

STUDY ON CORRELATION BETWEEN STOCK MARKET PERFORMANCE AND ECONOMIC GROWTH

Bîzderea Claudia Gabriela*

Bucharest Academy of Economic Studies, România

Abstract

During the last years there have been a lot of studies on the relation between stock market development and economic growth, this subject being intensively debated both at the level of a country and in a region. The purpose of this article is to determine whether, at Romania level, there is any relation between the capital market and economic growth during the period 2005 – 2018, through the Granger causality test and multiple regression, the frequency of data used being quarterly. The results confirm that there is a direct and positive relationship between them, the performance of the capital market being few influenced by the economic growth and vice versa.

Keywords: *economic growth, capital market development, stock market, multiple regression, Granger causality test.*

JEL Classification: E44; G14; D53; O40.

* Contact author: Bîzderea Claudia Gabriela; e-mail: bazdereaclaudia@yahoo.com