

Accepted Manuscript

Allergy Onset and Local Investor Distraction

Christos Pantzalis , Erdem Ucar

PII: S0378-4266(18)30090-6
DOI: [10.1016/j.jbankfin.2018.04.017](https://doi.org/10.1016/j.jbankfin.2018.04.017)
Reference: JBF 5338

To appear in: *Journal of Banking and Finance*

Received date: 21 August 2017
Revised date: 22 March 2018
Accepted date: 25 April 2018

Please cite this article as: Christos Pantzalis , Erdem Ucar , Allergy Onset and Local Investor Distraction, *Journal of Banking and Finance* (2018), doi: [10.1016/j.jbankfin.2018.04.017](https://doi.org/10.1016/j.jbankfin.2018.04.017)



This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Allergy Onset and Local Investor Distraction

Christos Pantzalis ^a and Erdem Ucar ^{b,*}

Abstract: We posit that investor distraction can be exogenously triggered by allergy onset's degrading effects on local investors' health and cognitive functioning. We document that allergy onset is related to lower trading activity. We use daily pollen counts to measure the severity of allergy onset at different locations and show that stocks of firms located in areas with severe allergy problems exhibit declines in trading volume and lower stock returns. Moreover, allergy onset is associated with both a decline in investor demand for firm information, as proxied by Google search volume, and stock underreaction to earnings news. Collectively our evidence supports the notion that the association of allergy onset and stock market outcomes may be emerging through a local investor distraction channel.

^a Department of Finance, College of Business Administration, BSN 3403, University of South Florida, Tampa, FL 33620, USA. Phone: 813-974-3262. Email: cpantzal@usf.edu

^b California State University Fullerton, Mihaylo College of Business and Economics, SGMH-5113, 800 N. State College Blvd., Fullerton, CA 92831. Email: erucar@fullerton.edu

*Corresponding author.

Acknowledgements:

The authors would like to acknowledge the support of the American Academy of Allergy, Asthma and Immunology (AAAAI) that provided the authors with the National Allergy Bureau (NAB) pollen and mold data.

Download English Version:

<https://daneshyari.com/en/article/7356511>

Download Persian Version:

<https://daneshyari.com/article/7356511>

[Daneshyari.com](https://daneshyari.com)