

Sugato Chakravarty

Consumer Sciences
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CURRENT POSITION

Professor, Department of Consumer Economics, Purdue University.

Education

Indiana University, Ph. D., Finance, 1994.
University of Kentucky, M.S., Mechanical Engineering, 1988.
Jadavpur University, India, B.S., Chemical Engineering, 1984.

Research Interests

Market Microstructure, Investments, International Finance, Small Business Finance, Banking relationships, Corporate Finance, Household Behavior and Family Economics.

Awards and Honors

- 2004 Barclay's Global Investors Research Award for best paper on capital markets/funds management on Australiasian markets for "Stealth trading in volatile markets," (co-authored with Petko Kalev and Linh Pham).
- 2004 Best Paper Award in the Eastern Finance Association Annual Conference for "The Effect of Decimalization on Trade Size and Adverse selection Costs" (co-authored with R. Van Ness and B. Van Ness).
- 2004 Outstanding Research Award in the Department of Consumer Sciences.
- 2002 Outstanding Teacher Award in the Department of Consumer Sciences.
- 2001-2002 Winner of the Q-group Research Award.
Research Title: Informed Trading in Stock and Option Markets.
- 1999, 2001,
2004 Outstanding Research Award in the Department of Consumer Sciences

Journal Publications

Anand, A., and S. Chakravarty, 2005, Stealth trading in Options Markets, Forthcoming, *Journal of Financial and Quantitative Analysis*.

Chakravarty, S., V. Panchapagesan, and R.A. Wood, 2005, Did Decimalization Hurt Institutional Investors? *Journal of Financial Markets*, 8, 400-420.

Anand, A., S. Chakravarty, and T. Martell, 2005, Empirical Evidence on the Evolution of Liquidity: Choice of Market versus Limit Orders by Informed and Uninformed Traders, *Journal of Financial Markets*, 8, 288-308.

Chakravarty, S., B. Van Ness and R.A. Van Ness, 2004, "The Effect of Decimalization on Tick Size and Adverse Selection Costs," forthcoming *Journal of Business, Finance and Accounting*.

Chakravarty, S., and A. Dubinsky, 2003, "Individual Investors' Reactions to Decimalization: Innovation Diffusion in Financial Markets," forthcoming *Journal of Economic Psychology*.

Chakravarty, S., H. Gulen and S. Mayhew, 2004, "Informed Trading in Stock and Options Markets," *Journal of Finance*, 59, 1235-1258.

Chakravarty, S., and A. Sarkar, 2003, "A Comparison of Trading Costs in the U.S. Corporate, Municipal and Treasury Bond Markets," *Journal of Fixed Income*, 13, 39-48.

Summarized and abstracted in *The CFA Digest*, 2004, 34 (2).

Chakravarty, S., and K. Li, 2003, "An Examination of Own Account Trading by Dual Trading in Futures Markets," *Journal of Financial Economics*, 69, 375-397.

Chakravarty, S., R. Feinberg, and E. Rhee, 2003, "Relationships and Individuals' Bank Switching Behavior," forthcoming *Journal of Economic Psychology*.

Chakravarty, S., and K. Li, 2003, "A Bayesian Analysis of Dual Trader Informativeness in Futures Markets," *Journal of Empirical Finance*, 10, 2003, 355-371.

Chakravarty, S., R.A. Wood and R.A. Van Ness, 2003, "Decimals and Liquidity: A Study of the NYSE," forthcoming *Journal of Financial Research*.

Chakravarty, S., and A. Sarkar, 2002, A model of broker's trading, with applications to order flow internalization, *Review of Financial Economics*, 11, 19-36.

Chakravarty, S., 2002, "Supply Contraction and Trading Protocol: An Examination of Recent Changes in the U.S. Treasury Market: A Comment," *Journal of Money Credit and Banking*, 34, 763-766.

Chakravarty, S., 2001, "Stealth trading: Which traders' trades move stock prices?" *Journal of Financial Economics*, 61, 289-307.

Summarized and abstracted in *The CFA Digest*, 2002, 32 (1).

Chakravarty, S., and J.S. Scott, 1999, "Relationships and Rationing in Consumer Loans," *Journal of Business*, 72, 1999, 523-544. Also listed on Social Science Research Network's Top Ten download list for "Bankruptcy, Reorganization & Creditors' Rights All Time Hits."

Chakravarty, S., and J.J. McConnell, 1999, "Does Insider Trading Really Move Stock Prices?" *Journal of Financial and Quantitative Analysis*, 1999, 34, 191-209.

Chakravarty, S., and K. Putnam, 1998, "Building Relationships with the Next Generation of Financial Planners," *Journal of Financial Planning*, 11, 1998, 117-122.

Chakravarty, S., A. Sarkar and L. Wu, 1998, "Information Asymmetry and the Pricing of Cross-Listed Stocks: Evidence from Chinese A- and B-Shares," *Journal of International Financial Markets, Institutions and Money*, 8, 1998, 325-355.

