

**Screen Information, Trader Activity, and Bid-Ask Spreads in a Limit Order Market** A key focus of empirical work on limit order markets is the relative importance of individual pieces of information in characterizing order submission and trade execution. We enlarge this focus to include an examination of pricing behavior, using data on index futures trading in a pure electronic limit order book market. A theoretical link between order, trade, and cancellation arrival rates, and the distribution of bid-ask spreads is empirically implemented. Evaluation of models across different information sets is based on relative ability to predict market activity and pricing out-of-sample. A main finding of the paper is the importance and superiority of information embodied in continuous individual traders' actions in characterizing order submission behavior and the structure of pricing. The book information on characteristics of resting orders alone cannot explain subsequent order submission, trade, or pricing behavior, and has little impact on the shape of the spread distribution. **To read More, Please download the book.**  
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