Literature on Stock Returns: A Content Analysis

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Abstract
The objective of any investment is to earn return. Return on the amount invested in stocks includes dividend and capital appreciation. These returns are influenced by both systematic and unsystematic risks. Systematic risk includes the macroeconomic variables and unsystematic risk includes firm specific factors. The stock returns is an area of study wherein many research scholars have shown immense interest for past several years. The purpose of this analytical study is to conduct a content analysis of literature of stock returns over a period of 15 years, i.e., 2000-2014 and in 63 different journals. To analyze the research work in the area of stock returns, information was extracted from 368 research papers related to stock returns. The study found that a significant amount of research work has been done in the past 15 years on stock returns across globe and results are positive. The factors analyzed in the study such as predictability/forecasting of stock returns, volatility/variability of stock returns, stock returns and inflation, etc will indeed help the stock exchanges, regulators, Government and other concerned parties. The study concluded that the areas such as predictability/forecasting of stock returns, volatility/variability of stock returns and the risk and liquidity aspect of stock returns have been the major areas of interest of many researchers for past 15 years.

Keywords: Stock returns, Volatility, Stock Exchanges, Regulators, Forecasting Stock Returns

JEL Classification: G12, G14, G15, C53, C63

Paper Classification: Literature Review

Introduction
In stock market, the investors’ invest their savings with an expectation of earning some income. This income may be termed as “stock returns” which may be in the form of profits earned from trading of shares or the dividends received. These dividends may be paid to the shareholders out of the profits earned; may be quarterly, half yearly, yearly, etc. The stock prices or returns are bound to be affected by various risks occurring within a country and also events occurring across the world.