

Co-movement of India, US and China stock market during COVID-19.

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- **Abstract:** COVID-19 has just had its impact not just on social and psychological aspects but also on has led to a historical global financial crisis and a never seen before worldwide lockdown. This resulted into a absolute closure of economic activates in most of the countries. This study focuses on co-integration in between Indian, US and Chinese stock market during Jan 2020 to Aug 2020. Econometrics tools such as Vector Error Correction Model (VECM) is used during first half of the period as all the countries had their market indicators as correlated, while for next leg of time period, Vector Auto Regression (VAR) and Impulse Response Function (IRF) is used as then the indicators were not co-integrated. The study further analysis causes of such relationships, which can be helpful for regulators, policy makers and portfolio managers to predict the impact of any epidemic or any other trigger for global economic slowdown on trade and financial relationships among advanced and emerging economies.
- **Keywords:** COVID-19, Co-Integration studies, Global Financial Crisis, Epidemic, VAR, VECM