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How does budget deficit affect stock return in Asia and Europe?

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Abstract

The study aims at examining how fiscal deficits affect the performance of the stock return in Asia and Europe using multiple regression test. The results confirm the evidence of long-term relationship between budget deficit and stock return, which is the representative of stock market performance. Using multiple regression, the study finds a negative relationship between budget deficit and stock return in 2002-2021 that were analyzed. A percent increase in budget deficit led to a significant increase in stock returns, and so does unemployment rate and inflation rate. This means that budget deficits depresses stock market performance. Thus, we can say the study infers that budget deficits can be used to predict the behaviour of the stock market performance in the future. In other words, in the long run, the study recommends the need to ensure that deficit financing successfully improves not only economic output, but also income and savings, so that investors will find stock market activity attractive.

JEL Classification: H62, H68, G10

Key words: Budget deficit, Stock return, multiple regression.

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1.INTRODUCTION

Fiscal deficit is a negative balance that occurs when government expenditure exceeds fiscal year revenue. This imbalance is common in contemporary governments around the world. The current and future economic growth of the economy may be through the performance of the country's stock market and the performance of the stock market depends on the state budget. In a country with a budget deficit, it will lower the stock price and weaken confidence, so the ability of enterprises to obtain funds on preferential terms will be reduced. Saleem et al. (2012) present evidence that the current decline in investment will reduce the future competitiveness of the economy. Revealing the relationship between essential budget deficit and stock price is very important for stock investors interested in understanding the additional risks that may be brought by the continuous increase of budget deficit.

The relationship between budget deficit and stock price has been the subject of existing academic research and policy discussion in the past few decades, but there are three contradictory explanations on the relationship between budget deficits and stock prices in the existing studies.

Kabuga (2018) states that one of the main arguments supported by the neoclassical economics literature is that financing budget deficits may push aside private sector investment, causing stock prices to fall. Another view based on the Keynesian theoretical model shows that financing budget deficits can stimulate aggregate demand, thereby boosting

the economy. This effect may, to a large extent, push up stock prices. Compared with all these arguments, the last point is based on Ricardo's hypothesis of equivalence, which states that budget deficits and stock prices are not related.

Many comparative research has been undertaken to explore the impact of capital structure on budget deficit, there are little articles merely discussing the two variables. For instance, Quayes (2010) analyzes the impact of the budget deficit on the demand for stock assets in the United States, especially in view of the upcoming retirement of the baby boomers. He states the decline in the proportion of people at the best income age will have a negative impact on stock prices. This inevitable negative impact may be offset if the economy grows at a stable rate in addition to low inflation and a reduction in the budget deficit. Considering the changing population structure, he didn't give the answer about whether the increase in the deficit put additional downward pressure on stock prices. There is another study showing that there are several factors that will affect or be affected by the budget deficit. These factors will affect the stock price. However, there is no specific economic theory to explain how the budget deficit affects the stock price.

In addition, Majority of these studies focused on developed countries, and the stock market efficiency hypothesis is built on the assumption that fiscal policy option have no impact on the stock market activities because it is observed that stock prices fully reflect all public information. Therefore, the relationship between stock prices and fiscal deficits is missing in other types of countries.

Therefore, this study provided some empirical evidence for budget deficit and its impact on stock return in Europe and Asia. This study found that the increase in the deficit leads to the decrease in stock prices, which is important for investors and policy makers to know the additional risks brought by the budget deficit. Facing the negative relationship between budget deficit and stock return, companies must adopt solid tactic to improve budget deficit because stock market performance is influenced by the economic condition along with some other important factors.

Most of the previous studies were in developed countries. My research filled the gap about the relationship between fiscal deficits and stock prices in developing countries, such as North Korea and India, and also provide suggestions for policy makers to curb unemployment rate and inflation rate. I also found that time is also a factor affecting the relationship between the two. There is no significant relationship between fiscal deficit and stock price in the short term, but they have a significant negative correlation in my 20-year research.

The rest of the paper is structured as follows. After the section for introduction, section two reviews the empirical literature. Section three explains the data and methodology of the paper. Section four present results and discussion. Section five discuss conclusion and recommendations.

