



REVIEWER'S REPORT

Manuscript No.: IJAR-50708

Date: 18-03-2025

Title: IMPACT OF MACROECONOMIC VARIABLES ON STOCK MARKET (Evidences from India)

Recommendation:

Accept as it is.....**YES**.....

Accept after minor revision.....

Accept after major revision

Do not accept (*Reasons below*)

Rating	Excel.	Good	Fair	Poor
Originality	√			
Techn. Quality		√		
Clarity		√		
Significance			√	

Reviewer's Name: Mr Bilal Mir

Reviewer's Decision about Paper: **Recommended for Publication.**

Comments (*Use additional pages, if required*)

Reviewer's Comment / Report

Abstract

The abstract effectively presents the study's core focus—examining the influence of Foreign Institutional Investment (FIIs) and other macroeconomic variables on the BSE Sensex. It clearly defines the dependent and independent variables, including the use of the Auto Regressive Distributed Lag (ARDL) model for cointegration analysis. The findings are well summarized, indicating the significance of FIIs, exports, and CPI as positive determinants, while IIP and exchange rate act as negative determinants in the long run. The inclusion of ContEqu as a measure of short-run convergence further strengthens the study's analytical rigor.

Keywords

The selected keywords accurately represent the study's methodological and thematic components, ensuring effective indexing for academic referencing.

Introduction

The introduction provides a solid foundation by explaining the role of stock markets as economic barometers, particularly in the Indian context. The discussion on secondary market transactions and their reflection on the investment climate is well-articulated. The description of the BSE Sensex as a proxy for

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the Indian stock market, alongside the transition from traditional to electronic trading, is relevant and contextualizes the study within the broader evolution of financial markets. The references to previous studies add credibility and highlight the importance of FIIs in determining stock market movements.

The introduction also successfully establishes the sensitivity of the Sensex to national and international economic fluctuations. The inclusion of control variables such as exchange rates, economic growth, and inflation provides a comprehensive framework for assessing stock market dynamics. The study's scope is well defined, focusing on the period from 2018 to 2022, making it relevant for understanding recent market trends.

Overall Assessment

The manuscript is well-structured and provides a clear and detailed examination of the impact of macroeconomic variables on the Indian stock market. The study effectively employs econometric analysis to explore the relationship between FIIs and stock market performance. The theoretical background, methodological approach, and empirical findings contribute to the academic discourse on stock market determinants. The paper is relevant to investors, policymakers, and economists seeking insights into the role of macroeconomic factors in financial markets.