

## **AAI Advanced Analytics Seminar Series on 27/04/2012**

**Seminar Title:** The prevalence, determinants and detection of closing price manipulation

**Speaker:** Dr. Tālis Putniņš, the Discipline of Finance at the University of Technology, Sydney

**Date and Time:** 1:30pm to 3:00pm, the 27th of April 2012 (Friday)

**Seminar Room:** UTS Blackfriars Campus CC05.GD.01 (5 minutes walk from Tower Building CB01 of UTS)

**Street Address:** 2-12, Blackfriars Street, Chippendale, NSW 2008

**Seminar Chairman:** A/Prof Jinyan Li (jinyan.li@uts.edu.au)

**Abstract:** Closing prices of stocks are used in a large number of financial contracts and are widely followed by investors. This creates incentives for many different parties to manipulate closing prices by aggressively buying or selling stock at the end of a trading day. Because intentional manipulation of stock prices is illegal, manipulators attempt to conceal their actions from regulators. This creates a significant challenge in analysing closing price manipulation because only some small, non-random fraction of manipulation is directly observable – that which is detected and prosecuted by regulators. This presentation illustrates how partial observability models can be used to overcome this challenge and estimate the prevalence and determinants of closing price manipulation. Such models have applications in many other areas. Finally, this presentation provides an example of how such statistical techniques can be applied in automated market surveillance systems.

**Short biography of the speaker:** Tālis Putniņš is a Chancellor's Postdoctoral Research Fellow in the Discipline of Finance at the University of Technology, Sydney. Prior to his appointment at UTS, he held positions at the Stockholm School of Economics in Riga and the Baltic International Centre for Economic Policy Studies. His main research interests include financial markets, market microstructure, market manipulation and shadow economies. His research has been published in international peer-reviewed journals such as Journal of Financial and Quantitative Analysis, Journal of Financial Intermediation, Experimental Economics, Journal of Economic Surveys and International Review of Finance. Tālis has done consulting and policy work for the Latvian government, Nasdaq OMX and various banks and financial institutions. Tālis has a PhD from the University of Sydney and bachelor degrees in finance and engineering from the University of Adelaide.

### **Overview to This Seminar Series**

The Advanced Analytics Seminar Series presents the latest theoretical advancement and empirical experience in a broad range of interdisciplinary and business-oriented analytics fields. It covers topics related to data mining, machine learning, statistics, bioinformatics, behavior informatics, marketing analytics and multimedia analytics. It also provides a platform for the showcase of commercial products in ubiquitous

advanced analytics. Speakers are invited from both academia and industry. It opens regularly on every Friday afternoon at the garden-like UTS Blackfriars Campus. You are warmly welcome to attend this seminar series.

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