THE IMPACT OF COVID-19 ON INDEX AND EDUCATION OF THE COUNTRY

Rajesh Das, Gujarat University

ABSTRACT

This study analyse the impact of Covid-19 on Index education of the Country. For this study four countries are taken including two developed countries i.e. USA and Germany, two developing countries i.e. India, China for the time period between 1st March – 30th October 2020.This study examine the impact of confirmed cases and recover case on index return with the help of regression analysis. Overall, our study recommends that stock market is the most sensible market and due to that index returns of the particular country also affected highly in response to covid-19 infection. It may differ depending upon the time due to covid-19 outbreaks.

Keywords: Covid-19, Impact, Education.

INTRODUCTION

The outbreak of corona virus came from the Chinese city of Wuhan in year 2020. Due to this infectious disease whole world is facing widespread destruction. On March 11, World health organization announces covid-19 as a global pandemic. All most all the countries in the world are highly affected due to covid-19 impact. It is behaving like 'the once-in-a-century pathogen' (Aibinu & Al-Lawati, 2010). Government taking measures such as social distancing, quarantining confirmed cases as well as people who came by travelling different countries, public awareness campaigns and testing. All most all the countries stand in need of implementing partial or full lockdown situation to control covid-19 spread into the Country. People lost their work and earning is highly affected due lockdown situation. Covid-19 affected world economy including primary sector, secondary sector and tertiary sector (Çelik, 2008).

The stock market returns always influence by the number of activities ongoing into the world. According to the theory of behavioural finance, in addition to the basic value of stocks, "*Emergencies will have an impact on investors' psychological and behavioural factors, which in turn will have an important impact on stock prices.*" It's highly volatile market. Covid-19 affected all the economic sectors of the country including agriculture sector, production sectors, and service sectors (Fornell & Larcker, 1981). The stock market returns affected highly due to outbreaks of Corona virus and announcement of Covid19 as a global pandemic by the World Health Organization. All the countries face crises in the production of goods and services (Lin & Shih, 2008). Most of the countries stock market performance worse due to spread of corona virus. Countries i.e. US, Germany, Italy, UK, China and Canada facing negative performance of stock market but in India the situation is completely opposite, Indian stock market gaining profits and generating higher returns. The aim of the paper is to analyse the impact of covid-19 on different countries' indexes and analyse the measures due to that stock market performs on a positive and negative side (Helkkula et al., 2012).

Stock market is a very sensitive market. It can be fluctuated due to macro events or even with the micro events also. Likewise, Covid-19 pandemic had a huge impact and affected almost every country of the world and therefore it was observed in index returns of the country also. Due to increase in covid-19 cases of the particular country their impact is

clearly shown into the performance of the index returns of the country. Peoples' emotions are also reflected into the market returns and the same thing happens during covid-19 pandemic as increase into the confirmed cases worst is the situation of index returns of the particular Country (Taylor & Todd, 1995).

REFERENCES

Aibinu, A.A., & Al-Lawati, A.M. (2010). Using PLS-SEM technique to model construction organizations willingness to participate in e-bidding. *Automation in Construction, 19*(6), 714-724.

Çelik, H. (2008). What determines Turkish customers' acceptance of internet banking? *International Journal of Bank Marketin, 26*, 353-370.

Fornell, C., & Larcker, D.F., (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research, 18*(1), 39-50.

Helkkula, A., Kelleher, C., & Pihlström, M. (2012). Characterizing value as an experience: implications for service researchers and managers. *Journal of Service Research, 15*(1), 59-75.

Lin, Y.M., & Shih, D.H. (2008). Deconstructing mobile commerce service with continuance intention. *International Journal of Mobile Communications, 6*, 67-87.

Taylor, S., & Todd, P.A. (1995). Understanding information technology usage: A test of competing models. *Information Systems Research, 6*(2), 144-176.