### ****1. Institutional Herding (Sias, 2004)****【12†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The study investigates **herding among institutional investors**—the tendency to follow each other into the same trades.
   * **Model**: A decomposition model of institutional trading patterns that separate herding into two components: institutions following **themselves** (own lagged trades) and **others**.
   * **Methods**: Using **quarterly institutional ownership data** (1983–1997), the study tests cross-sectional correlation of institutional demand across time and compares herding across investor types and market capitalizations.
2. **What difficulties did the author mention they faced?**
   * Difficulty distinguishing between **momentum trading** (following price trends) and true herding.
   * The need to control for common information driving correlated trading behavior.
3. **What open questions does the article present?**
   * What specific **information signals** drive institutional herding behavior?
   * How does institutional herding evolve as **market liquidity** improves or **regulatory changes** occur?
   * Is there a **causal link** between institutional herding and price volatility?

### ****2. Information Cascades in the Laboratory (Anderson and Holt)****【13†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The paper demonstrates **information cascades** experimentally, where individuals follow earlier decisions instead of their private information.
   * **Model**: A sequential decision model where subjects predict an urn’s identity based on their private signal and previous public guesses.
   * **Methods**: **Lab experiments** where subjects are paid for correct guesses. The setup mimics real-world cascading behavior in markets.
2. **What difficulties did the author mention they faced?**
   * Ensuring that participants fully understood **Bayesian logic** for decision-making.
   * Isolating rational herding from **psychological biases** like status quo bias.
3. **What open questions does the article present?**
   * How do **noisy private signals** affect information cascades in complex markets?
   * What mechanisms can disrupt cascades, leading individuals to **act independently**?
   * How do cascades manifest in real-world decisions like **job markets** or **financial trading**?

### ****3. Herding in Financial Markets: Bridging the Gap Between Theory and Evidence (Boortz et al., 2013)****【14†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The paper bridges the gap between **herding theory** and empirical evidence by analyzing how **information risk** and **market stress** influence herding intensity.
   * **Model**: Simulations of the Park and Sabourian (2011) herd model under varying risk and stress levels.
   * **Methods**: High-frequency trading data is used to measure herding intensity and test the model’s predictions.
2. **What difficulties did the author mention they faced?**
   * Isolating true herding from **common responses to new public information** during market stress.
   * Limitations in linking empirical evidence with complex theoretical models.
3. **What open questions does the article present?**
   * How can market stress lead to **spurious herding**?
   * Do institutional and individual investors react differently to **information risk**?
   * Can market microstructure changes (e.g., **circuit breakers**) mitigate crisis-induced herding?

### ****4. Herd Behavior in Financial Markets (Bikhchandani and Sharma, 2000)****【15†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: Herd behavior can arise due to **information asymmetry, reputational concerns**, and **behavioral biases**, destabilizing financial markets.
   * **Model**: A review of **informational cascades** and models of rational and irrational herding.
   * **Methods**: Survey of theoretical and empirical research, highlighting cases where herding leads to excess volatility.
2. **What difficulties did the author mention they faced?**
   * Difficulty empirically distinguishing between **rational herding** and **spurious herding** caused by fundamentals.
   * Limited access to data on **investor expectations**.
3. **What open questions does the article present?**
   * How can empirical tools better differentiate **true herding** from correlated responses to fundamentals?
   * What role do **technological changes** (e.g., high-frequency trading) play in exacerbating herding?
   * How can policy measures reduce destabilizing herding effects?

### ****5. Market Stress and Herding (Hwang and Salmon, 2004)****【16†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The study develops a measure to identify **herding behavior** under normal and stressful market conditions.
   * **Model**: A cross-sectional measure of **beta dispersion** to distinguish herding from movements driven by fundamentals.
   * **Methods**: Empirical tests on US and South Korean stock markets during crises like the **Asian and Russian financial crises**.
2. **What difficulties did the author mention they faced?**
   * Ensuring the method captures herding **toward specific market sectors** and not just market-wide effects.
   * Isolating herding from genuine reactions to **fundamental news**.
3. **What open questions does the article present?**
   * Does herding vary across **asset classes** during periods of stress?
   * How do global financial crises influence **herding contagion** across markets?
   * Can beta dispersion measures identify herding in **high-frequency trading**?

### ****6. An Empirical Analysis of Herd Behavior in Global Stock Markets (Chiang and Zheng, 2010)****【17†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The study examines **herding behavior** across 18 global stock markets, focusing on advanced, Asian, and Latin American markets.
   * **Model**: Cross-sectional absolute deviation (CSAD) as a measure of herding intensity.
   * **Methods**: Daily stock returns data over 20 years to detect herding under **normal** and **crisis** conditions.
2. **What difficulties did the author mention they faced?**
   * Distinguishing global herding from **regional contagion** effects during crises.
   * Understanding why herding was more prevalent in **Asian markets**.
3. **What open questions does the article present?**
   * What drives regional variations in herding behavior—**regulation**, **market maturity**, or investor behavior?
   * How does herding spread across global markets during **financial crises**?
   * Does herding differ between institutional and retail investors globally?

### ****7. A Simple Model of Herd Behavior (Banerjee, 1992)****【19†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The paper models how **sequential decision-making** leads to herding when individuals infer information from others’ actions.
   * **Model**: A theoretical model where individuals choose based on private signals and the observed decisions of others.
   * **Methods**: Analytical derivation showing that rational individuals may ignore their private information to follow a herd.
2. **What difficulties did the author mention they faced?**
   * Theoretical challenges in ensuring decisions accurately reflect **information asymmetry** without external incentives.
3. **What open questions does the article present?**
   * How robust is the model in **noisy information environments**?
   * How does sequential herding differ in **real-time financial markets**?
   * What role do **external shocks** play in disrupting herds?

### ****8. Analysis of Herding Behavior in Individual Investor Portfolios (Mavruk, 2022)****【18†source】

1. **What is the idea the article presents? What is the model the article investigates?**
   * **Main Idea**: The study uses **machine learning** to analyze herding in individual investor portfolios and its impact on portfolio performance.
   * **Model**: Determinants of herding are explored using machine learning algorithms like **random forests** and **SHAP values**.
   * **Methods**: Data from Swedish stock markets (2006–2014) is analyzed to compare performance between **herd** and **non-herd** portfolios.
2. **What difficulties did the author mention they faced?**
   * Managing complex, high-dimensional data and isolating behavioral herding from rational trading signals.
3. **What open questions does the article present?**
   * What drives individual investors to herd—**social networks**, attention effects, or biases?
   * How do **machine learning methods** improve herding detection compared to traditional econometrics?
   * Is herding behavior more pronounced in **illiquid markets**?