

Influence of COVID-19 cases on Stock Market Performance: A Comparison of Developed and Developing Countries

by

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Abstract

Background: It is understood that the stock markets have been adversely impacted due to the pandemic's underdeveloped and developing economies. Moreover, the economies have been affected in much negative manner due to the pandemic.

Aim: The aim of this research is to avail insights regarding the impact of covid-19 on the stock markets of developed and developing economies.

Method: In this research, the quantitative research design has been selected by collecting the data from websites such as the World Bank. The insights were attained from prior authentic literature resources in accordance with research phenomena. Three developing countries (Nigeria, Albania, and Bangladesh) and 3 of its counterparts i.e. developed countries (China, US, and Japan) from 2013 till 2022 using panel series data. STATA has been selected as the data analysis techniques for implementing descriptive statistics, correlation, and the regression analysis.

Findings: A positive association is being shared between Covid-19 and stock markets performance in developing countries context but a contrasting observed is found in the developed countries. This is because of the sound economic policies that makes it capable of addressing large volumes of Covid-19 cases and it is not reflected on its economic indicators as much as on the developing countries that suffered extensively.

Key Words: Covid-19, Stock markets, Developed Economies and Developing Economies.