2. Literature Review and Hypotheses Development

The national budget deficit is defined as the amount of government expenditure that is greater than the income it receives from various taxes by Anusic (1994). The government can

finance its budget deficit in the following five methods (1) increase the money supply; (2) By borrowing from the public; (3) Borrowing from external sources; (4) Using foreign exchange reserves and (5) a combination of the above four options. Empirical analysis shows that the change of budget balance is affected by debt growth, macroeconomic development and political factors. Financial securities, namely debt securities and equity securities, are traded on stock exchanges and are called securities markets. They play an important role in economic prosperity, promoting capital formation and maintaining economic growth.

The current and future economic growth of the economy may be through the performance of the country's stock market and the performance of the stock market depends on the country's budget. In a country, when there is a budget deficit, it will lower the stock price, weaken confidence, and thus weaken the ability of enterprises to obtain funds on favorable terms. The current decline in investment will reduce the future competitiveness of the economy.

In the past few decades, the relationship between budget deficits and stock prices has been the subject of a lot of academic research and policy discussions. This is because economic theory fails to provide a clear consensus on the impact of budget deficits on stock prices. On the basis of these theoretical debates, a large number of empirical studies have explored the relationship between budget deficits and stock prices, especially when huge fiscal deficits continue to affect several economies around the world. Some recent studies for developed countries include Neaime (2015) for selected European Union countries, Oliveira (2014) for Portuguese, Grobys (2013) for United States, Quayes (2010) for United States, There are also recent studies for developing countries such as Abakah and Adusah-Poku

(2016) for Ghana, Ogbulu et al. (2015) for Nigeria, Kabuga(2017) for African, AllIslam and Ahsan (2013) for Bangladesh et al. (2013) for Nigeria, and Saleem et al (2012) for India and Pakistan. Although there are more and more empirical studies of these types, there are still conflicting evidence in the literature.

2.1. Positive Effects of budget deficit on stock price

At the empirical level, there was a study conducting to establish relationship between budget deficits and stock prices by Grobys (2013) to investigate the causal relationship between actual stock market return and actual federal budget deficit return. It was found that there is evidence of a significant positive correlation between the actual stock market return and the actual federal budget deficit return. Saleem et al. (2015) also found strong evidence of a positive correlation between budget deficits and stock prices in the annual time series data of Pakistan and India from 1990 to 2010. The study attributed it to the government spending a lot of money on infrastructure to promote industrial development. In addition, Ogbulu at el. (2015) stated an increase in the standard deviation of tax revenue share has a statistically significant impact on stock returns of 4% and 9% in the quarterly and annual ranges, respectively. The impact on stock and bond returns is similar. The results also showed that government expenditure has a positive and statistically significant impact on the expected return of short-term bonds. This meant that fiscal policy shocks occupy about 3% to 4% of the change in excess stock returns and about 8% to 10% of the change in excess bond returns. They believed that fiscal policy is an important source of return fluctuations, and strongly suggest that fiscal policy shocks should be seriously considered in asset pricing. In a

related study, Afful and Asiedu (2013) used data from Botswana, Garner, Mauritius and South Africa to examine the impact of fiscal policy and stock market activities on interest rate differentials in sub Saharan Africa. The empirical results showed that there is a positive correlation and a significant correlation between fiscal policy and interest rate spread and stock market activity, respectively. As a further step, Abakah and Adusah-Poku (2016) used an impulse response function to investigate whether the budget deficit affects the stock price in Ghana. The results provided strong evidence for the positive correlation between budget deficits and stock prices. The author pointed out that this may have something to do with the fact that the increase in public expenditures used to fund infrastructure development and the increase in public expenditures have caused stock prices to rise.

