

Accepted Manuscript

Sentiment and stock market volatility revisited: A time-frequency domain approach

Debasish Maitra, Saumya Ranjan Dash



PII: S2214-6350(17)30051-5
DOI: <http://dx.doi.org/10.1016/j.jbef.2017.07.009>
Reference: JBEF 117

To appear in: *Journal of Behavioral and Experimental Finance*

Received date : 17 May 2017
Revised date : 16 July 2017
Accepted date : 26 July 2017

Please cite this article as: Maitra, D., Dash, S.R., Sentiment and stock market volatility revisited: A time-frequency domain approach. *Journal of Behavioral and Experimental Finance* (2017), <http://dx.doi.org/10.1016/j.jbef.2017.07.009>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Sentiment and Stock Market Volatility Revisited: A Time-Frequency Domain Approach

Debasish Maitra¹, Department of Accounting and Finance, Indian Institute of Management Indore (IIM Indore), Indore, Madhya Pradesh-453556, India.

Saumya Ranjan Dash, Department of Accounting and Finance, Indian Institute of Management Indore (IIM Indore), Indore, Madhya Pradesh-453556, India.

Abstract: The cause and consequences of stock market volatility are considered to be a legitimate concern for market participants, regulators and policy makers. This article examines the relationship between investor sentiment and stock return volatility in the context of Indian stock market. Our empirical analysis for examining the sentiment and volatility relationship focuses on wavelet approach to carry out the time-frequency domain analysis. The results reveal that there is weak conditional correlation between sentiment and volatility. Investor sentiment is found to affect both conditional and realized volatility in the short as well as medium run. Results also show that small size stocks are more prone to the impact of sentiment. Significant co-movement between sentiments and return is noted during different volatile periods (pre-crisis, crisis and post-crisis) at different frequencies.

JEL CLASSIFICATION: C22, C32, G10, G12

KEYWORDS: sentiment, volatility, wavelet approach, time-frequency analysis

¹ Corresponding author: Debasish Maitra, Email: debasishm@iimdr.ac.in

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات