1. Title
Feverish Stock Price Reactions to COVID-19

Link:

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3. Abstract
The market reactions to the 2019 novel Coronavirus disease (COVID-19) shed light on the importance of international trade and financial policies for firm value. Initially, investors priced negative consequences for internationally-oriented US firms, especially those with China exposure. As the virus spread to Europe and the US, markets moved feverishly. However, the cross-section of returns exhibits clear patterns. Corporate debt and cash holdings emerged as important value drivers, relevant even after the Fed intervened in the corporate bond market. Overall, the results illustrate how the health crisis morphed into an economic crisis amplified through financial channels.

4. Data description
Stock returns and firm-level characteristics of US listed companies; Textual analysis of conference calls.

5. JEL codes
G01, G02, G14, G15, F15, F23, F36

6. Key-words
Behavioral finance, Cash holdings, Conference calls, Corporate debt, Coronavirus, COVID-19, Event study, Financial crisis, Global Value Chains, Pandemic, SARS-CoV-2, Supply Chains