2.2 Negative Effects of budget deficit on stock price

Quayes (2010) found a negative correlation between budget deficit and stock price from 1950 to 2005 using annual data of the United States. The results showed that if the budget deficit increases by 1% of GDP, the stock price will fall by more than 75%. This suggested that even a slight increase in the budget deficit could have a far-reaching impact on stock prices. Osamwonyi and Osagie (2012) investigated this relationship between some macroeconomic variables, such as interest exchange rate, inflation rate, fiscal deficit, GDP, money supply and Nigerian stock market. Using the annual data from 1975 to 2005, this study found that there was a negative correlation between stock market index and money supply, interest rate and GDP. They also stated that the Keynesian hypothesis is that higher budget deficits lead to higher interest rates. The Keynesian hypothesis stated that as the

government's budget deficit increases and the government seeks to finance its high budget deficit, the supply of bonds will also increase. This causes bond prices to fall, which causes interest rates to rise. Higher interest rates have a disposition to crowd out private investment because companies only borrow a small amount of money to finance their investment projects. The paper by Da, Warachta, and Yun (2012) used annual government revenue, government expenditure, revenue, and GSP data for the US economy from 1965 to 2008 to study whether counter cyclical government fiscal policies reduce stock returns by smoothing consumer spending. The research results showed that counter cyclical fiscal policies have reduced consumption fluctuations and stock returns. Similarly, the evidence supporting this result is also reported by Osahon and Oriakhi (2013), who investigated the impact of Nigeria's fiscal deficit on stock prices. Their results show that the budget deficit is negatively correlated with stock prices. Asaolu and Ogumuyiwa (2011) also reported the inverse relationship between budget deficit and stock price from 1986 to 2007.

2.3 No significance effect of budget deficit on stock price

The general observation in the literature is that although the relationship between budget deficits and stock prices in developing countries has received attention in the financial literature, the results are still inconclusive. When reviewing the literature, it is also clear that there are not enough groups that specifically focus on the relationship between budget deficits and stock prices in African countries, because most studies except Afful and Asiedu (2013) use time series to focus on the relationship between budget deficits and stock prices for specific countries.

Afful and Asiedu (2013) said when studied separately, stock market activities in all countries except South Africa have no significant impact on interest rate spread. In another work, Hsing (2013) conducted a study to test the potential impact of fiscal and monetary policies on the performance of Polish stock markets. The empirical results of this study show that the Polish stock market index is not affected by the government deficit or the ratio of debt to GDP, but by the negative impact of money market interest rates. Recently, Mainga (2014)'s research also provided evidence that supports that there is no significant relationship between the budget deficit of the Nairobi Stock Exchange and stock returns. The author also claimed that this finding is consistent with the Stock Market Efficiency hypothesis, but contrary to some empirical studies on the relationship between budget deficits and stock prices.

In short, the above-mentioned empirical literature review on the relationship between fiscal policy and stock market prices shows that this dispute is far from resolved. As mentioned above, some studies reported the positive and significant effects of fiscal policy measures on stock prices, while other empirical studies show negative and significant relationships. In some other studies, there was no evidence that there is any important relationship between the two.

The existing studies on the relationship between budget deficit and stock market are still undefined. Few people have tried to study the impact of the fiscal deficit on China stock prices. In addition, in the early studies, most relevant studies investigated developed economies, and only a few studies focused on emerging markets. My study aims to fill in the

gap by studying the impact of budget deficit on Chinese stock market in the context of large firms.

3. Data and Methodology

The study employs three data sources: (1) Trading economics. (2) Blommberg. (3) Federal Reserve Economic Data.

From bloomberg, we download monthly budget deficit, stock price, volume, interest rate, consumer price index and inflation rate from Februrary2002 to June 2021. However, there are some data missing from Bloomberg, so we find other two sources: Trading economics and Fred economy. We obtain interest rate of Korea, India budget deficit from Trading economy. Besides, we obtain China consumer price index, South Korea Mexico interest rate from Fred economy. The reaming data are all from Bloomberg. We can see the trend of budget deficit that it fluctuates, but generally it is below zero.

Searching the eight big countries around the world, we select France, England, United States, Korea, South Korea, India and Greece which are located in Asia and Europe to find the impact of budget deficit on stock return. Trading volume is usually regarded as an indicator of liquidity, because the stock with the largest trading volume or the market has the strongest liquidity, which is considered to be the best choice for short-term trading. If a stock with high trading volume is rising, it means that there is buying pressure because the demand of investors pushes the stock to higher and higher prices. If a stock has a large trading volume and the price is rising, it is easier to sell it at the ideal price. Trading volume refers to the

number of stocks that change hands in a certain period of time. Higher volume stocks have more investors interested in buying or selling.

