

From Data to Knowledge (Hopefully): What do structural changes in networks of financial assets tell us about the health of market

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Dynamics of financial markets can be represented in terms of complex networks of interactions between institutions or assets, reconstructed from information about transactions (e.g., lending) or from co-occurring fluctuations of similar sign and magnitude. By considering the structural properties of such networks and considering how they are transformed during crises, one can not only try to understand signatures of long-term evolution of financial markets but also identify signatures for impending systemic collapse.