

# AN EMPIRICAL NOTE ON THE INFLUENCE OF THE US STOCK MARKET ON AUSTRALIAN ECONOMIC ACTIVITY

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## Abstract

This paper empirically examines the impact of the US stock market on Australian economic activity as one explanation of the strong correlation in the Australian and US business cycles. It is found that both the US and Australian share markets appear to have a significant impact on Australian activity.

Keywords: Business Cycles, Stock Markets, Cointegration.

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