

“Early Shanghai Financial Markets and Their Implications”

Time: June 13 (Thursday) 2024 16:00–18:30 (JST)

Venue: Main Conference Room (3F), Institute for Advanced Studies on Asia, UTokyo

Language: English

Session 1: OISHIDA Shinya, Doctoral Candidate, Department of Economics, UTokyo

16:00–16:45 The Multi-Currency Circulation System in Early 1930s China

Based on a novel dataset from archival banking sources, this presentation describes the significant drivers of major swings in silver currency flows into Shanghai's financial system over the course of the Republican period, and the role of small currencies and the subsidiary coins of China in 1930s.

Session 2: LI Dan, PhD., Professor, School of Economics, Fudan University, Shanghai

16:45–17:30 Chinese Sovereign Debt Markets: Implications on Market Efficiency

Using information from *The Shenbao* daily newspaper on domestic sovereign debt markets in Republican China to construct original database of weekly bond returns and news reports, this presentation discusses factors impacting domestic bond price movements. The analysis indicates the prewar domestic bond market fails to satisfy the minimum requirements to meet the Efficient Market Hypothesis. In addition, there is evidence that this lack of market efficiency meant that negative news reports, including those defined as rumors, significantly affected domestic debt market pricing dynamics. The research results indicate the power of either true or false news reports can impact inefficient financial markets.

Session 3: Jamesdaniel HARRIS, PhD., Visiting Fellow of IASA, UTokyo

17:30–18:15 Shanghai's Early Central and Municipal Government Bond Market: Implications on Institutional Quality

This talk presents research utilising a novel trading activity dataset from late-imperial and republican Shanghai's bond market. The analysis provides several unique insights: (i) reasons for parallel development of domestic and extraterritorial exchanges, (ii) differences in market activity across the two exchanges, and (iii) behaviour and sophistication of the city's investor class, especially domestic investors. Investors' "revealed preferences" allows us to draw inferences about perceived relative strength of regulatory, legal and other institutional protections afforded investors under the two settings.

18:15–18:30 Concluding Discussion and Questions

Moderator: Khohchahar E. Chuluu, LL.D., Associate Professor, IASA, UTokyo
