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The Behavior of Stock Returns during Liquidity Crisis

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Introduction

Market liquidity is a precondition for market efficiency but its sudden disappearance may escalate into a systemic crisis. Several studies analyzing financial crises revealed that market illiquidity was often involved in the major global financial crises and stock crashes. Liquidity is a Multidimensional concept. This research focuses on market illiquidity that is reflected by temporary price deviations caused by the order flow, i.e. the price impact. The objective of this research is to study the relationship over time between returns and shocks in market illiquidity. For empirical evidence, this relationship is studied using data of Small and Medium-sized Enterprises (SMEs) listed on the Saudi stock exchange. Saudi SMEs attracts considerable attention since they allow diversification of Saudi economy. Stock prices has been examined which could be affected by illiquidity shocks and whether this effect varies according to the enterprise size has been tested. Estimation of shocks in market illiquidity is based on the measure of amid at weekly frequency. Results show that shocks in market illiquidity significantly lower contemporaneous stock prices of Saudi SMEs, except those of the “Real estate management and development” sector. This industry group is insensitive to illiquidity shocks. In addition, estimation results indicate that illiquidity level of small enterprises portfolio is more volatile over time than that of medium enterprises portfolio, but both portfolios have the same illiquidity level. The findings reveal also that portfolio returns of small enterprises portfolio are more negatively affected by market illiquidity shocks than those of medium enterprises portfolio. While previous studies showed that market illiquidity affect more the most illiquid stocks, our study concludes that market illiquidity affect more stocks whose illiquidity levels are more volatile.

The study on the applications of autonomous cars and drones to propose creative and sustainable solutions for traditional transportation and logistical difficulties has exploded in the last decade. Similarly, we propose deploying self-driving cars and drones to overcome traditional logistics and transportation difficulties faced by International Humanitarian Organizations (IHOs) during a relief operation in this study. We accomplish this by identifying, shortlisting, and elaborating critical success factors or key transport and logistics challenges from existing humanitarian literature and then presenting a conceptual model to mitigate these challenges by incorporating Unmanned Ground Vehicles (UGVs) and Unmanned Aerial Vehicles (UAVs) into the humanitarian supply chain.

We prepared three study questions to better understand how this innovative notion of deploying UGVs and UAVs could aid IHOs: The first focused on identifying existing problems, the second on remediation of these challenges, and the third on the realization timetable for UGVs and UAVs. As a result, a semi-structured, open-ended questionnaire was created to capture the respondents' thoughts on the current difficulties and prospective solutions. We received information from ten interviewees with extensive humanitarian experience from six IHOs stationed in Pakistan and Austria. We provide a conceptual model of integrating UAVs and UGVs in the relief chain in light of the comments for the second research question.

The results of the study indicate that technological advancement in mobility withholds the IHOs' current issues may have the potential to be mitigated. In comparison to UAVs, IHOs are more hesitant to adapt UGVs. The findings also show that the adaptability of these technologies is dependent on their technological maturity, with no significant differences in opinion between Pakistani and Austrian IHOs.

Humanitarian Relief Operation and Critical Success Factors

The quantity and complexity of disasters has increased dramatically during the last few decades around the world. The increased frequency of disasters has put immense strain on the humanitarian supply chain's weakest connections. These links, also known as the humanitarian operation's threshold potential, can be seriously harmed in such scenarios, reducing the effectiveness and efficiency of the humanitarian supply chain and, as a result, hurting the beneficiaries. These connections and threshold potentials are referred regarded as obstacles, limitations, limiting factors, or Critical Success Factors in humanitarian literature (CSF). Extreme urgency, disaster-related uncertainty, a shortage of money, infrastructure, human resources, and limited vehicle availability are some of these elements or hurdles. However, innovative and technologically advanced solutions are being developed throughout time to address these issues and aid humanitarian efforts.

When a natural disaster strikes in a populated area, disaster management must be flexible and effective in order to aid the affected population, reduce the number of victims, and limit the economic impact. According to Moshtari, firsthand credible, appropriate, and timely information on the disaster's location, intensity, infrastructure damage, and the number of people affected is critical to the relief operation's success. However, in many circumstances, such data is difficult to obtain. As a result, Bravo observed that one of the many possible applications of Unmanned Aerial Vehicles (UAVs) may be obtaining precise and timely information to aid humanitarian organizations in relief operations. Given the crucial role that unmanned aerial vehicles (UAVs) can play in saving lives, a number of university researchers, entrepreneurs, and non-profit groups have recently begun investigating the possibilities of employing such vehicles in disaster relief efforts.