Upward Switches on BSE: An Explanation for Anomalous Stock Price Behaviour

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Abstract: Research paper detects effect of pre switching trading volume on the pattern of returns around up-switching. Standard event methodology using the market-adjusted model was used to examine the market behavior around the two event dates, i.e., announcement and actual switching. The same estimation period of -210 to -51 days was used for both event dates. Three tests, namely, a sign test, a matched-pairs t-test, and a Wilcoxon matched-pairs signed-ranks test were used to examine differences in volume and risk before and after switching. The most important is that switching decision not just disturb price of the scrip's about also harmful for trading volumes. The companies owned strategies regarding the market share and price earnings ratio should be stabilized for long period and rises market price for any further change in quantities of shares.

I. INTRODUCTION

Stock exchanges in developed markets provide multiple equities platform for a sophisticated equity trading worldwide. The trading system on stock exchanges in developing countries, however, is typically two-tiered so as to segregate trading interest on a wider spectrum of investor's interest. The stock exchange authorities with such trading structures monitor the financial health of their listed companies and take a switch decision by moving a company from a low- or high-class segment to a high- or low-class segment based on certain factors.

This research has attempts to discern the general pattern of market behaviour of 10 common stocks around up-switches from Group 'Z' to Group 'T' on the Bombay Stock Exchange during January 2013 to March 2013. In addition, an attempt was made to examine the effect of pre switching trading volume on the pattern of returns around up-switching. Standard event methodology using the market-adjusted model was used to examine the market behaviour around the two event dates, i.e., announcement and actual switching. The same estimation period of -210 to -51 days was used for both event dates. Three tests, namely, a sign test, a matched-pairs t-test, and a Wilcoxon matched-pairs signed-ranks test were used to examine differences in volume and risk before and after switching. Finally, other contemporaneous announcements which might have had an effect on the results for low and high sub-sample companies were also checked.

The size of the world stock market was estimated at about $36.6 trillion at the beginning of October 2008. The total world derivatives market has been estimated at about $791 trillion face or nominal value 11 times the size of the entire world economy. The value of the derivatives market, because it is stated in terms of notional values cannot be directly compared to a stock or a fixed income security, which traditionally refers to an actual value. Moreover, the vast majority of derivatives 'cancel' each other out (i.e., a derivative 'bet' on an event occurring is offset by a comparable derivative 'bet' on the event not occurring). Many such relatively illiquid securities are valued as marked to model, rather than an actual market price.

Participants in the stock market range from small individual stock investors to large hedge fund traders, who can be based anywhere in the world. Their orders usually end up with a professional at a stock exchange, who executes the order of buying or selling.

Some exchanges are physical locations where transactions are carried out on a trading floor, by a method known as open outcry. This type of auction is used in stock exchanges and commodity exchanges where traders may enter "verbal" bids and offers simultaneously. The other type of stock exchange is a virtual kind, composed of a network of computers where trades are made electronically via traders.

Actual trades are based on an auction market model where a potential buyer bids a specific price for a stock and a potential seller asks a specific price for the stock. (Buying or selling at market means you will accept any ask price or bid price for the stock, respectively.) When the bid and ask prices match, a sale takes place, on a first-come-first-served basis if there are multiple bidders or askers at a given price.

The purpose of a stock exchange is to facilitate the exchange of securities between buyers and sellers, thus providing a marketplace (virtual or real). The exchanges provide real-time trading information on the listed securities, facilitating price discovery.

II. REVIEW OF LITERATURE

In the research, the literature review is very important element. Without any base the building will not build as well as without literature review the research will not conducted.

Baker, H. K., & Edelman, R. B. (1990). has analyzed the consequences of compartment transfer in NYSE-Euronext Paris. Compartment transfer in NYSE-Euronext Paris is a voluntary decision. The results of our various analyses show a positive market reaction around the transfer announcement and an improvement of the liquidity level of switched stocks after that date.

