

# Chinese Stock Market

## Financial Markets, Day 4, Class 3

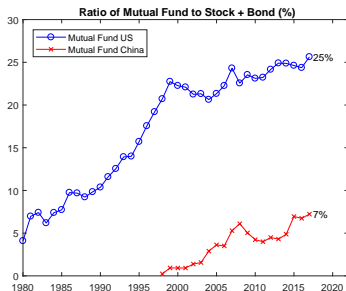
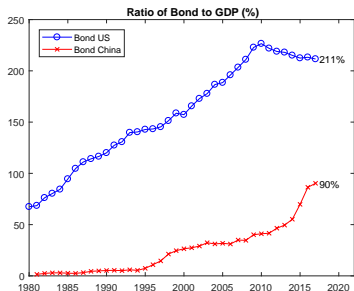
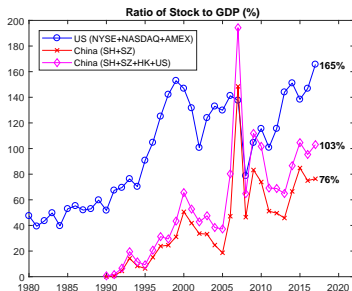
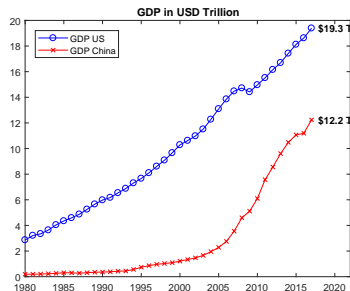
**Jun Pan**

**Shanghai Advanced Institute of Finance (SAIF)  
Shanghai Jiao Tong University**

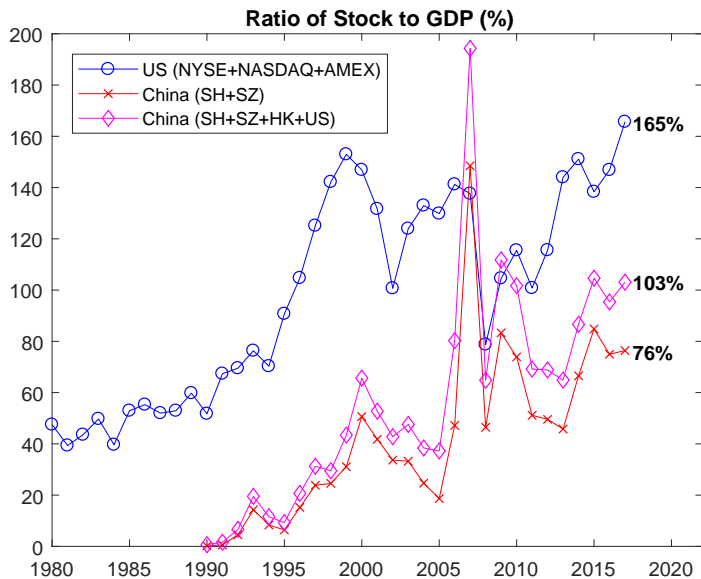
**April 21, 2019**

- The Chinese Stock Market, an Quantitative Overview.
- What are the Characteristics of the Chinese Stock Market?
- 中国股票市场，愿景和现状.

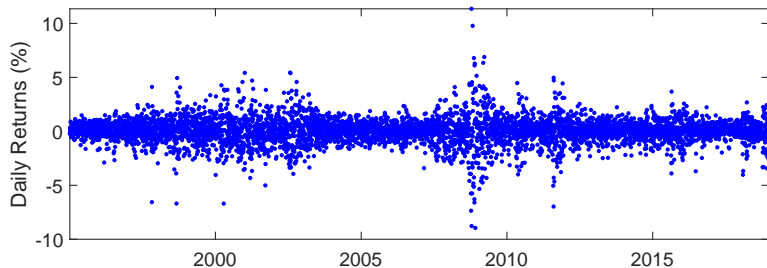
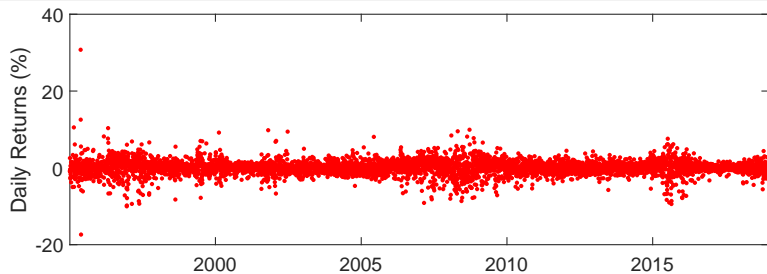
# US and China: Comparison in Size



