



THE UNIVERSITY OF
CHICAGO

Department of Statistics

MASTER'S THESIS PRESENTATION

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Post-IPO Stocks in China: A Statistical Analysis

MONDAY, MAY 13, 2019, at 1:00 PM
Jones 304, 5747 S. Ellis Avenue

ABSTRACT

We analyze the 1-year post-IPO performance of 2,025 Chinese stocks that went public during 2009-2019. A set of new IPO rules were introduced in 2014 to mediate the overpricing problem among new stocks, but statistically, we show that the new rules exacerbate overpricing and hurt retail investors instead. We also use time-series models including GARCH and RV-ARFIMA to model the market volatility and liquidity and examine how these post-IPO stocks influence the market under the new rules.