Determining and Estimating the Systematic Risks of Major Airline Companies Listed Under the World's Major Indices

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Abstract:

In this study, it is aimed to calculate and interpret the β values representing the systematic risk over the weekly returns of 13 airline carriers and manufacturers in the American NYSE and NASDAC, German Xetra and Japanese Tokyo Indices between the years 2015-2022 by creating single regression equations. The companies examined are the leading major airline companies in the world. Sothwest Airlines, Delta Airlines, American Airlines, and United Airlines are referred to as the "Big Four" in the aviation industry in the United States. Boeing and Airbus are the world's largest aircraft manufacturers. Other surveyed companies are major airline companies in Europe and Asia. In the empirical study, the β values of Airbus and Japanese Japan Airlines carriers and manufacturers are below 1; It is determined at 1 level for Lufthansa, between 1 and 2.5 for all other companies examined. In general, the systematic risk levels of the companies examined were found to be higher than the average risk levels of the markets in which they are traded.

Keywords: NYSE, NASDAQ, Systematic Risk, Beta Coefficient

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