# 中国股票市场



# US and China: Daily Stock Market Returns

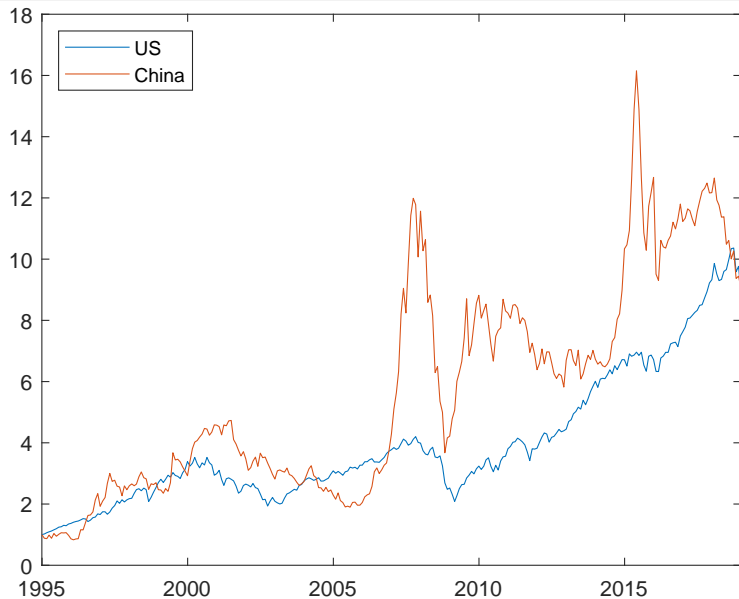


# US and China: Stock Market Returns

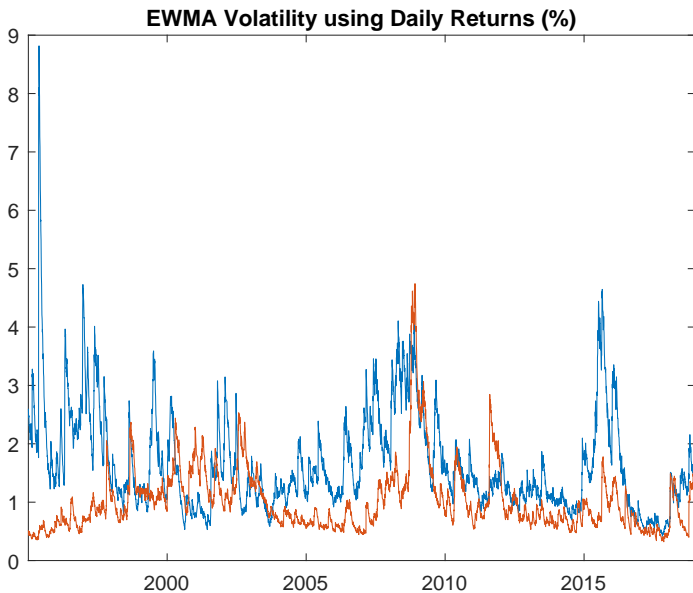
## Returns from 1995 through 2018

	Daily Returns		Monthly Returns		Yearly Returns	
	China	US	China	US	China	US
Mean (%)	0.06 [2.21]	0.04 [2.83]	1.14 [1.80]	0.86 [3.07]	20.66 [2.41]	11.21 [3.33]
Std (%)	1.87 [25.33]	1.17 [31.55]	8.78 [14.55]	4.34 [13.70]	56.34 [4.98]	18.62 [10.38]
Skewness	0.41 [0.54]	-0.08 [-0.38]	0.38 [0.66]	-0.76 [-1.64]	1.14 [1.96]	-0.74 [-0.76]
Kurtosis	21.00 [1.87]	10.64 [6.08]	4.68 [7.06]	4.20 [5.70]	3.44 [6.33]	2.88 [2.57]
N Obs	5639	5639	288	288	24	24

