



National Bank of Serbia



UNIVERSITY OF BELGRADE
Faculty of Economics

**NATIONAL BANK OF SERBIA AND
FACULTY OF ECONOMICS IN BELGRADE**

are pleased to invite you to

THE BELGRADE RESEARCH SEMINAR ON ECONOMICS AND FINANCE

Speaker:

Prof. Anna Obizhaeva

on the following topic

**“DIMENSIONAL ANALYSIS, LEVERAGE
NEUTRALITY, AND MARKET
MICROSTRUCTURE INVARIANCE”**

Date and time: Friday, March 1, 2019 at 1pm.

Venue: Professors' hall, Faculty of Economics, Kamenička 6, 1st floor.

Abstract : This paper combines dimensional analysis, leverage neutrality, and a principle of market microstructure invariance to derive scaling laws expressing transaction costs functions, bid-ask spreads, bet sizes, number of bets, and other financial variables in terms of dollar trading volume and volatility. The scaling laws are illustrated using data on bid-ask spreads and number of trades for Russian and U.S. stocks. These scaling laws provide practical metrics for risk managers and traders; scientific benchmarks for evaluating controversial issues related to high frequency trading, market crashes, and liquidity measurement; and guidelines for designing policies in the aftermath of financial crisis.

Short biography: Prof. Anna Obizhaeva is an associate professor of finance and the chair of Department of Finance at the New Economic School (NES) in Moscow. Before joining the New Economic School, she has been an assistant professor of finance at the University of Maryland in the United States from 2007 to 2014. Professor Obizhaeva completed Ph.D. in Finance at the Massachusetts Institute of Technology in 2007 and earned her undergraduate degree in applied mathematics and computer science from Moscow State University in 2001. Professor Obizhaeva's research focuses on market microstructure, including topics such as market liquidity, transaction costs, information dissemination, price volatility, price manipulation, and optimal execution. Her teaching interests include market microstructure and asset management. She has won the prestigious Roger F. Murray Q-Group Prize (first place) for her work on market microstructure invariance. Professor Obizhaeva has been serving on editorial boards of the Journal of Portfolio Management since 2014 and the Russian Journal of Money and Finance since 2017.