The following general specification has been used in this study to empirically examine the effect of fiscal deficit and other fundamental macroeconomic factors on the stock market:

$$RET_{it} = \beta_{0t} + \beta_{1t}BD_{it} + \beta_{2t}INF_{it} + \beta_{3t}UR_{it} + \beta_{4t}LRIN_{it} + \beta_{5t}VOL_{it} + \varepsilon_{it}$$

* MERGEFORMAT (1)

where *RET* represents stock price, *BD* represents budget deficit, *INF* represents inflation, *LCPI* represents Consumer Price Index; and *LRINT* represents Real Interest rate variable in the general model specification above. Stock market development is usually measured by stock market size, liquidity, volatility, concentration and integration with world capital markets, so I also add volume in my table.

4. Results and Discussions

The paper has examined the impacts of budget deficit and also other variables such as volume, inflation rate, interest rate, unemployment rate on stock return. The empirical analysis of this paper is performed in seven tables. Firstly, we calculate the index for each variables. There are eight countries :France, America, England, Korea, South Korea, Mexico, Greece, India and the observations are 1810 for stock return, interest rate volume and inflation rate. There are 1792 observations for budget deficit and 1601 for unemployment rate. There are some missing data for unemployment rate in India so there is only 1601 observations. By calculating the change in budget deficit, some of them are 0, so there are

only 1792 observations by the form of change. Secondly, we find the correlation of them. Next, importantly, we check their P value and r square to find whether they have strong relationship. From Table 4, we use nonlinear regression, finding there is a negative relationship between budget deficit and stock return, also between the square of budget deficit and stock return. From Table 5, we add a new control variable by multiplying unemployment rate and budget deficit. It's obvious that there is also a strongly negative relationship between the budget deficit and stock return.

From Table 6, we use linear regression to analyze each county, finding in France and Korea, budget deficit and stock return are negatively correlated. From Table 7, we obtain the result from sub period (2015-2021) to know the short run relationship, however, there is no significant result between budget deficit and stock return, so we should focus on the long run effect.

5. Conclusion

In my research, there are strong negative relationship between stock return and budget deficit. This means that there is statistically significant relationship between fiscal policy actions like deficits, monetary policy actions like money growth on one hand, and stock returns on the other hand. Further, as the deficit increases, future tax burden, interest rates increases, leading to decrease in corporate profits because of weak domestic as well as export revenues. So, sales decrease which ultimately lowers net earnings, thus decreasing equity prices.

Besides, this study show that inflation has a strong positive relationship with stock return. The analysis indicates a unit increase in inflation led to a significant increase in stock return. These findings are similar to the classic Fisher theory of 1930 which predicted that there is a positive relationship between expected inflation and asset returns. The study also sought to establish the relationship between unemployment rate and stock return in the eight countries. The findings indicate that there is also a strongly positive relationship with stock returns in nineteen years (2002-2021) that were analyzed. Hence, there is a positive correlation between unemployment rate and stock return. It's a good phenomenon, which means every percentage point reduction in unemployment has good economic significance, because it not only reduces the budget deficit, but also reduces the human deficit such as increasing poverty, hunger, homelessness and crime. We will build stronger families and improve the quality of life.

Facing the strongly negative relationship between budget deficit and stock return in Asia and Europe, the optimal policy options are needed to manage important determinants such as money supply, CPI and capital market growth. Inflation targeting has become important, and adequate securities market regulation should be quickly internalized. Consistent with this, the results also show that policymakers need to formulate policies that help to curb the rapid inflation rate. In addition, appropriate policies about unemployment rate need to be developed. Countries should generate more program about education or training lessons. Export policies should be encouraged because they involve the problem of balance of payments deficit or surplus, and are also responsible for the appreciation or depreciation of a country's foreign exchange.

