

On the Influence of the Covid-19 Pandemic on Tunisian Stock Market: By Sector Analysis

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Abstract : In this paper, we examine the influence of the COVID-19 pandemic on the performance of the Tunisian stock market and 12 sectors over a recent period from 23 March 2020 to 18 August 2021, including several waves and the introduction of vaccination. The empirical study is conducted using cointegration techniques which allows for long and short-run relationships. The obtained results indicate that both daily growth in confirmed cases and deaths have a negative and significant effect on the stock market returns. In particular, this effect differs across sectors. It seems more pronounced in financial, consumer goods and industrials sectors. These findings have important implications for investors to predict the behavior of the stock market or sectors returns and to implement hedging strategies during the COVID-19 pandemic.

Keywords : Tunisian stock market, sectors, COVID-19 pandemic, cointegration techniques

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