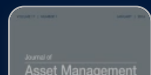


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# Profitable mean reversion after large price drops: A story of day and night in the S&P 500, 400 MidCap and 600 SmallCap Indices

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stocks. Overall, we show that opening prices contain information that is not generally fully utilized yet. The strategy proposed uses this information to add value and extract a significant  $\alpha$ , which cannot be explained by market factors.



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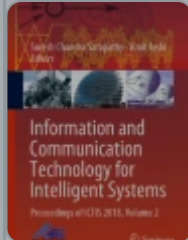
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## Appendices

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[Table C1](#). Version 2 of the strategy applied to the constituent stocks of the S&P 400 MidCap Index. Decision period is from today's open to today's close and holding period is from today's close to the next day's open. The results are divided into deciles. The first decile contains the worst performing shares during the decision period, the tenth decile the best ones.

**Table C1 Application of Version 2 of the strategy to constituents of the S&P 400 MidCap**

## Appendix D

[Table D1](#). Version 1 of the strategy applied to the constituent stocks of the S&P 500 Index. Decision period is from today's close to the next day's open and holding period from the next day's open to the next day's close. The results are divided

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[Table F1](#)

Table F1 Three different factor models applied to the returns generated by the Version 1 of the strategy applied to the constituent stocks of the S&P 400 MidCap Index. The regressions were only applied to the first decile stocks

Appendix G

[Table G1](#)

Table G1 Three different factor models applied to the returns generated by the Version 2 of the strategy applied to the constituent stocks of the S&P 400 MidCap Index. The regressions were only applied to the first decile stocks

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