Brown, S. J., & Warner, J. B. (1985). has examines properties of daily stock returns and how the particular characteristics of these data affect event study methodologies for assessing the share price impact of firm-specific events. The paper extends earlier work [Brown and Warner (1980)] in which we investigate event study methodologies used with monthly returns.

Dharan B. G., & Ikenberry, D. L., (1995). has analyzed that after firms move trading in their stock to the American or New York Stock Exchanges, stock returns are generally poor. Although many listing firms issue equity around the time of listing, post-listing performance is not entirely explained by the equity issuance puzzle. Similar to the conclusions regarding other long-run phenomena, poor post-listing performance appears related to managers timing their application for listing. Managers of smaller firms, where initial listing requirements may be more binding, tend to apply for listing before a decline in performance. Poor post-listing performance is not observed in larger firms.

Mc Connell, J. J., & Sanger, G. C. (1984) has examined that Prior studies indicate that common stocks tend to earn negative returns immediately following listing on the NYSE. The authors document the phenomenon in detail and investigate a number of possible explanations. No full explanation is discovered, although several are ruled out.

Yang, C. C., Baker, H. K., Chou, L.C., & Lu, B.W. (2009). has examined whether a firm's sensitivity of investments to cash flow changes when it switches from the NASDAQ to the NYSE over the period 1992–2002. Contrary views exist on the effect of listing switches on investment sensitivity to cash flow. Investment–cash flow sensitivity is a proxy for the degree of uncertainty of using internal funds to finance a firm's investments. We use a least square dummy variable model to analyze panel data before and after switching to determine the impact of switching. Based on pooled data, our evidence is consistent with the view that NASDAQ-to-NYSE switchers have significantly lower investment–cash flow sensitivity, which means that firms rely less heavily on internal financing after switching and find accessing external financing easier. Thus, firms may

benefit from switching in terms of a lower cost of external capital due to such factors as increasing visibility, liquidity, and reputation.

Anderson, A. M., & Dyl, E. A. (2003). has examined historically, trading volume reported for NASDAQ stocks has been overstated vis-à-vis New York Stock Exchange (NYSE) stocks, both because of the dealer's participation in trades as a market maker and because of interdealer trading. Beginning in 1997, the Securities and Exchange Commission changed order-handling rules and trade-reporting rules, which may have reduced or eliminated the overstatement of NASDAQ trading. We examine trading volumes of firms changing from NASDAQ to the NYSE since 1997 and document that reported trading volume for NASDAQ stocks continues to be overstated. Moreover, the degree of overstatement is much larger for firms with high trading volume.

Baker, H. K., Powell, G. E., & Weaver, D. G. (1999b) has examined whether visibility changes for firms moving from the AMEX to the NYSE from 1984 through 1993. The study uses four proxies to measure visibility: (1) the number of analysts estimating the firm's next fiscal year's earnings (NOA); (2) the number of institutional shareholders (NOI); (3) the percentage of shares held by institutions (POS); and (4) the number of citations in The Wall Street Journal (NOC). A control sample of firms that remained on the AMEX provides a basis for comparing changes in visibility. The empirical evidence suggests a positive association between AMEX-to-NYSE transfers and visibility gains for each measure (except the three-month period immediately around listing for NOC). Regression analysis also supports a relationship between the listing change to the NYSE and increased visibility, especially in NOA and POS. Therefore, the evidence generally supports management's perceptions about the link between AMEX-to-NYSE switches and visibility gains.

Brown, S. J., & Warner, J. B. (1985). Has examined properties of daily stock returns and how the particular characteristics of these data affect event study methodologies. Daily data generally present few difficulties for event studies. Standard procedures are typically well-specified even when special daily data characteristics are ignored. However, recognition of autocorrelation in daily excess returns and changes in their variance conditional on an event can sometimes be advantageous. In addition, tests ignoring cross-sectional dependence can be well-specified and have higher power than tests which account for potential dependence.

