

Determinants of the Stock Market Performance amid COVID-19 Pandemic: Evidence from the UK

by

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Abstract

Aims: The pandemic has negatively impacted the performance of all the financial markets around the globe including stock market's performance as well. Therefore, the aim of the current study is to assess determinants of the UK stock market performance during the pandemic.

Method/design: The present study uses the secondary quantitative research method. For this purpose, the researcher has derived data from different companies in the UK. For data analysis, correlation, and regression analysis highlights the effects of a pandemic on stock markets performance and this was analysed by using Eviews software.

Findings: Findings from correlation, descriptive, and Husman test analysis revealed that selected UK companies faced negative challenges during the pandemic. For this purpose, both selected determinants such as EPS (Earnings per share) and divided pay ratio has negative impacts on the stock market performance of the UK. Thus, it shows that cash and dilute earnings affect the stock market performance during the pandemic.

Future implications: The study outcomes are helpful for future researchers to analyse the in-depth analysis of the determinants of stock market performance of the UK that can facilitate the researchers to improve the earning pay strategies that will raise stock market performance.

Keywords: stock market performance, EPS (Earnings per share), divided pay ratio, Covid-19.