Chakravarty, S., and J.J. McConnell, 1997, "An Analysis of Prices, Bid/Ask Spreads, and Bid and Ask Depths Surrounding Ivan Boesky's Illegal Trading in Carnation's Stock," *Financial Management*, 26, 1997, 18-34.

Chakravarty, S., R. Feinberg and R. Widdows, 1997, "Reasons of their Discontent," *Bank Marketing*, November 1997, 49-52.

Chakravarty, S., R. Feinberg and R. Widdows, 1996, "How 'Moments of Truth' Define Bank-Customer Relationships," *Journal of Retail Banking*, 18, 1996, 29-34.

Chakravarty, S., R. Feinberg and R. Widdows, 1995, "What Do Consumers Want from Banks?" *Journal of Retail Banking*, 17, 1995, 15-20.

Chakravarty, S., and C. Holden, 1995, "An Integrated Model of Market and Limit Orders," *Journal of Financial Intermediation*, 4, 1995, 215-241.

Summarized and abstracted in the *Journal of Finance*, 50, 1995, 961-962.

Chakravarty, S., 1994, "Should Actively Traded Futures Contracts Come Under the Dual-Trading Ban?" *The Journal of Futures Markets*, 14, 661-684.

OTHER PUBLICATIONS

Chakravarty, S., J. Yuan, and A. So, 2005, "To Wine or not to Wine: Profiling a Wine Enthusiast for a Successful List, Journal of Nutritional Products, Dietary Substitutes, and Health Issues in Food Product Development, 3, 61-79.

Chakravarty, S., and T. Yilmazer, 2005, "A Reexamination of the role of relationships in the Loan Granting Process," Federal Reserve Bank of Chicago's research website, CEDRIC, http://www.chicagofed.org/cedric/files/2005_conf_paper_session2_yilmazer.pdf

Chakravarty, S., C. Countrymen and M. Gigante, 2001, "A comparative analysis of the determinants of vacation and timeshare property ownership," Proceedings of the Conference in Hospitality and Tourism, V6, 135-141.

Chakravarty, S., and K. Li, 2000, "Dual Trading in Futures Markets: A Closer Look," Proceedings of the Chicago Board of Trade 13th Annual European Futures Research Symposium, Glasgow.

Chakravarty, S., R. Feinberg and R. Widdows, 1996, "The Usefulness of Federal Intervention via Loan forms" Proceedings of the American Council on Consumer Interests.

Chakravarty, S., R. Feinberg and R. Widdows, 1996, "The Effectiveness of Bank Regulations on the American Consumer" Proceedings of the American Council on Consumer Interests.

Chakravarty, S., R. Feinberg and R. Widdows, 1996, "Banks, Computers and the Future", Proceedings of the American Council on Consumer Interests.

Chakravarty, S., and C. Holden, 1995, "An Integrated Model of Market and Limit Orders," abstract published in the *Journal of Finance*, 50, 961-962.

Chakravarty, S., M.P. Menguc, D. Mackowski and R.A. Altenkirch, 1988, "Application of Two Inversion Schemes to Determine the Absorption Coefficient Distribution in Flames," Proceedings of the ASME National Heat Transfer Conference.

A Sample of Research Papers at Professional Society Meetings

"The Changing State of the Market: Common Factors and Impulse Responses for Cointegrated Spreads and Depths" (with R. Harris and R. Wood) presented at the Annual Meetings of the Financial Management Association, Chicago, 2005.

"Stealth Trading in Volatile Markets" (with P. Kalev and L. Pham) presented at the Annual Meetings of the Financial Management Association, Chicago, 2005.
Also presented at the Financial Management Association European Meetings at the University of Siena, 2005

"The Choice of Trading Venue and Relative Price Impact of Institutional Trading: ADRs versus the Underlying Securities in their Local Markets" (with C. Chiyachantana and C. Jiang) presented at the Annual Meetings of the Financial Management Association, Chicago, 2005.

"Information Revelation in Financial Markets: Impulse Response Functions for Cointegrated Spreads and Depths" (with Rick Harris and R. Wood) presented at the Meetings of the National Bureau of Economic Research (NBER), Palm Beach, 2003.

"Stealth Trading in the Options Markets" (with A. Anand) presented at the Annual Meetings of the Financial Management Association, Denver, 2003.

"Impulse Responses for Cointegrated Spreads and Depths: Which Conveys New Information First?" (with Rick Harris and R. Wood) presented at the Annual Meetings of the Financial Management Association, Denver, 2003.

"Informed Trading in Stock and Options Markets" (with H. Gulen and S. Mayhew), presented at the INQUIRE UK and INQUIRE EUROPE Joint Seminar, Southampton, England, March 2003.

"Has Decimalization Hurt Institutional Investors? An Investigation into Trading Costs and Order Routing Practices of Buy Side Institutions" (with V. Panchapagesan and R. A. Wood), presented at the NBER meetings, Boston, December 2002.

"Informed Trading in Stock and Options Markets" (with H. Gulen and S. Mayhew), presented at the Q-group Annual Meeting, October 2002.

