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# The Relationship Between Commodity Prices and Stock Prices: Evidence from Turkey

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## ABSTRACT

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Many studies have found strong relationship between stock market and economic growth. Because of this strong relationship, we need to examine many factors that have impact on the stock market more closely. Despite the high importance of commodity prices, only few studies have emphasized the impact on stock prices. For this reason, in this study, by using time-series analysis, the relationship between and the impact of commodity prices on stock market will be examined. The long-run relationship and causality will be examined with an econometric model. The results obtained from the examination of relationship between commodity prices and stock market would provide to discussions about drivers of stock prices. Due to importance of such impact, findings obtained from the case of Turkey will be interpreted. These findings will help in the decision making process of the investors. In addition, the findings of this study are important for policy-makers to strengthen the stock markets to promote economic growth.

**KEYWORDS** Stock Market; Stock Prices; Commodity Prices; Cointegration

**JEL** C22, G12, Q02