# Article information:

Dynamic spillovers across oil, gold and stock markets in the presence of major public health emergencies - ScienceDirect
<https://www.sciencedirect.com/science/article/abs/pii/S1057521921001563?via%3Dihub=>

# Article summary:

1. The integration of financial markets has greatly enhanced the linkages among the oil, gold, and stock markets, making them a community of shared risk.

2. Public health emergencies directly affect investors' expectations in the short term and impede normal production in the real economy in the long term, thus affecting financial markets.

3. This paper uses a spillover network approach to explore spillover effects among the global oil market, gold market and 16 major stock markets under four major health emergency shocks from January 11, 2000, to July 8, 2020.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article "Dynamic spillovers across oil, gold and stock markets in the presence of major public health emergencies" provides a comprehensive analysis of the intermarket correlation and risk transmission paths among oil, gold, and stock markets under unexpected event shocks. The paper highlights the importance of financial integration and market linkages in understanding the volatility of financial markets. It also emphasizes the impact of major public health emergencies on financial markets, particularly on stock markets.

The article presents a model based on variance decomposition to measure spillover effects between commodity (oil and gold) and financial markets. The empirical results show that significant return and volatility spillovers exist in the oil, gold, and stock markets under different forecast periods and rolling windows. The study also identifies the center of the market linkage network and sources of risk spillovers in contingencies through marginal spillover effects and network analysis.

However, there are some potential biases in this article that need to be considered. Firstly, the study focuses only on one type of unexpected event shock - major public health emergencies - which may limit its generalizability to other types of shocks. Secondly, while the paper acknowledges that shocks to oil prices can have both positive and negative impacts on different industries, it does not explore these impacts in detail or consider how they might affect overall market dynamics. Thirdly, although the paper provides insights into market linkages and risk transmission paths during unexpected events, it does not offer any concrete policy recommendations for preventing or mitigating systemic risks.

In conclusion, while this article provides valuable insights into intermarket correlation and risk transmission paths during unexpected events such as major public health emergencies, it is important to consider its potential biases when interpreting its findings. Further research is needed to explore other types of shocks that may affect financial markets differently and to develop more robust policy recommendations for safeguarding financial security.

# Topics for further research:

* Impact of unexpected event shocks on different industries
* Positive and negative effects of oil price shocks on financial markets
* Systemic risk prevention and mitigation policies
* Intermarket correlation during economic downturns
* Role of government intervention in financial markets
* Effects of global economic events on emerging markets

# Report location:

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