

Behavioral Finance: Anomalies at Real Markets, Weekday Effect

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Abstract : The financial theory is dominated by the believe that weekday effect has disappeared from current markets. The purpose of this article is to study anomalies, especially weekday effect, at real markets that disrupt the efficiency of financial markets. The research is based on the analyses of historical daily exchange rates of significant world indices to determine the presence of weekday effects on financial markets. The methodology used for the study is based on the analyzes of daily averages of particular indexes for different time periods. Average daily gains were analyzed for their whole time interval and then for particular five and ten years periods with the aim to detect the presence on current financial markets. The results confirm the presence of weekday effect at the most significant indices - for example: Nasdaq, S & P 500, FTSE 100 and the Hang Seng. It was confirmed that in the last ten years, the weekend effect disappeared from financial markets. However in last year's the indicators show that weekday effect is coming back. The study shows that weekday effect has to be taken into consideration on financial markets, especially in the past years.

Keywords : indices, anomalies, behavioral finance, weekday effect

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