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Burst and inter-burst duration statistics as empirical test of long-range memory in the financial markets

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Highlights

* Burst and inter-burst duration PDFs might indicate presence or absence of long-range memory
* Empirical test is performed using time series of trading activity and volatility from Forex
* High frequency and daily time series were used in empirical analysis
* Filtering procedures to remove exogenous noise are proposed
* Empirical burst and inter-burst duration PDFs behave as power-law with the exponent close to 3/2