Academic Integrity
The Department of Economics and Finance fully supports Baruch College's policy on Academic Honesty, which states, in part:

Academic dishonesty is unacceptable and will not be tolerated. Cheating, forgery, plagiarism and collusion in dishonest acts undermine the college's educational mission and the students' personal and intellectual growth. Baruch students are expected to bear individual responsibility for their work and to uphold the ideal of academic integrity. Any student who attempts to compromise or devalue the academic process will be sanctioned.

Additional information can be found here.

Any infringement of this rule will be treated as a serious violation of Academic Integrity. Any suspected academic dishonesty in this regard will result in a grade of F on the exams and most likely an F in the course as well. Students should also understand that a report of suspected academic dishonesty will be sent to the Dean of Students’ office and becomes a permanent part of the student’s file.

Students with Disabilities and Other Special Needs
Students with disabilities are supported in their academic studies by Baruch College’s Office of Services for Students with Disabilities according to their Mission Statement:

The Office of Services for Students with Disabilities exists to provide reasonable accommodations to students with disabilities to ensure they have equal access to the college’s programs and services. Through student intake, faculty consultation, and outreach to the community, students can develop interpersonal, social, vocational and emotional growth.

Students who feel that they may need a reasonable accommodation based on a disability should contact the staff at the Office of Services for Students with Disabilities, Newman Vertical Campus, Room 2-271, or by phone at (646) 312-4590. More information is available on their website here.

Course Description:
The seminar will consider selected topics in equity market microstructure, with attention paid to their microeconomics underpinning. Particular focus will be given to the way in which fundamental information, liquidity needs, and noise trading interact in the generation of trades and, more specifically, to how buy/sell orders are written and translated into trades in the context of alternative market structures. Much attention will be given to issues including liquidity formation, price discovery, and price volatility. Market efficiency and public policy issues concerning the regulation of market structure
will also be discussed. A computerized trading simulation software (TraderEx) will be presented and an in-class, networked trading session conducted.

**Suggested Course Materials:**


**Outline:**

1. **(8/28) Introduction to course, thoughts about market efficiency, and reflections on teaching Economics and Finance**


2. **(9/4, 9/11) Overview of Market Microstructure**


3. **(9/18) Continuous Order Driven Markets**

   *The Equity Trader Course*, Chapter 3.

4. **(9/25) Periodic Call Auctions**

*The Equity Trader Course*, Chapter 4.


5. **(10/2) Price Discovery**


No class on 10/ 9.

No class on 10/16 (Monday’s schedule followed).

6. **(10/23, 10/30) Volatility**

“The Evolving Quality of the Equity Markets: An Intraday Volatility Analysis,” Alan, Hua and Schwartz, paper in process.


No class on 11/6

7. **(11/13) Liquidity**


8. (11/20, 11/27) Simulated Trading and Trading Education

(11/20 Class meets in the SFSC, Wasserman Trading Floor)

The Equity Trader Course, Chapter 1.


9. (12/4) Liquidity’s Implications for Asset Pricing


10. (12/11) Market Efficiency, Public Policy Issues, and Further Discussion

Micro Markets, Chapters 7 and 8.


11. (12/18) Final Exam