Most of the previous studies were in developed countries, such as United States, however, few of them focus on developing countries. My research filled the relationship between fiscal deficits and stock prices in developing countries, such as North Korea and India, finding there is a strongly negative relationship between budget deficit and stock return. I also found that time is also a factor affecting the relationship between the two. There is no significant relationship between fiscal deficit and stock return in the short term, but they have a significant negative correlation in my 20-year research.

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Table 1: Descriptive Statistic: stock return and other control variables

The table reports descriptive statistics for the variables. There are eight countries (France, America, England, Korea, Mexico, Greece, India, South Korea) in my research from 2002-2021. *RET* is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security. *BD* is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *INF* refers to the rate of increase in prices over a given period of time.

Variables	N	Mean	Std.Dev	Min	Max	Skewness	Kurtosis
<i>RET</i>	1,810	0.066	12.17	-28.01	384	18.81	1.78
<i>LRIN</i>	1,810	2.83	2.52	0	3.84	18.8	2.52
<i>BD</i>	1,792	-7.74	19.77	-30.81	-155.2	656.12	0.49
<i>VOL</i>	1,810	38.77	119.81	0.11	1,310	5.40	708.63
<i>UR</i>	1,601	6.91	5.04	2.39	27.9	2.33	8.55
<i>INF</i>	1,810	2.80	2.31	1.3	16.21	1.47	7.17

Table 2. Correlation

The table shows correlation between monthly variables, using the data from eight countries in Asia and Europe between 2002-2021. *RET* is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security. The fiscal deficit is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *INF* refers to the rate of increase in prices over a given period of time.

	<i>RET</i>	<i>VOL</i>	<i>LRIN</i>	<i>UR</i>	<i>INF</i>	<i>BD</i>
<i>RET</i>	1					
<i>VOL</i>	0.0480** (0.0411)	1				
<i>LRIN</i>	0.0127 (0.8450)	-0.13*** (0.0000)	1			
<i>UR</i>	0.0434* (0.0826)	-0.2664*** (0.0000)	-0.3708*** (0.0000)	1		
<i>INF</i>	0.0485** (0.0391)	-0.0885*** (0.0002)	0.6316*** (0.0000)	-0.3414*** (0.0000)	1	
<i>BD</i>	-0.0321 (0.1748)	-0.0576** (0.0418)	-0.0144 (0.5433)	-0.0121 (0.6293)	-0.0043 (0.8551)	1

Table 3. Main regression results

The table shows result for the in-sample regression:

RET is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security. *BD* is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *INF* refers to the rate of increase in prices over a given period of time. The t-statistic are reported below the estimated coefficients. * sign is at 10% level. It is shown that interest rate is weakly significant with stock return, and inflation rate is strongly significant with stock return.

	<i>RET</i>	<i>RET</i>
<i>BD</i>	-0.000198*** (-3.32)	-0.000199*** (-3.74)
<i>VOL</i>		0.0009944 (1.46)
<i>LRIN</i>		0.00212 (0.95)
<i>UR</i>		0.002226*** (2.91)
<i>INF</i>		0.00265*** (1.00)
<i>Constant</i>	0.00035 (0.12)	-0.032872 (-3.9)
<i>Obs</i>	1792	1583
<i>Adj-R²</i>	0.001	0.0102

Table 4. Nonlinear quadratic result

RET is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security. *BD* is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *INF* refers to the rate of increase in prices over a given period of time. The t-statistic are reported below the estimated coefficients. * sign is at 10% level. It is shown that interest rate is weakly significant with stock return, and inflation rate is strongly significant with stock return. k return.

	<i>RET</i>	<i>RET</i>
<i>BD</i>	-0.000066*** (0.217)	-0.0002169*** (-4.37)
<i>BD</i> ²		0.2744497*** (16.57)
<i>VOL</i>		0.0003251* (1.7)
<i>LRIN</i>		-0.00014 (-0.14)
<i>UR</i>		0.0016388*** (2.45)
<i>INF</i>		0.0044 (2.47)
<i>Constant</i>	0.003453 (0.12)	-0.02677 (-4.1)
<i>Obs</i>	1798	1589
<i>Adj-R</i> ²	0.0009	0.0224

Table 5. Effects of the interaction term

RET is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security changing over some period. *BD* is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *Inf* refers to the rate of increase in prices over a given period of time. The t-statistic are reported below the estimated coefficients. * sign is at 10% level. It is shown that interest rate is weakly significant with stock return, and inflation rate is strongly significant with stock return.

