

IMPACT OF MACROECONOMIC VARIABLES ON STOCK MARKET INDEX

By

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14326

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MBA Thesis
2nd Half-semester Progress Report & Thesis Approval Statement

Name of Student	Mohsin Ali Maroof
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Thesis Title	Impact of Macroeconomic Variables on Stock Market Index

Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
1				
2				
3	17-01-16	My home	collected data checked by sir and guided about SPSS.	Mohsin
4	30-01-16	Supervisor's house	SPSS results checked by sir and guided about interpretation	Mohsin
5	06-02-16	IOBIM	conclusions and recommendations	Mohsin

APPROVAL FOR EXAMINATION

Candidate's Name: Mohsin Ali Maroof Registration No. 14326

Thesis Title: Impact of Macroeconomic Variables on Stock Market Index

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at _____ that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature: _____ Date: 08-April-16

Name: Usman Ali Warraich

Abstract

Problem Statement:

To study the relationship between macroeconomic variables and stock market index.

Purpose:

To examine the relationship exists between macroeconomic variables and stock market index and to study the impact of macroeconomic variables on KSE100 index.

Methodology/sample:

Most of our research work relies on secondary data as it is explanatory research. Monthly data of last 10.5 years is used in this research. Analysis is made using SPSS by conducting Multiple Linear Regression Test. Data was collected using secondary but reliable sources.

Findings:

Results reveal that there exists a relationship between Macroeconomic Variables and Stock Market Index. Interest Rate is significantly and negatively related to Stock Market Index. GDP per Capita PPP is significantly and positively related to Stock Market Index. General CPI is insignificantly and negatively related to Stock Market Index.

Practical Implications:

This research has significant implications for many stakeholders like Investors, Government, Brokers, Bankers etc. as the research is related to capital markets and economy.

Keywords: Macroeconomic Variables, Stock Market, Index, Interest Rate, General CPI, GDP per Capita PPP.