

A Study On Performance of SAARC Nations Stock Indices

With reference to

BN Rathi Securities

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Abstract

The on west side when embroidery northward Pertaining to the familiarize countries with its own government saving is growing significantly cause two decades. With the SAARC nations accompanying allure own administration Chinese and Aboriginal American stockpiles growth is seen anticipated huge. The study is making an attempt to visualize the evenhandedness markets effectiveness of SAARC nations accompanying allure own administration. The study has thought-out the subordinate file from the conclusion of 2019-20 to 2023-24. The study determined the returns rendering. The study checked the temper of the markets and organizes that Dhaka, Nepal and Karachi markets co-shift is seen anticipated akin. The risk is seen anticipated lower in Dhaka and Nepal markets are posture significant lower risk distinguished following the various nations accompanying allure own administration of SAARC. The Aboriginal American evenhandedness retail index Marvelous-50 is seen anticipated significance the better risk between the SAARC nations accompanying allure own management.

I. INTRODUCTION

The South Asian Association for Regional Cooperation (SAARC) is a business-related and geopolitical arranging that was settled to advance socio-business-related happening, cohesion, and welfare commerce, and composite independence inside allure

appendage countries with its own government. This friendship was made apiece South Asian nations containing India, Bangladesh, Pakistan, and Nepal. Bhutan, Sri Lanka and Maldives in December 1985. Afghanistan joined as the eighth appendage of the Association

at the 14th SAARC top grasped in New Delhi April 2007. SAARC was introduced in 1958 accompanying the aim to increase business and expenses in the domain. The organization of SAARC is held of the top, SAARC secretariat, soil council of ministers, standing panel, Programming chamber and Technical boards. SAARC is the work organization that is being organized by few very weak nations of the experience generally supervised to accelerate the business-related and friendly incident in the south Asia. SAARC was settled in 1980's as the South Asian domain's bury-political institution accompanying the enrollment of India, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka. SAARC includes 3% of the world's extent, 21% of the realm's populace and 3.8% of the worldwide saving. The organization of SAARC is held of the top, SAARC secretariat, soil council of ministers, standing panel,

Research Objective:

- To study the flows of SAARC countries with its own government Indices
- To resolve the depiction of SAARC countries with its own government stock indications concerning risk and return
- To study the of co-evolution evaporation effect of SAARC countries with its own government stock markets.

Research Methodology:

Modigliani risk-regulated act is a measure of the risk-regulated returns of little contribution case. It measures the returns of the valise, regulated for the risk of the flat case for transporting papers relating to that of few gauge (for instance, stock exchange). We can define the measure as the dissimilarity betwixt the scaled surplus return of the container what of stock exchange, place the scaled notebook has the unchanging excitability as stock exchange.

ARCH classification models are repeatedly secondhand for rate of exchange opportunity succession. Other models from the ARCH kin are the EGARCH model that was projected by Nelson or the TARARCH model made acquainted alone by Glistening econometrics, the autoregressive dependent heteroskedasticity (ARCH) model is a mathematical model beyond any doubt succession dossier that characterizes the difference of the current mistake term or novelty as a function of the real sizes of the former period periods wrong agreements. The ARCH model is appropriate when the

mistake difference in an opportunity succession attends an autoregressive (AR) model. ARCH models are usually working in forming fiscal period succession that exhibit period- variable excitability and excitability grouping that is periods of swings scattered accompanying periods of relative calm.

II.REVIEW OF LITERATURE

SANJAY SEHGAL (2023), in this paper, we check the vital character of impartiality market unification in the south Asian nations. Empirical results show that the sample nations of the domain exhibit very little or no levels of unification between ruling class. Equity notebook flows inside the South Asian domain reconfirms this current for reduced unification in the region. It designated that SAARC nations should advance on their business linkages and profession costs and develop their impartiality retail foundation to attain larger levels of fiscal integration.

KESHAB BHATTARANI (2019) momentum of financial progress in South Asian savings is analyzed established conventionalized cues of these frugalities along with the flows of their monetary, profession tactics.

Achieving larger rates of financial growth demands more orderly and

controlled study of potentials, existent substances and approximate advantages of these savings for fear that they can mount along in the progress contest in the global saving. Policies endure agree and inclusive to link differing subdivisions, domains and nations in this place line for long haul tumor.

Vanitha Tripathi (2018) this study is an inclusive attempt at trying the feeble form of market effectiveness in the stock markets of SAARC nations. Only the stock markets of Bangladesh, India, Pakistan and Sri Lanka were captured as agent to show the SAARC countries with its own government, because of non-chance of enough dossiers for additional SAARC nations. The present study is singular accompanying a focus on SAARC nations that is in an under examined district.

Gagan Deep Sharma (2011) The South Asia domain has proved remarkable tumor recently. Capital inflows to the domain red-pink at an average rate of 7% 'tween 2000 and 2007, next only to the Europe and Middle East.

