

Relaxing music nips bubbles: A study of experimental spot asset markets*

Nobuhiro Hobara^a, Ken-ichi Tabei^b, Eizo Akiyama^c, Ryuichiro Ishikawa^c

^a*Graduate School of Economics, Hitotsubashi University,
2-1 Naka, Kunitachi, Tokyo 186-8601, Japan
e-mail: pc01867@srv.cc.hit-u.ac.jp*

^b*Advanced Research Institutes for the Sciences and Humanities,
Nihon University, 12-5 Gobancho, Chiyodaku, Tokyo 102-8251, Japan
e-mail: tabei.kenichi@nihon-u.ac.jp*

^c*Graduate School of Systems and Information Engineering,
University of Tsukuba, 1-1-1 Ten-nodai, Tsukuba 305-8573, Japan
e-mail: eizo@sk.tsukuba.ac.jp
e-mail: ishikawa@sk.tsukuba.ac.jp*

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Abstract

This paper reports hold-down of bubbles in an experimental spot asset market. Recent development in psychology of music studies how music induces emotions. By applying this development for standard experimental asset markets, we investigate how music has an influences on subjects' trading and asset prices. Our salient fact is that sad-type music holds down asset prices.

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