

Study of the correlations between stocks of different markets

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The correlations of stocks have been largely studied within the econophysics community. Using the Random Matrix Theory approach or the graphical visualization of the Minimum Spanning Trees [1], in almost all studies the segregation of clusters of stocks in industrial sectors appear. Our previous study of correlations between different indices of markets in many countries around the world [2] also shows segregation of indices, but in this case, in geographical terms. The next step is to study the behaviour of stocks from different countries. How will these stocks correlate with each other? In terms of countries or in industrial sectors, as expected from a globalization point of view?

References

- [1] R. Coelho, S. Hutzler, P. Repetowicz and P. Richmond, "*Sector analysis for a FTSE portfolio of stocks*", *Physica A* 373 (2007) 615-626
- [2] Ricardo Coelho, Claire G. Gilmore, Brian Lucey, Peter Richmond and Stefan Hutzler, "*The Evolution of Interdependence in World Equity Markets - Evidence from Minimum Spanning Trees*", *Physica A* 376 (2007) 455-466.