"Decimal Trading and Market Impact" (with R. A. Wood), presented at the Conference on Market Quality at Vanderbilt University, 2001.

"Dual Trading in Futures Markets: A Closer Look" (with Kai Li), presented at the CBOT 13th Annual European Futures Research Symposium, Glasgow, Scotland, 2000.

"Security Market Adjustment Dynamics: Do Spreads or Depths Convey New Information?" (with F. H. deB Harris and R. A. Wood), presented at the NBER meetings, Cambridge, Massachusetts, 2000.

"A transaction level investigation of day-of-the-week trading patterns" (with S.G. Badrinath and J.P. Broussard), presented at the annual meetings of the European Finance Association, Finland, 1999.

"Liquidity in the U.S. Fixed Income Markets: Comparative Evidence from Transactions in the Corporate, Government and Municipal Bond Markets" (with Asani Sarkar), presented at the annual meetings of the Western Finance Association, Santa Monica, California, 1999.

"Information Asymmetry and the Pricing of Cross-Listed Stocks: Evidence from Chinese A- and B-Shares" (with Asani Sarkar and Lifan Wu), presented at the annual meetings of the Financial Management Association, Chicago, Illinois, 1998.

"Can Competition Between Brokers Mitigate Agency Conflicts With Their Customers?" (with A. Sarkar), presented at the JFI Symposium, hosted by the school of business, Washington University, St. Louis, Missouri, 1997.

"Relationships and Rationing in the Consumer Loan Market" (with James Scott), presented at the annual meetings of the Financial Management Association, Hawaii, 1997.

"Can Competition Between Brokers Mitigate Agency Conflicts With Their Customers?" presented at the annual meetings of the European Financial Management Association, Zurich, 1997.

"Informed Trading and Market Anonymity" (with J. J. McConnell), invited presentation at the Third Annual Southern Big Ten Symposium hosted by the finance department, Indiana University, 1996.

"The Effect of Analyst Stock Recommendation Changes on Bid-Ask Spreads and Bid and Ask Depths" (with S.G. Badrinath), presented at the annual meetings of the Financial Management Association, New Orleans, 1996.

"Informed Trading with Multiple Competitive Brokers" (with Asani Sarkar), presented at the Financial Management Association's Annual European Conference, Zurich, Switzerland, 1997.

"Do Consumers Want the Federal Box? A Loan Form Reconstruction Exercise" (with R.A. Feinberg, and R. Widdows), , presented at the Annual meetings of the American Council on Consumer Interests, Nashville, Tennessee, 1996.

"What Do Consumers Know About Bank Regulations?" (with R.A. Feinberg, and R. Widdows), presented at the Annual meetings of the American Council on Consumer Interests, Nashville, Tennessee, 1996.

"What Will Consumers Want From Banks in the Future?" (with R.A. Feinberg, and R. Widdows), presented at the Annual meetings of the American Council on Consumer Interests, Nashville, Tennessee, 1996.

"An Analysis of Prices, Bid/Ask Spreads and Bid and Ask Depth Surrounding Ivan Boesky's Illegal Trading in Carnation Stock" (with J. J. McConnell), presented at the annual meetings of the Western Finance Association , Aspen, Colorado, 1995.

"An Integrated Model of Market and Limit Orders" (with C. Holden), presented at annual meetings of the European Finance Association annual Meeting, Italy, 1995.

"An Integrated Model of Market and Limit Orders" (with C. Holden), presented at annual meetings of the American Finance Association, Washington, D.C., 1995.

"Dual Trading and Front Running in Futures Markets," presented at the annual meetings of the Financial Management Association, Toronto, Canada, 1993.

"An Integrated Model of Market and Limit Orders" (with C. Holden), presented at annual meetings of the Financial Management Association, San Francisco, CA, 1992.

“Application of Two Inversion Schemes to Determine the Absorption Coefficient Distribution in Flames” (with M.P. Menguc, D. Mackowski, and R.A. Altenkirch), presented at the American Society of Mechanical Engineers’ Heat Transfer Conference, Houston, Texas, 1988.

Research Grants and Awards

- The World Bank, Washington, D.C.
- Microsoft Corporation
- The Malaysian Government and Purdue University
- The Prochnow Educational Foundation, Madison, Wisconsin
- Lilly Endowment Retention Initiative Grant and Purdue University, for a University level Honors
- Purdue Research Foundation Faculty Research Grant
- Purdue Research Foundation Summer Faculty Grant

PROFESSIONAL SERVICE

- **Associate Editor:** Journal of Financial Markets
- **Referee for:**

Journal of Finance; American Economic Review; Review of Financial Studies; Journal of Business; Journal of Financial Markets; Family and Consumer Science Research Journal; Journal of Business and Psychology; Journal of Economic Psychology; Journal of Financial Intermediation; The Journal of Futures Markets; The Journal of Banking and Finance; Journal of Financial Research; Economic Journal; Canadian Research Council, Rand Journal of Economics

Membership in Academic and Professional Societies

- Financial Management Association (also member of Program Committee)
- Western Finance Association
- American Finance Association
- American Council on Consumer Interests