# Market Microstructure Dynamics in ASEAN-4 Capital Markets (2010 -2025): Liquidity Architecture, Price Discovery Mechanisms, and Regulatory Moderation under Systemic Shocks

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## ABSTRACT

This study develops an integrated and longitudinal investigation of market microstructure dynamics across four principal ASEAN equity markets—Indonesia, Singapore, Thailand, and Malaysia—over the 2010–2025 period. The analysis concentrates on the structural interaction between liquidity provision, price discovery efficiency, and regulatory architecture within the context of three major global disturbances: the 2013 Taper Tantrum, the COVID-19 systemic shock (2020–2021), and the global monetary tightening cycle (2022–2025). While existing literature largely examines microstructure components in isolation or within single-country settings, this research reconceptualizes regulation as an endogenous moderating mechanism that shapes the dynamic interplay between liquidity and informational efficiency. The central proposition is that institutional robustness determines shock absorption capacity, recovery speed, and long-run market quality. Methodologically, the study applies a quantitative-explanatory longitudinal framework using daily data. Econometric procedures include multivariate GARCH specifications to estimate volatility persistence, Diebold-Yilmaz spillover indices with time-varying parameter VAR extensions to evaluate cross-market transmission, dynamic panel regression for institutional impact assessment, and event-study plus difference-in-differences estimators to isolate crisis effects.

**JEL Codes:**

**Keywords:** market microstructure, liquidity multidimensionality, price discovery efficiency, regulatory quality, crisis transmission, ASEAN equity markets, financial integration