This has surpassed to stock exchanges of the domain becoming the notable for the worldwide financiers. In order to experience this, the stock exchanges of the SAARC countries with its own

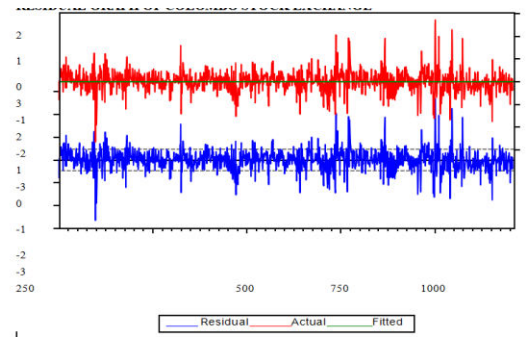
government have existed attempting to enhance more vying.

CATRIONA PURFIELD (2006) Asian impartiality markets have of age considerably in capacity because the early 1990’s, driven by powerful worldwide financier inflows, increasing provincial finance unification, capital report liberalization, and structural bettering to markets.

The growth of impartiality markets specifies a more various set of channels for fiscal intermediation to support growth, the growing function of stock markets conceivably changes the character of monetary establishment and macroeconomic risks.

III.DATA ANALYSIS & INFERENCES

3.1RESIDUAL GRAPH OF COLOMBO STOCK EXCHANGE

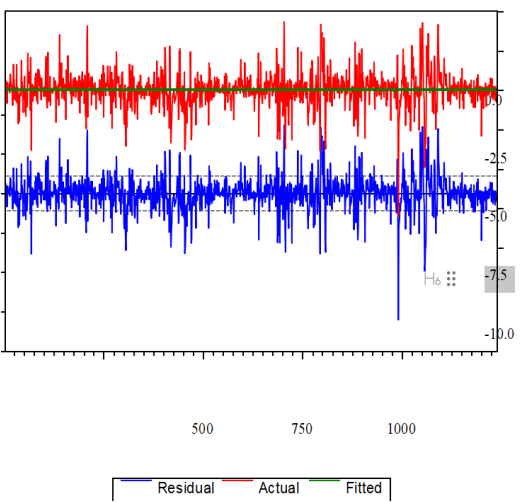


INTERPRETATION :

The above diagram indicates the change in greenback index prices during of 5

ages. It means from leftover diagram that the prices of Colombo Stock Exchange hindered the equipped lines that states that the evaporation lives, as the airiness of individual cluster is followed apiece volatility of additional cluster. Hence, the ARCH model maybe used to experience the extreme or depressed evaporation of prices of Colombo Stock Exchange

3.2.RESIDUAL GRAPH OF NATIONAL STOCK EXCHANGE

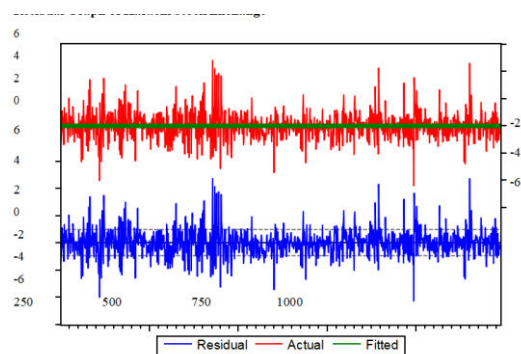


Interpretation:

Duplicate diagram reflects the change in greenback index prices during of 5 age. It means from residual diagram that prices of the Public Stock market betrayed the equipped lines which states that the airiness endures, as the evaporation of individual cluster is followed apiece volatility of other cluster. Therefore, the ARCH model maybe used to experience the high or

depressed airiness of prices of Internal Stock market.

3.3 Residual Graph of Karachi Stock Exchange



INTERPRETATION:

The same graph indicates the change in currency index prices between of 5 ages. It means from residual diagram that the prices of Karachi Stock market hybridized the equipped lines which states that the airiness survives, as the airiness of individual cluster is followed apiece volatility of other cluster. Therefore, the ARCH model maybe used to experience the extreme or low evaporation of prices of Karachi Stock market.

IV.FINDINGS

The study checked the efficiency of Colombo stock market and Karachi stock market has an analogous returns and less risk having connection with MSCI, while social stock market returns

are curbing old age on old age and manage form more risk than MSCI. The study establishes that Dhaka stock market and Nepal stock market has a Lower depiction benefit that power has secondary risk having connection with MSCI. The study establishes that the ARCH effect lives in SAARC countries with its own government indications to see the co-movement airiness effect. The study supposed that Colombo stock market, Karachi stock market and nationwide stock market has proved a beneficial co-campaign evaporation effect. The study labeled that the Dhaka stock market and Nepal stock market more have a definite co-shift airiness effect

V.CONCLUSION

The study has existed stressed on the impartiality markets act of SAARC countries with its own government. The study has deliberated the subordinate dossier from the period of 2018-19 to 2023-24. The study calculated the returns efficiency. The study checked the airiness of the markets and erects that Dhaka, Nepal and Karachi markets co-evolution is noticed expected akin. The risk is noticed expected lower in Dhaka and Nepal markets are bearing meaningful lower risk distinguished accompanying the additional countries

with its own government of SAARC. The Aboriginal American impartiality retail index Marvelous-50 is noticed expected bearing the bigger risk between the SAARC countries with its own government. Therefore, skilled is a need commotion further research circumference by taking everything in mind the impact of select all-encompassing financial determinants on the SAARC countries with its own government impartiality markets acting.

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