
BICM Research Seminar 34

We cordially invite you to join our research seminar and contribute to share academic excellence. Please note the following specifics about the upcoming seminar.

Paper details	
Title	When Enemies Turn into Friends: Coopetition through Standards Setting Organizations (SSOs) and Insider Trading Profitability
Authors	Dewan Rahman The University of Queensland
	Zhengjin Jiao The University of Queensland
	Muhammad Kabir University of Manitoba
	Shehub Bin Hasan University of Reading
Presentation details	
Presenter researcher	Dewan Rahman
Date	01 July 2024 (Monday)
Time	11:00 AM – 12:00 PM
Venue	BICM Multipurpose Hall
Expected Participants	Faculty Members of BICM & Invited Guests
Discussants	Dr. Muhammad Shahin Miah CPA Associate Professor Department of International Business University of Dhaka
	Mr. Faysal Ahmad Khan Assistant Professor Bangladesh Institute of Capital Market

About the Presenter

Dr Dewan Rahman is a Senior Lecturer in Finance at the University of Queensland, Australia. He teaches Asset Pricing, Finance, and Investment & Portfolio Management in the undergraduate and postgraduate programs. Dewan's research primarily focuses on Insider Trading, Corporate Finance, Corporate Governance, and Corporate Disclosures. He presented papers at conferences such as American Finance Association Annual Meeting, Australasian Finance & Banking Conference, AFAANZ Annual Conference, New Zealand Finance Meeting, among others. Dewan's research work has been published in top academic journals, such as Journal of Corporate Finance, Journal of Banking and Finance, European Accounting Review, and Accounting and Business Research. He was awarded the 2020 ECR excellence in research award from UQ Business School, the University of Queensland. Dewan's research work on insider trading has received significant media attention being syndicated across 10 outlets, including Conversation, Business News Australia, and featured in UQ Business School's industry research magazine, Momentum. Dewan holds a PhD in Finance (with Endeavour Scholarship) from the University of Queensland, MSc in Finance (with Commonwealth Scholarship) from the University of Strathclyde, and BBA (Finance) and MBA (Finance) from the University of Dhaka. Currently, he is the recipient of Australian Fulbright professional scholarship to do research at the Ross Business School, University of Michigan, USA.

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The paper abstract is given below. If you have any questions regarding the seminar or you wish to present a paper or invite a guest researcher, please do not hesitate to contact S. M. Kalbin Salema, Assistant Professor, BICM at kalbin@bicm.ac.bd.

When Enemies Turn into Friends: Coopetition Through Standards Setting Organizations (SSOs) and Insider Trading Profitability

Dewan Rahman, PhD¹, Zhengjin Jiao¹, Muhammad Kabir² & Shehub Bin Hasan³

Abstract

This study examines the association between coopetition through SSOs and insider trading profitability. We find that insiders in SSO-member firms generate less trading profit. We interpret the negative relationship as evidence of coopetition improving the information environment and reducing the insiders' information advantage. We demonstrate that coopetition increases both the likelihood and quality of management disclosures, and accuracy of analyst forecasts. Further, we show that coopetition lowers the probability of insiders' opportunistic behavior. We also perform heterogeneity tests across information asymmetry and show that the influence of coopetition on insider trading is more pronounced when the level of information asymmetry is low. Overall, our findings suggest that coopetition reduces information asymmetry, leading to decreased insider trading profitability.

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