

IMPACT OF UNCONVENTIONAL MONETARY POLICIES ON INDIAN CAPITAL MARKET

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ABSTRACT

UMP has successful in restoring market functioning during early period of financial crisis but now the financial instability is not only limited to the continuation of UMP but also at the point of exit of due to rapid capital flow reversals. The paper tries to analyze portfolio balance channels or “Exposure” of Indian capital market by study of the co-integration between the asset returns of two important capital market indexes of AEs (USA) and EMEs (India) and establish the impulse response between them to further look into the correction mechanism or significance of impact of financial shock.

KEYWORD: crisis, asset
