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# Stochastic Dominance via Quantile Regression with Applications to Investigate Arbitrage Opportunity and Market Efficiency

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## Highlights

- We develop stochastic dominance (SD) test using quantile regressions technique.
- We derive the asymptotic properties of our proposed test statistics.
- Our simulation shows the superiority of our proposed statistics in both size and power.
- We apply our proposed statistics to examine the performance of both NASDAQ 100 and S&P 500 indices.
- We draw inference on arbitrage opportunity, market efficiency, and investors' preference on the NASDAQ 100 and S&P 500 indices.

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