Kim, J.C., & Jain, P. K. (2006) examined multiple facets of firms' decisions to list on the NYSE. Although the average Nasdaq spreads are now comparable to the average NYSE spreads, we find that firms continue to switch from Nasdaq to the NYSE, and that they experience positive cumulative abnormal returns on listing. Using a simultaneous system of equations approach, we establish that enhanced investor recognition mainly explains this phenomenon. A logistic regression suggests that corporate listing choice is consistent with these findings, since eligible unlisted firms already have high volumes and recognition and might not benefit as much as do firms that actually switch.

III. RESEARCH DESIGN AND METHODOLOGY

Objectives of Study:

1. The term up-switching here refers to moving of a company from a low-class segment (Group Z) to a high-class segment (Group T).

2. To discern the general pattern of market behavior around up-switching on the Bombay Stock Exchange Ltd. (BSE) from January 2013 to March 2013.

3. To Know that up-switching has any effect in the behavior of investors to invest in the stock market or not.

4. To know the effect of upward switching in the related companies of groups.

Hypothesis:

Extensive review of the extant literature as well as theories underlying information economics has resulted in the formulation of two propositions:

H0. There are subtle differences in market behavior around up-switches from Group 'Z' to Group 'T.'

H1. The pattern of market behavior around up-switch will differ for stocks with low versus high trading volume.

IV. PERIOD OF STUDY

This will define how much time we will take to complete this research work which is related to volatility in Indian Stock market. Here we have estimated that it will take 45 days to carry out research work along with academic term.

Sample Size:

Here from the whole population, I have selected "T" group. I have selected Upward switching On BSE from "Z" group to "T" Group during the period of January 2013 to March 2013.

Sampling Techniques:

To select the sample from the whole population as discussed above, there should be some technique to select the sample from the population. So, here I have used the Convenience Sampling Method.

Type of Research:

Empirical research which is used appropriate when proof is sought, that certain variables affect another variable in some way. Evidence gathered through experiment or empirical studies is today considered to be the most powerful support possible for a given hypothesis.

Data Collection Method:

The whole research report has been prepared by collecting secondary sources only. So, this research is conducted by using secondary data which are obtained from the journals and official websites liked www.nseindia.com, www.bseindia.com, www.sebi.com

V. LIMITATION OF STUDY

A statistical measure that attempts to determine the strength of the relationship between one dependent variable (usually denoted by Y) and a series of other changing variables (Known as independent variable, usually denotes by X).

Abnormal Return: An abnormal return is the difference between the actual return of a security and the expected return. Abnormal returns are sometimes triggered by "events." Events can include mergers, dividend announcements, company earnings announcements, interest rate increases, lawsuits, etc. all which can contribute to an abnormal return. Events in finance can typically be classified as occurrences or information that has not already been priced by the market. Abnormal Return = Actual Return – Expected Returns opposed to expected return, actual return is what investors actually receive from their investments. The discrepancy between actual and expected return is due to systematic and unsystematic risk.

Expected Return: The expected return is a tool used to determine whether or not an investment has a positive or negative average net outcome - it is not a hard and fast figure of profit or loss. In addition to expected return, wise investors should also consider the probability of return in order to properly assess risk. After all, one can find instances in which certain lotteries offer a positive expected return, despite the very low probability of realizing that return.

Cumulative Abnormal Return: Cumulative abnormal return, or CAR, is the sum of all abnormal returns. Cumulative Abnormal Returns are usually calculated over small windows, often only days. This is because evidence has shown that compounding daily abnormal returns can create bias in the results.

