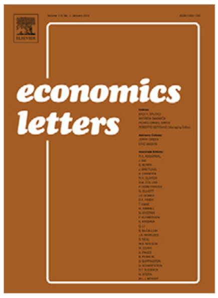
Accepted Manuscript



Oil price shocks and stock return volatility: New evidence based on volatility impulse response analysis

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PII: S0165-1765(18)30329-X
DOI: https://doi.org/10.1016/j.econlet.2018.08.022
Reference: ECOLET 8172

To appear in: *Economics Letters*

Received date : 18 July 2018
Revised date : 8 August 2018
Accepted date : 18 August 2018

Please cite this article as: Eraslan S., Ali F.M., Oil price shocks and stock return volatility: New evidence based on volatility impulse response analysis. *Economics Letters* (2018), https://doi.org/10.1016/j.econlet.2018.08.022

Highlights

- We use volatility impulse response analysis estimated from the GARCH-BEKK model
- We examine oil price shocks on oil and stock return volatility dynamics
- Precautionary demand followed by aggregate demand shocks much affect stock volatility
- Correlation between both markets is mostly affected by precautionary demand shocks