

Macroeconomic Indicators and Stock Price: An Empirical Analysis on the United States Listed Oil Enterprises

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Abstract

The study examines the relationship between macroeconomic indicators and the stock prices of oil industry companies. It reveals that macroeconomic indicators can significantly explain the change in stock prices. The common effect of economic indicators has an important influence on the stock prices of firms. Results indicate that the share prices of small-scale oil producers are positively correlated with the consumer confidence index and have a significant impact. The expected future cash flow of small-scale oil enterprises cannot meet the market expectation due to a shortage of sales channels and funds, resulting in higher market risk and investment return instability. Further, the study shed light on the diversities of oil enterprises such as oil producers and oil equipment manufacturing enterprises has been ignored for a long time.

Keywords: Macroeconomic Indicators; Listed Oil Enterprises; Modern Stock Price Theory.

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