

Date of the event:

On Tuesday, 29th November, 2011
From 01:00 PM to 2:00 PM

Location:

Luxembourg School of Finance
University of Luxembourg
4 Rue Albert Borschette
2nd Floor
Modigliani Miller Auditorium (E02-003)
L-1246 Luxembourg

Registrations:

- Free seminar (with lunch included)
- Registrations by email before November 24th, 2011
- At the following address : lsf-events@uni.lu

Information:

Ms Martine Zenner
Tel : +352 46 66 44 6335

<http://www.lsf.lu/eng/Research/Seminars-and-Workshops>



The LSF is pleased to invite you to the following
lunch seminar:

*Price Discovery and Foreign
Ownership in Emerging Markets*

*By Professor Robert Korajczyk
Kellogg School of Management, NWU*



**Tuesday, 29th November 2011
From 01:00 PM to 2:00 PM**

Price Discovery and Foreign Ownership in Emerging Markets

The Luxembourg School of Finance

is pleased to invite you to the

LSF Seminar

This paper examines the relation between intraday price discovery and proxies for financial openness or investor accessibility for a large cross-section of 23 emerging markets. Our sample covers 1,504 stocks over a period of eight months, from 2006 to 2007. We find price discovery, as measured by weighted price contribution, to be most important in early trading sessions immediately after the market opens. Our cross-sectional analysis suggests that price discovery in early trading is negatively related to the level of the bid-ask spread and return volatility, and positively related to the extent of analyst coverage. Most importantly, there is a reliable relation between early price discovery and direct foreign ownership in the underlying stocks. Greater price discovery early in the day is affiliated with a more significant presence of foreign investors in the