

BICM Research Seminar 50

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Paper details	
Title	Intraday Volatility and Trading Activity Dynamics in Bangladesh's Equity Market
Author	Faima Akter Lecturer Bangladesh Institute of Capital Market
Presentation details	
Presenter researcher	Faima Akter
Date	07 December 2025 (Sunday)
Time	03:00 – 04:00 PM
Venue	BICM Multipurpose Hall
Expected Participants	Faculty Members of BICM & Invited Guests
Discussants	Saiful Islam President DSE Brokers Association of Bangladesh (DBA)
	Hussain Ahmed Enamul Huda Assistant Professor Department of Finance University of Dhaka
	Saied Mahmud Zubayer Head of Product and Market Development Dhaka Stock Exchange PLC

About the Presenter

Faima Akter is a Lecturer at the Bangladesh Institute of Capital Market (BICM), specializing in the areas of corporate finance, capital markets, and investment analysis. She actively contributes to academic program development, having coordinated over 50 certificate courses, and serves on editorial teams for both institutional publications and regulatory review committees. A graduate of the University of Dhaka with both undergraduate and postgraduate degrees in Finance, Faima's research explores market behavior, R&D investment dynamics, and governance issues in emerging economies. Her work has been published in peer-reviewed journals and presented at academic conferences. With formal training in data science and business analytics, she brings an interdisciplinary approach to finance education and policy-driven research.

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.

Intraday Volatility and Trading Activity Dynamics in Bangladesh's Equity Market

Faima Akter¹

Abstract

This study examines the relationship between trading activity and intraday price volatility in the Dhaka Stock Exchange (DSE) using a large panel dataset of 80 listed firms over the period 2013–2023. Employing firm-level fixed effects with Driscoll–Kraay standard errors, the analysis investigates how liquidity measures including trading volume, turnover, and number of trades influence daily intraday volatility constructed from high–low price ranges. The findings indicate that higher trading volume leads to a significant increase in the volatility, which is consistent with the mixture of distributions hypothesis. On the other hand, turnover has a significantly negative influence on price and it is interesting to note that higher trading value can assure the price stability and market efficiency. Trade number has a weaker positive effect, and both the COVID-19 dummy and market-level returns have an insignificant effect when liquidity is considered. The robustness tests with the alternative simplified model of liquidity also confirm the robustness of the results. In summary, the research provides empirical evidence of volatility-liquidity dynamics in the emerging market with some implications useful to policy makers, investors and securities regulators when trying to fathom on microstructure behavior in DSE.

Keywords: Intraday volatility, Trading activity, Liquidity, Market microstructure, Turnover, Volume.

JEL Code: G10, G12, G14, C23, C58

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