

Analyzing Factors that Impact Share Prices: An Empirical Investigation on Different Companies from the Pharmaceutical Industry

Larissa M. Batrancea , Alin Fetita

¹ Department of Business, Babes-Bolyai University Cluj-Napoca, Romania

²Department of Economics and Business Administration, Babes-Bolyai University Cluj-Napoca, Romania

Abstract

During the last three years, the pharmaceutical industry has registered considerable levels of financial performance, especially those listed on the capital market. The present study investigates the factors that impact share prices of a sample of pharmaceutical companies from Denmark, Japan, the Netherlands, the United Kingdom and USA, listed on the New York Stock Exchange and registering the largest market share. Hence, with a sample of 20 companies examined for the period 2018 Q1 – 2021 Q4. The methodology included first-difference panel generalized method of moments. Empirical results showed that share prices were significantly influenced by company financial equilibrium and financial performance, especially during the pandemic years.

Keywords: stock markets, financial performance, share prices, pharmaceutical industry