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Terör Olaylarının Ekonomik İstikrarsızlık Üzerine Etkisi: Türkiye Örneği / The Impact of Terrorist Incidents on Economic Instability: The Case of Turkey

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ABSTRACT

Gold is known that “a safe port of refuge” rather than just an investment for most of the investors and portfolio managers. In addition, the fluctuations in gold prices constitute a significant risk factor for both financial institutions and gold borrowers. Therefore it is important to determine the volatility in gold prices. Not only national and international macroeconomic parameters, but also political events and terrorism play a crucial role in determining the gold prices. Terrorist attacks lead to serious damages in capital market of global economies. In this study it is aimed to see that the impact of terrorist attacks all over the World in closing price volatility of Istanbul Gold Exchange for the period 01.01.2009-31.12.2014. In this respect, autoregressive conditional heteroscedasticity models are used to determine volatility in gold prices.

KEYWORDS Fluctuations; Gold Prices; Terrorism

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