# Cumulative Returns

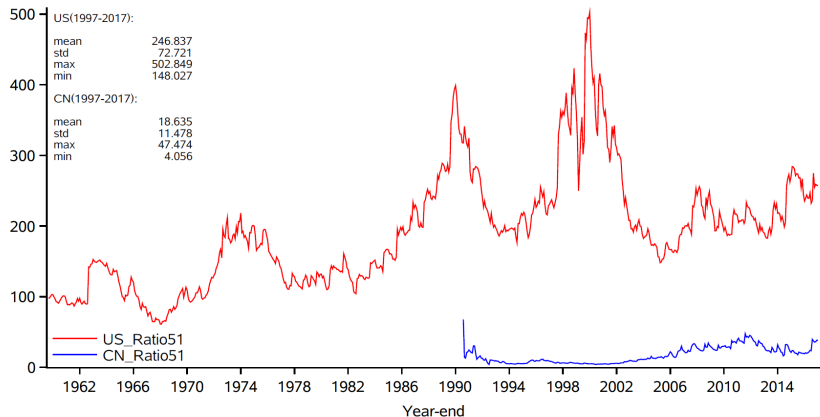


# Stock Market Volatility

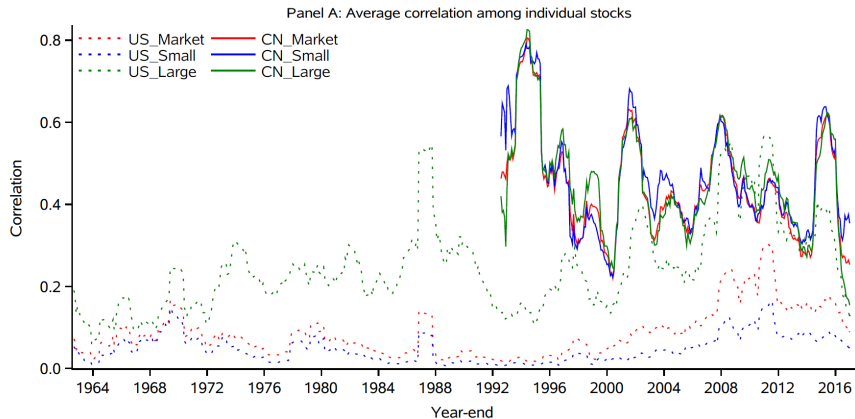




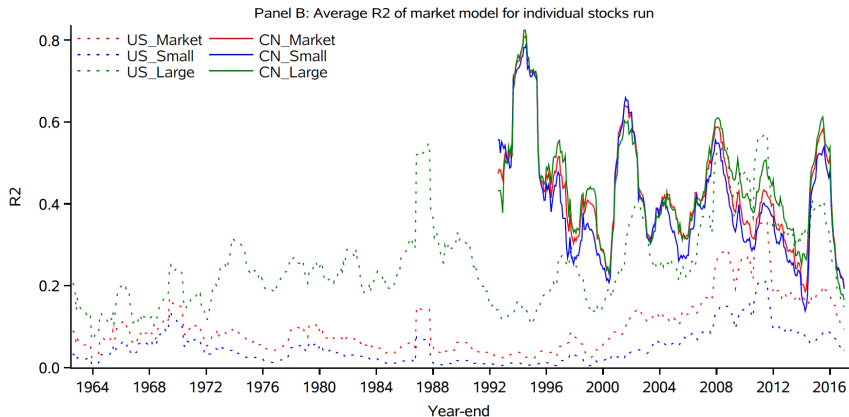
# Ratio of Average Firm Size of Largest Quintile over Smallest Quintile



# Average Correlation among Individual Stocks



# Average R-Squared among Individual Stocks



# 科创版, 中国金融市场的希望

科创版的意义不仅仅是为创新提供融资渠道, 更是对当下中国金融市场现状的一个反思:

- 创新企业缺席中国金融市场, 中国股市和中国经济脱节。
- 中国金融以国有银行为主导, 金融市场不够强大, 实体经济的发展受到制约, 尤其是属性具有高度不确定性的创新企业。
- 中国金融市场不仅不够强大, 还不够健康, 不够多元化:
  - ▶ 一些现有的制度造就了中国 A 股很多畸形的现象, 侵蚀投资者对股市的信任。
  - ▶ 一些原意是保护投资者利益的机制, 实际上在阻碍 Price Discovery。
  - ▶ 中国的金融市场的金融工具相当的有限, 缺少一些最基本对冲风险的工具。
- 中国的机构投资者在哪里?
  - ▶ 跟中国的 GDP 相比, 中国的金融服务行业很小, 很弱。虽然金融一直是最热门的专业, 但是我们的金融人才相当缺乏, 他们的技能也相当单一。
  - ▶ 一个完善的金融市场是最好的练兵场。优秀的金融人才和完善的金融市场可以是一个良性的循环, 相辅相成。

# 科创板主要内容

- 注册制, 引入市值指标, 取消利润指标。
- 五天不设涨跌停, T+5 后 20% 涨跌停。
- 散户投资 50 万、两年以上经验的门槛, 同时也允许一般个人投资者通过公募基金来认购科创板股票。
- 退市程序的简化
- 依旧是 T+1

## Greenspan's Irrational Exuberance Speech

- “Clearly, sustained low inflation implies less uncertainty about the future, and lower risk premiums imply higher prices of stocks and other earning assets. ... But how do we know when *irrational exuberance* has unduly escalated asset values, which then become subject to unexpected and prolonged contractions as they have in Japan over the past decade?” —Alan Greenspan 1996-12-05
- The Tokyo market was open during the speech and immediately moved down sharply after this comment, closing off 3%. Markets around the world followed.
- Robert Shiller, one of the three 2013 Nobel-Prize winner in Economics, later wrote a book entitled *Irrational Exuberance* in 2000.

# The NASDAQ Index

