

Emerging Markets Finance and Trade >

Volume 52, 2016 - [Issue 11](#)

296 | 5 | 0  
Views | CrossRef citations to date | Altmetric

January 2015 KAIST/KIF/SSEM Conference, Seoul, Korea

# Day Trader Behavior and Performance: Evidence from Taiwan Futures Market

Teng Yuan Cheng, Chao Hsien Lin ✉, Hungchih Li, Syouching Lai & Kerry A. Watkins

Pages 2495-2511 | Accepted author version posted online: 22 Sep 2016, Published online: 22 Sep 2016

🗨️ Cite this article   🔗 <https://doi.org/10.1080/1540496X.2016.1172205>



Sample our  
Economics, Finance,  
Business & Industry Journals  
>> **Sign in here** to start your access  
to the latest two volumes for 14 days

- Full Article   Figures & data   References   Citations   Metrics
- Reprints & Permissions   [Read this article](#)   [Share](#)

## ABSTRACT

By using a unique data from the Taiwan futures market to identify each trader's trading records and focusing on the high-frequency day traders who trade at least 90 days over the sample year, this study closely examines their behaviors and performance. Day traders' performances are "risk-adjusted" and analyzed to identify behavioral biases and the resulting impact on performance. There is no evidence found that trading too much is detrimental to investment performance. The high-frequency day traders are more aware of the danger of behavioral biases and are as a result less prone to the disposition effect. Contrary to expectations, day traders in my study are shown to be non-loss averse. Most of our sample except for the highest performance quintile follow a momentum strategy.

KEYWORDS:

JEL classification:

G11

G14.

---

---

## Acknowledgments

We thank three anonymous referees and Ali Kutan (the editor) and wish to thank Taiwan Futures Exchange for making the data available.

---

## Funding

We would like to express our sincere gratitude for the financial support provided for this study by the Higher Education Philosophy and Social Science Project by Jiangsu Province of China (2013SJB880047), Jiangsu Key Laboratory of Financial Engineering (Nanjing Audit University, D201029000022), and A Project Funded by the Priority Academic Program Development of Jiangsu Higher Education Institutions (PAPD).

---

## Notes

- <sup>1</sup>. Randy Whitestone and Phil Serafino, Day Traders' Invasion, BLOOMBERG, May 1999.
  - <sup>2</sup>. Britt Tunick, Day Traders Working Hard to Influence How the Profession is to be Defined, SEC. WEEK, May 24, 1999.
  - <sup>3</sup>. Examples include Black ([1986](#)), DeLong et al. ([1990](#)), Campbell and Kyle ([1993](#)), Campbell et al. ([2001](#)), and Scheinkman and Xiong ([2003](#)).
- 

## Additional information

### Funding

We would like to express our sincere gratitude for the financial support provided for this study by the Higher Education Philosophy and Social Science Project by Jiangsu Province of China (2013SJB880047), Jiangsu Key Laboratory of Financial Engineering (Nanjing Audit University, D201029000022), and A Project Funded by the Priority Academic Program Development of Jiangsu Higher Education Institutions (PAPD).

## Related research

People also read

Recommended articles

Cited by  
5

### Information for

Authors  
R&D professionals  
Editors  
Librarians  
Societies

### Opportunities

Reprints and e-prints  
Advertising solutions  
Accelerated publication  
Corporate access solutions

### Open access

Overview  
Open journals  
Open Select  
Dove Medical Press  
F1000Research

### Help and information

Help and contact  
Newsroom  
All journals  
Books

### Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2026 Informa UK Limited [Privacy policy](#)

[Cookies](#) [Terms & conditions](#) [Accessibility](#)



Taylor & Francis  
by informa

Registered in England & Wales No. 01072954  
5 Howick Place | London | SW1P 1WG