

Applied Economics >

Volume 24, 1992 - Issue 4

1,187 208

Views CrossRef citations to date Altmetric

1

Original Articles

Stock prices and the effective exchange rate of the dollar

Mohsen Bahmani-Oskooee & Ahmad Sohrabian

Pages 459-464 | Published online: 28 Jul 2006

Cite this article <https://doi.org/10.1080/00036849200000020>

Sample our
Economics, Finance,
Business & Industry Journals
>> [Sign in here](#) to start your access
to the latest two volumes for 14 days

References

Citations

Metrics

Reprints & Permissions

Read this article

Abstract

The literature on the relation between stock prices and exchange rates is very poor and includes few studies that have argued that exchange rate changes do effect stock prices. By relying on the portfolio approach to exchange rate determination, it is argued that a change in stock prices could also have an impact on exchange rates, i.e. there could be a two-way relationship between exchange rates and stock prices. Granger concept of causality as well as cointegration technique are employed to support this conjecture. The empirical results show that there is bidirectional causality between stock prices and exchange rates. The results suggest that there is a long-run relationship between stock prices and exchange rates, at least in the case of the dollar, and that the relationship is not long-run.

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

Information for

[Authors](#)[R&D professionals](#)[Editors](#)[Librarians](#)[Societies](#)

Opportunities

[Reprints and e-prints](#)[Advertising solutions](#)[Accelerated publication](#)[Corporate access solutions](#)

Open access

[Overview](#)[Open journals](#)[Open Select](#)[Dove Medical Press](#)[F1000Research](#)

Help and information

[Help and contact](#)[Newsroom](#)[All journals](#)[Books](#)

Keep up to date

Register to receive personalised research and resources by email

[Sign me up](#)

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

[Accept All](#)[Essential Only](#)[Settings](#)