



Applied Economics >

Volume 44, 2011 - [Issue 8](#)

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Original Articles

The switch from continuous to call auction trading in response to a large intraday price movement

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Pages 945-967 | Published online: 08 Feb 2011

Cite this article <https://doi.org/10.1080/00036846.2010.526584>

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Acknowledgements

I am especially indebted to Ian-Charles Coleman for his constructive criticism and corrections. I also thank Lluís Brú, José M. Ortiz Repiso, José A. Pérez, Roberto Pascual, Mikel Tapia and seminar participants at the Universidad Carlos III (Madrid), the Bolsa de Madrid, the Simposio de Análisis Económico 2004 and the Foro de Finanzas 2004 for their constructive comments on previous versions of this article, circulated under the title ‘The Switch from Continuous to Periodic trading as a circuit breaker. Evidence from the Spanish Stock Market’. I thank the Spanish Stock Exchange for providing the database and Rafael Villar for research assistance. I am very grateful for partial financial support from the Spanish Stock Exchange in the form of the Best Research Paper on Stock Markets Prize (2004). I am also grateful for financial support from the Center for Economic and Financial Research (CIEF) of the Caixa Galicia Foundation, from the Xunta de Galicia (under contract PGIDIT06PXIB201002PR and INCITE09201042PR), and from research grant MTM2008-03010.

Notes

¹ See Galper ([1999](#)).

² For reviews of the trading halt literature, see Kyle ([1988](#)), France et al. ([1994](#)), Harris ([1998](#)) and Kim and Yang ([2004](#)).

³ For a more detailed discussion of the literature on the effects of trading halts, visit <http://www.bse.es>.

⁴ The off-market trading is not allowed during trading halts.

⁵ The standard practice is to use the closing price of the previous trading day as the reference price. However, in the case of the Spanish Stock Exchange, the closing price of the previous trading day is not available for the first trading day after the halt. In this case, the closing price of the previous trading day is used as the reference price. However, in the case of the Spanish Stock Exchange, the closing price of the previous trading day is not available for the first trading day after the halt. In this case, the closing price of the previous trading day is used as the reference price.

⁶ Parallel to the trading halt, the auction-
resolving mechanism is used for the
auction. This mechanism allows the
behavior of the market and
intensity (results available on request).

7 Unfortunately, it has not been possible to gain access to data allowing analysis of the progress of learning during volatility auctions.

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