Working Paper No. 2117

Economics and Finance Working Paper Series

Guglielmo Maria Caporale, and Alex Plastun

Witching Days and Abnormal Profits in the US Stock Market

October 2021

1

$$E \quad \mathbf{K}, \qquad \frac{(}{)} \quad \sum_{*}^{)} {}_+ (\mathbf{K}_*$$

%

parametric) the null hypothesis is that data for the witching related days

Appendix A

Dow Jones Index

Table A.1: Average returns for normal days and witching related days: the case of the Dow Jones Index

Case analysed	Normal day	Witching related day

Table A.7: Trading simulation results of the witching price effects for the case of the Dow Jones Index

Case analysed	Number of trades, units	Number of successful trades, unit	Number of successful trades, %	Profit, %	Profit % per trade	t-test calculated t-value

Appendix B

SP500 Index

Table B.1: Average returns for the normal days and witching related days: the case of the SP500 Index

Case analysed	Normal day	Witching related day	Anova multiplier
d(0)	0,02%		

Table B.2: ANOVA test of the witching price effects for the case of the SP500 Index

Case analysed	F	p-value	F critical	Null hypothesis	Anomaly	Anova multiplier
d(0)	5,36	0,02	3,84	rejected	confirmed	1,40

Weekly returns									
Period	Parameter	Normal day	Witching related day	Period	Normal day	Witching related day	Period	Normal day	Witching related day
	Mean, %	0,19%	-0,17%		0,19%	0,12%		0,19%	-0,06%
	Stand.								

w(-1)   w(+1)

w(0)

Table C.7: Trading simulation results of the witching price effects for the case of the NASDAQ Index

Case analysed	Number of trades, units	Number of successful trades, unit	Number of successful trades, %	Profit, %	Profit % per trade	t-test calculated value	t-test status