Is clustered volatility essential to understand heavy tails in financial markets? ANUJ PURWAR, Santa Fe Institute and Los Alamos National Laboratory, J. DOYNE FARMER, Santa Fe Institute — Heavy tails are observed in the returns of stocks even for transaction by transaction data. We study the tail exponents and quantiles of the heavy tails for stock returns: first for transaction by transaction data, second after aggregating over $n$ transactions. In order to separate out the effect of clustered volatility, we repeat our analysis after shuffling the transaction sequence and look for variation in tail exponents and quantiles for shuffled vs. original (unshuffled) data.