algorithmic Trading
(single-authored)

I study the effect of algorithmic trading on the strategic choice of informed traders for market versus limit orders. I proxy for this choice by means of intraday return predictability from market and limit orders around the NYSE Hybrid Market introduction. My findings show that the increase in algorithmic trading by 16% leads to an increase in informed trading through both market and limit orders at the inner levels of the limit order book by 3.5% and 6.2%, respectively. The change in the informativeness of different order types depends on the change in the competition among algorithmic traders.

Presented at:

- FMA Europe, Kristiansand 2018; SGF conference, Zurich 2018; NFN Young Scholars workshop, Helsinki 2016; seminar at Paris Dauphine University, 2016; seminar at Norwegian Business School (BI), 2016; PhD seminar, Tinbergen Institute 2015; FMA Doctoral Student Consortium, Orlando 2015; PhD course "Market liquidity" by Thierry Foucault and Marco Pagano, Brussels 2015; PhD seminar, Rotterdam School of Management, Erasmus University, 2015; PhD seminar, NYU Stern

Business School, 2014

On the Origination and Propagation of Shocks Across International Equity Markets: A Microstructure Perspective

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

We study intraday, market-wide shocks to stock prices, market liquidity, and trading activity on international equity markets and test recent theories on "endogenous liquidity" effects. Shocks to prices are prevalent and large, with rapid spillovers across markets. Price shocks appear to be predominantly driven by information; they do not revert and are often associated with macroeconomic news. Liquidity shocks are typically isolated and temporary. There is little evidence that liquidity effects exacerbate price shocks or foment non-fundamental contagion. The results cast doubt on the notion that liquidity has a central role in the origination and propagation of financial market upheavals.

Presented at: (*) presented by co-author

- the 5th Conference on Securities markets: Trends, risks and policies, CONSOB-BAFFI CAREFIN, Milan 2017; Annual Conference in International Finance, Hong Kong 2016 (*); the 7th Behavioral Finance Conference, Miami 2016 (*); the FTSE/Russell World Investment Forum, Georgia 2016 (*); the 8th Financial Risks International Forum on Scenarios, Stress, and Forecasts in Finance, Paris 2015; the 5th Emerging Markets Finance Conference, Mumbai 2014; joint conference of the 21st Annual Meeting of the German Finance Association (DGF) and 13th Symposium on Finance, Banking, and Insurance, Karlsruhe 2015 (*); Extreme Events in Finance, Royaumont 2015 (*); INFER workshop on Financial Globalization, International Trade, and Development, Bordeaux 2014; PhD seminar Rotterdam School of Management, Erasmus University, 2014

Coming Early to the Party

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

We examine the strategic behavior of High Frequency Traders (HFTs) during the pre-opening phase and the opening auction of the NYSE-Euronext Paris exchange. HFTs actively participate, and profitably extract information from the order flow. They also post "flash crash" orders, to gain time priority. They make profits on their last-second orders; however, so do others, suggesting that there is no speed advantage. HFTs lead price discovery, and neither harm nor improve liquidity. They "come early to the party", and enjoy it (make profits); however, they also help others enjoy the party (improve market quality) and do not have privileges (their speed advantage is not crucial).

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

- FEBS conference, Rome 2018; SGF conference, Zurich 2018 (*); Spanish Finance Association conference (XXV Finance Forum), Barcelona 2017 (*); FMA Europe, Lisbon 2017

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

(with Mario Bellia, Loriana 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 market quality, defined by price discovery and liquidity

provision, in the opening auction. We use a unique dataset from the Tokyo Stock Exchange (TSE) based on server-IDs and find that HFTs dynamically alter their presence in different stocks and on different days. In spite of the lack of immediate execution, about one quarter of HFTs participate in the pre-opening period, and contribute significantly to market quality in the pre-opening period, the opening auction that ensues and the continuous trading period. Their contribution is largely different from that of the other HFTs during the continuous period.

Presented at: (*) presented by co-author

- the 10th international conference on computational and financial econometrics, Sevilla 2016; the 4th conference on Securities Markets: Trends, Risks and Policies, CONSOB-BAFFI CAREFIN, Milan 2016 (*); SGF Conference, Zurich 2016; Nippon Finance Association Meeting (*); SAFE Microstructure Workshop, Frankfurt 2015 (*); 4th International Conference on the Industrial Organisation of Securities and Derivatives Markets: High Frequency Trading, Frankfurt 2015 (*); FMA Europe, Venice 2015 (*)

Stock Price Crashes: Role of Slow-Moving Capital

(with Mila Getmansky, Ravi Jagannathan, Loriana Pelizzon, and Ernst Schaumburg)

We study the role of various trader types in providing liquidity in spot and futures markets based on complete order-book and transactions data as well as cross-market trader identifiers from the National Stock Exchange of India for a single large stock. During normal times, short-term traders who carry little inventory overnight are the primary intermediaries in both spot and futures markets, and changes in futures prices Granger-cause changes in spot prices. However, during two days of fast crashes, Granger-causality ran both ways. Both crashes were due to large-scale selling by foreign institutional investors in the spot market. Buying by short-term traders and cross-market traders was insufficient to stop the crashes. Mutual funds, patient traders with better trade-execution quality who were initially slow to move in, eventually bought sufficient quantities leading to price recovery in both markets. Our findings suggest that market stability requires the presence of well-capitalized standby liquidity providers.

Teaching Experience

Norwegian School of Economics (NHH)

Jan-2017 – Present

- 2017: Lectures for Financial Econometrics (Master course)
- 2017: Master thesis supervision

Rotterdam School of Management, Erasmus University

Jan-2012 – Jun-2016

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

Professional Experience

Robeco Asset Management

May-2011 – Aug-2011

- "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), Norwegian (elementary)

Programming:
Eviews, OxMetrics, Matlab, R, SAS, Excel (VBA)
Databases:
BEDOFIH, Thomson Reuters Tick History, NASDAQ TotalView ITCH, TAQ, CRSP, DataStream, Bloomberg

Prizes, Awards, and Scholarships

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