Table – 1 Announcement Date:

Abnormal Return for Up-Switches from Group 'Z' to 'T' around two Event Dates: 28th March,2013								
						Regression Statistics		
Sr No.	Company Name	Return (X)	Expected Return	Abnormal Ret	Multiple R	R Square	Adjusted R Square	Standard Error	Observations
1	Alpha Graphic	-0.3	-0.35	-0.428	0.70	0.49	0.36	2.36	6.00
2	Dinesh Allorga	-0.3	1.06	-4.2	0.33	0.11	-0.11	2.65	6.00
3	Dynacons Technolo	-0.3	0.14	0.38	0.63	0.39	0.24	3.42	6.00
4	Kohinoor Broad	-0.3	-3.24	-0.11	0.92	0.85	0.81	0.08	6.00
5	inani securities	-0.3	-4.72	0.04	0.07	0.01	-0.24	0.04	6.00
6	Oripro	-0.3	-4.73	0.002	0.11	0.01	-0.23	0.02	6.00
7	PAL Credit	-0.3	0.6	4.49	0.54	0.29	0.11	3.77	6.00
8	Polychem	-0.3	4.25	0.94	0.84	0.70	0.63	2.41	6.00
9	Sadhana Nitro	-0.3	-2.23	7.39	0.51	0.26	0.08	4.61	6.00
10	Safal Securitie	-0.3	3.46	1.75	0.08	0.01	-0.24	3.78	6.00
11	Mudit Finlease	-0.3	0.13	1.14	0.68	0.46	0.32	1.64	6.00
12	Netvista Info	-0.3	-1.21	4.24	0.45	0.20	0.00	3.15	6.00
13	Guj Meditech	-0.3	-0.79	-3.84	0.65	0.42	0.28	3.76	6.00
14	Ramco System	-0.3	-1.23	-3.89	0.20	0.04	-0.20	5.19	6.00
15	SGN telecom	-0.3	-3.44	3.44	0.01	0.00	-0.25	2.99	6.00
16	Siddha Venture	-0.3	2.29	2.66	0.40	0.16	-0.05	4.92	6.00
17	Innovative Tech	-0.3	-2.04	14.67	0.05	0.00	-0.25	10.86	6.00
18	Modella Woollen	-0.3	-2.26	7.44	0.17	0.03	-0.21	4.33	6.00
19	Cubical Fin Ser	-0.3	0.04	1.69	0.55	0.30	0.13	1.73	6.00
20	Capman Fin	-0.3	-2.65	-1.74	0.59	0.35	0.18	3.88	6.00
21	Sterling Webnet	-0.3	-2.26	2.26	0.25	0.06	-0.17	2.48	6.00
22	Tokyo Finance	-0.3	-2.21	-2.34	0.08	0.01	-0.24	4.27	6.00
23	Shakti Press	-0.3	-4.72	0.02	0.26	0.07	-0.16	0.04	6.00
24	Som Datt Financ	-0.3	-1.7	-2.56	0.26	0.07	-0.16	2.65	6.00
25	Vaishnavi Gold	-0.3	5.96	2.11	0.77	0.59	0.49	4.09	6.00
26	Allumco india	-0.3	-1.97	2.48	0.39	0.16	-0.06	3.76	6.00
27	Valuemart retail	-0.3	2.03	3.21	0.75	0.56	0.46	3.64	6.00
28	Venkat Pharma	-0.3	2.77	7.59	0.16	0.03	-0.22	4.21	6.00
29	Ventura Text	-0.3	0.001	0.5	0.01	0.00	-0.25	0.35	6.00
30	VKS Projects	-0.3	-0.38	-4.36	0.65	0.43	0.28	4.29	6.00
31	Transpek Financ	-0.3	-0.22	-4.13	0.66	0.44	0.30	4.19	6.00
32	Cat Technologies	-0.3	2.31	2.79	0.27	0.07	-0.16	5.41	6.00
33	Celebrity Fashion	-0.3	4.66	6.14	0.49	0.24	0.05	7.29	6.00
34	Lotus Chocolate	-0.3	0.87	-1.94	0.19	0.04	-0.20	1.69	6.00
35	FOCUS INDUSTRIAL	-0.3	1.45	2.75	0.82	0.67	0.59	2.16	6.00
36	Info-drive Software	-0.3	-2	2	0.39	0.16	-0.06	3.76	6.00
37	Rad-ford Global	-0.3	-0.79	-0.09	0.86	0.74	0.67	0.56	6.00

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Sr No.	Company Name	Return (X)	Expected Return	Abnormal Ret	Regression Statistics				
					Multiple R	R Square	Adjusted R Square	Standard Error	Observations
1	Alpha Graphic	-0.3	-0.35	-0.428	0.70	0.49	0.36	2.36	6.00
2	Dinesh Allorga	-0.3	1.06	-4.2	0.33	0.11	-0.11	2.65	6.00
3	Dynacons Technolo	-0.3	0.14	0.38	0.63	0.39	0.24	3.42	6.00
4	Kohinoor Broad	-0.3	-3.24	-0.11	0.92	0.85	0.81	0.08	6.00
5	inani securities	-0.3	-4.72	0.04	0.07	0.01	-0.24	0.04	6.00
6	Oripro	-0.3	-4.73	0.002	0.11	0.01	-0.23	0.02	6.00
7	PAL Credit	-0.3	0.6	4.49	0.54	0.29	0.11	3.77	6.00
8	Polychem	-0.3	4.25	0.94	0.84	0.70	0.63	2.41	6.00
9	Sadhana Nitro	-0.3	-2.23	7.39	0.51	0.26	0.08	4.61	6.00
10	Safal Securitie	-0.3	3.46	1.75	0.08	0.01	-0.24	3.78	6.00
11	Mudit Finlease	-0.3	0.13	1.14	0.68	0.46	0.32	1.64	6.00
12	Netvista Info	-0.3	-1.21	4.24	0.45	0.20	0.00	3.15	6.00
13	Guj Meditech	-0.3	-0.79	-3.84	0.65	0.42	0.28	3.76	6.00
14	Ramco System	-0.3	-1.23	-3.89	0.20	0.04	-0.20	5.19	6.00
15	SGN telecom	-0.3	-3.44	3.44	0.01	0.00	-0.25	2.99	6.00
16	Siddha Venture	-0.3	2.29	2.66	0.40	0.16	-0.05	4.92	6.00
17	Innovative Tech	-0.3	-2.04	14.67	0.05	0.00	-0.25	10.86	6.00
18	Modella Woollen	-0.3	-2.26	7.44	0.17	0.03	-0.21	4.33	6.00
19	Cubical Fin Ser	-0.3	0.04	1.69	0.55	0.30	0.13	1.73	6.00
20	Capman Fin	-0.3	-2.65	-1.74	0.59	0.35	0.18	3.88	6.00
21	Sterling Webnet	-0.3	-2.26	2.26	0.25	0.06	-0.17	2.48	6.00
22	Tokyo Finance	-0.3	-2.21	-2.34	0.08	0.01	-0.24	4.27	6.00
23	Shakti Press	-0.3	-4.72	0.02	0.26	0.07	-0.16	0.04	6.00
24	Som Datt Financ	-0.3	-1.7	-2.56	0.26	0.07	-0.16	2.65	6.00
25	Vaishnavi Gold	-0.3	5.96	2.11	0.77	0.59	0.49	4.09	6.00
26	Allumco india	-0.3	-1.97	2.48	0.39	0.16	-0.06	3.76	6.00
27	Valuemart retail	-0.3	2.03	3.21	0.75	0.56	0.46	3.64	6.00
28	Venkat Pharma	-0.3	2.77	7.59	0.16	0.03	-0.22	4.21	6.00
29	Ventura Text	-0.3	0.001	0.5	0.01	0.00	-0.25	0.35	6.00
30	VKS Projects	-0.3	-0.38	-4.36	0.65	0.43	0.28	4.29	6.00
31	Transpek Financ	-0.3	-0.22	-4.13	0.66	0.44	0.30	4.19	6.00
32	Cat Technologies	-0.3	2.31	2.79	0.27	0.07	-0.16	5.41	6.00
33	Celebrity Fashion	-0.3	4.66	6.14	0.49	0.24	0.05	7.29	6.00
34	Lotus Chocolate	-0.3	0.87	-1.94	0.19	0.04	-0.20	1.69	6.00
35	FOCUS INDUSTRIAL	-0.3	1.45	2.75	0.82	0.67	0.59	2.16	6.00
36	Info-drive Software	-0.3	-2	2	0.39	0.16	-0.06	3.76	6.00
37	Rad-ford Global	-0.3	-0.79	-0.09	0.86	0.74	0.67	0.56	6.00

Abnormal Return for Up-Switches from Group 'Z' to 'T' around two Event Dates: 28th March,2013

Table shows abnormal return for up- switching from two event dates, its shows that expected return of the scrip was negative around Rs.5, total scrip is 37 out of 7 scrip's generated positive return near to Rs.5 to Rs.7. Table shows how abnormal return generated for this strategies decision taken by companies. Table also indicated that Innovative Tech generated highest positive abnormal return compared to other companies switching. The company needs focus if they take decision for switching, can it affects demand of the scrip's as well as volume of the company's shares in stock exchange. The most important is that switching decision not just disturb price of the scrip's about also harmful for trading volumes. The companies owned strategies regarding the market share and price earnings ratio should be stabilized for long period and rises market price for any further change in quantities of shares.

Table – 2 Switching Date:

Abnormal Return for Up-Switches from Group 'Z' to 'T' around two Event Dates: 28th March,2013										
Sr No.	Company Name	Return (X)	Expected	Abnormal	Culmuation Abnormal Return			T-Test	P-Value	Lower 95%	Upper 95%
					Announc	announcem	Announcement Day -3				
1	Alpha Graphic	1.27	1.71	3.33	3.33	-7.45	4.12	1.26	0.28	-2.71	7.18
2	Dinesh Allorga	1.27	0.43	-0.17	-0.17	1.73	-1.57	0.15	0.89	-2.36	2.62
3	Dynacons Technol	1.27	1.77	2.92	2.92	-2.37	-0.55	2.25	0.09	-0.63	6.00
4	Kohinoor Broad	1.27	-0.8	4.65	4.65	-6.93	2.29	1.11	0.33	-2.51	5.84
5	inani securities	1.27	-4.6	-0.08	-0.08	0.27	-0.18	-56.83	0.00	-4.84	-4.39
6	Oripro	1.27	-4.17	-0.54	-0.54	1.77	-1.24	-7.88	0.00	-5.69	-2.72
7	PAL Credit	1.27	0.33	-4.03	-4.03	11.62	7.59	0.61	0.57	-8.61	13.51
8	Polychem	1.27	-0.58	4.57	4.57	-2.92	-1.63	0.40	0.71	-5.03	6.72
9	Sadhana Nitro	1.27	4.19	13.99	13.99	-19.75	5.76	0.09	0.94	-19.68	20.95
10	Safal Securitie	1.27	-0.31	-4.42	-4.42	2.49	1.93	0.97	0.39	-3.42	7.11
11	Mudit Finlease	1.27	-0.23	-0.05	-0.05	0.08	-0.02	-3.57	0.02	-0.29	-0.04
12	Netvista Info	1.27	-1.14	-3.6	-3.6	2.57	1.03	-1.50	0.21	-4.59	1.37
13	Guj Meditech	1.27	1.37	-2.02	-2.02	-0.08	2.2	3.44	0.03	0.66	6.19
14	Ramco System	1.27	1.04	3.72	3.72	6.04	2.32	1.18	0.30	-2.22	5.49
15	SGN telecom	1.27	-30.19	20.67	20.67	-23.4	2.72	-0.23	0.83	-40.01	33.97
16	Siddha Venture	1.27	-1.28	5.83	5.83	-7.64	1.81	1.07	0.35	-3.28	7.38
17	Innovative Tech	1.27	-0.33	3.86	3.86	-2.98	-0.88	0.92	0.41	-2.44	4.85
18	Modella Woollen	1.27	0.27	5.97	5.97	-7.11	1.15	-0.28	0.79	-7.32	5.98
19	Cubical Fin Ser	1.27	0.44	-1.59	-1.59	0.2	1.39	-1.05	0.35	-5.47	2.47
20	Capman Fin	1.27	0.14	5.11	5.11	-7.53	2.42	-0.63	0.56	-7.70	4.86
21	Sterling Webnet	1.27	-0.84	29.4	29.4	-26.75	-2.65	-0.62	0.57	-49.19	31.16
22	Tokyo Finance	1.27	-0.83	-4.23	-4.23	5.57	30.99	-0.62	0.57	-49.19	31.16
23	Shakti Press	1.27	-2.14	0.19	0.19	0.86	-1.05	-5.16	0.01	-4.64	-1.39
24	Som Datt Financ	1.27	-1.26	0.81	0.81	-1.83	1.02	-1.10	0.33	-2.66	1.15
25	Vaishnavi Gold	1.27	3.42	1.79	1.79	-5.83	4.05	2.08	0.11	-1.47	10.19
26	Allumco india	1.27	-2.18	0.11	0.11	0.09	-0.21	-0.79	0.47	-5.61	3.11
27	Valuemart retail	1.27	5.32	-11.89	-11.89	13.44	-1.55	0.72	0.51	-6.94	11.81
28	Venkat Pharma	1.27	-1.99	1.61	1.61	-2.53	0.91	-1.94	0.12	-15.00	2.66
29	Ventura Text	1.27	-3.54	13.18	13.18	0.02	-13.2	0.57	0.60	-41.69	63.33
30	VKS Projects	1.27	5.08	0.06	0.06	-0.17	0.1	120.82	0.00	5.04	5.28
31	Transpek Financ	1.27	5.14	0.09	0.09	-1.63	1.54	2.75	0.05	-0.03	6.41
32	Cat Technologies	1.27	-1.92	5.13	5.13	-4.83	-0.3	-1.61	0.18	-6.97	1.86
33	Celebrity Fashion	1.27	0.74	-16.53	-16.53	14.69	1.84	0.21	0.84	-11.41	13.27
34	Lotus Chocolate	1.27	-0.07	0.14	0.14	0.05	-0.21	0.61	0.58	-0.43	0.66
35	FOCUS INDUSTR	1.27	4.63	0.61	0.61	2.5	-3.11	1.34	0.25	-2.22	6.39
36	Info-drive Software	1.27	-4.68	0.01	0.01	0.01	-0.01	-243.46	0.00	-4.75	-4.64
37	Rad-ford Global	1.27	0.09	-0.22	-0.22	0.01	0.21	-0.12	0.91	-0.47	0.43

Abnormal Return for Up-Switches from Group 'Z' to 'T' around two Event Dates: 28th March,2013

Sr No.	Company Name	Return (	Expected	Abnormal Re	Regression Statistics				
					Multiple R	R Square	Adjusted R Squ	Standard Error	Observa
1	Alpha Graphic	1.27	1.71	3.33	0.11	0.01	-0.23	4.23	6
2	Dinesh Allorga	1.27	0.43	-0.17	0.13	0.02	-0.23	2.13	6
3	Dynacons Techno	1.27	1.77	2.92	0.28	0.08	-0.15	2.84	6
4	Kohinoor Broad	1.27	-0.8	4.65	0.53	0.28	0.10	3.57	6
5	inani securities	1.27	-4.6	-0.08	0.12	0.01	-0.23	0.19	6
6	Oripro	1.27	-4.17	-0.54	0.03	0.00	-0.25	1.27	6
7	PAL Credit	1.27	0.33	-4.03	0.20	0.04	-0.20	9.47	6
8	Polychem	1.27	-0.58	4.57	0.25	0.06	-0.17	5.03	6
9	Sadhana Nitro	1.27	4.19	13.99	0.18	0.03	-0.21	17.39	6
10	Safal Securitie	1.27	-0.31	-4.42	0.40	0.16	-0.05	4.50	6
11	Mudit Finlease	1.27	-0.23	-0.05	0.50	0.25	0.06	0.11	6
12	Netvista Info	1.27	-1.14	-3.6	0.16	0.03	-0.22	2.55	6
13	Guj Meditech	1.27	1.37	-2.02	0.62	0.38	0.22	2.37	6
14	Ramco System	1.27	1.04	3.72	0.16	0.03	-0.22	3.30	6
15	SGN telecom	1.27	-30.19	20.67	0.61	0.37	0.22	31.67	6
16	Siddha Venture	1.27	-1.28	5.83	0.55	0.30	0.13	4.56	6
17	Innovative Tech	1.27	-0.33	3.86	0.41	0.16	-0.04	3.12	6
18	Modella Wooller	1.27	0.27	5.97	0.15	0.02	-0.22	5.69	6
19	Cubical Fin Ser	1.27	0.44	-1.59	0.46	0.21	0.01	3.40	6
20	Capman Fin	1.27	0.14	5.11	0.25	0.06	-0.17	5.37	6
21	Sterling Webnet	1.27	-0.84	29.4	0.21	0.04	-0.20	34.40	6
22	Tokyo Finance	1.27	-0.83	-4.23	0.21	0.04	-0.20	34.40	6
23	Shakti Press	1.27	-2.14	0.19	0.49	0.24	0.05	1.39	6
24	Som Datt Financ	1.27	-1.26	0.81	0.27	0.07	-0.16	1.63	6
25	Vaishnavi Gold	1.27	3.42	1.79	0.17	0.03	-0.22	4.99	6
26	Allumco india	1.27	-2.18	0.11	0.22	0.05	-0.19	3.73	6
27	Valuemart retail	1.27	5.32	-11.89	0.31	0.09	-0.13	8.03	6
28	Venkat Pharma	1.27	-1.99	1.61	0.44	0.20	0.00	7.56	6
29	Ventura Text	1.27	-3.54	13.18	0.28	0.08	-0.15	44.96	6
30	VKS Projects	1.27	5.08	0.06	0.56	0.31	0.14	0.10	6
31	Transpek Financ	1.27	5.14	0.09	0.54	0.29	0.11	2.76	6
32	Cat Technologies	1.27	-1.92	5.13	0.15	0.02	-0.22	3.78	6
33	Celebrity Fashion	1.27	0.74	-16.53	0.02	0.00	-0.25	10.56	6
34	Lotus Chocolate	1.27	-0.07	0.14	0.35	0.12	-0.10	0.47	6
35	FOCUS INDUST	1.27	4.63	0.61	0.53	0.28	0.10	3.69	6
36	Info-drive Softwa	1.27	-4.68	0.01	0.26	0.07	-0.17	0.05	6
37	Rad-ford Global	1.27	0.09	-0.22	0.25	0.06	-0.17	0.38	6

Table -2 3 represented how the abnormal return generated actual date of switching. The most important things is that know the information prevailing in the market and investors take action within how much time period, its definitely affects market price of the shares as well as trading volume. As investors know well how to change proportion of investment between the scrip's its equally important how to change as per market move and react. Sometime technical analyst guide investors how to react for particular switching. Again market movement take place as pervious high and low level. Information reaction has need to judge while trading is too much and its affects movement of the market and total volume, the investor's strategies also important in the side of how much time to hold the scrip's so tis generated maximum abnormal return.

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