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THE IMPACT OF THE GLOBAL COVID-19 PANDEMIC ON THE STOCK MARKET INDICES OF SELECTED COUNTRIES

Abstract:

The worldwide spread of coronavirus has shaken stock markets and significantly increased risk. The most-watched US stock index S&P 500 fell by 35% from 19th February to 23rd March. Indices of other countries registered a similar development. Although the spread of the virus has been brought under control in many countries currently, the worldwide number of infections is still growing. Unprecedented monetary and fiscal stimuli, on the other hand, have reversed sentiment in the markets. From 23rd March 2020, stock markets gradually had been growing until the S&P 500 index reached only 5% below historical highs on 8th June 2020. The paper deals with the development of volatility of selected stock indices, their mutual correlations, and the relationship with the number of infected in a given country.

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