	<i>RET</i>	<i>RET</i>
<i>BD</i>	-0.000198*** (-3.32)	7.35e-06 (0.03)
<i>BD*UR</i>		-0.000028 (-0.85)
<i>VOL</i>		0.000998 (1.46)
<i>LRIN</i>		0.002117 (0.95)
<i>UR</i>		0.002176*** (2.81)
<i>INF</i>		0.00257 (0.96)
<i>Constant</i>	0.00035 (0.12)	-0.0262 (-4.86)
<i>Obs</i>	1792	1583
<i>Adj-R²</i>	0.0010	0.0104

Table 6. Result based on country subsample

RET is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security. *BD* is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *INF* refers to the rate of increase in prices over a given period of time. The t-statistic are reported below the estimated coefficients. * sign is at 10% level. It is shown that interest rate is weakly significant with stock return, and inflation rate is strongly significant with stock return.

	France	America	England	Korea	Mexico	Greece	India	South Korea
<i>BD</i>	-0.00139** (-2.09)	-0.00022 (-1.13)	-0.00015 (-0.76)	-0.0038*** (-1.21)	-0.00379 (-2.63)	-9.42e-06 (-0.1)	-0.00284 (-0.24)	-0.00094 (-0.73)
<i>VOL</i>	0.00271 (0.26)	-0.00033 (-0.18)	0.01255*** (2.27)	0.0026 (1.53)	0.00261 (1.12)	-0.0064 (-0.41)	-0.0263 (0.51)	0.00035 (0.37)
<i>LRIN</i>	0.01128 (1.27)	0.00581 (0.49)	-0.00986** (-1.97)	0.0081 (0.83)	0.00814 (0.66)	-0.0064 (-0.41)	-0.0263 (0.51)	0.00035 (0.37)
<i>UR</i>	0.00038 (0.06)	0.00257 (0.62)	-0.00458 (-0.88)	-0.0247 (-0.75)	-0.02469 (-1.22)	-0.2087 (-0.8)	-0.006 (-0.67)	0.00055 (-0.06)
<i>INF</i>	0.01056* (1.69)	0.0024 (0.36)	-0.00112 (-0.19)	-0.0002 (-0.02)	-0.00020 (-0.03)	0.01688 (0.99)	0.0041 (1.24)	0.0057 (0.85)
<i>Constant</i>	-0.10767 (-1.55)	-0.01919 (-0.53)	0.0037437 (0.13)	0.04921 (0.37)	0.04921 (0.57)	0.32758 (0.84)	-0.952 (-1.14)	0.909 (1.69)
<i>Obs</i>	238	238	233	233	226	231	238	225
<i>Adj-R²</i>	0.0291	0.0069	0.0218	0.0262	0.0169	0.0238	0.1337	0.0343

Table 7. Subperiod analysis

RET is the percent rate return of return over a measurement period. *LRIN* measures the growth in real value of the loan plus interest, including inflation. *VOL* measures the amount of an asset or security changing over some period. The fiscal deficit is calculated as the total money spent by the government more than its income. *UR* represents the number of unemployed people as a percentage of the labor force. *Inf* refers to the rate of increase in prices over a given period of time. The t-statistic are reported below the estimated coefficients. * sign is at 10% level. It is shown that interest rate is weakly significant with stock return, and inflation rate is strongly significant with stock return. The period is from 2015-2021.

	<i>RET</i>	<i>RET</i>
<i>BD</i>	-0.00023 (0.48)	0.00003 (0.06)
<i>VOL</i>		-0.00072 (-0.83)
<i>LRIN</i>		-0.00248 (-0.87)
<i>UR</i>		-0.00217 (-1.43)
<i>INF</i>		-0.0027 (-0.51)
<i>Constant</i>		0.02686 (1.22)
<i>Obs</i>	613	546
<i>Adj-R²</i>	0.0001	0.106