Formal and other requirements for submission:

- Cover page (Title, authors, major, date)

- Introduction + research question

- Dataset description

- Main text should be divided into clean chapters

- Conclusion and summary (not 3 lines…)

- Table of contents, table of graphs, list of references (with punctual APA style

references)

- Formal requirements: according to the thesis requirements (TNR, 12, justified, 1.5 line

space)

Introduction

In the complex landscape of the global economy, multinational corporations like BP and Exxon Mobil are significantly influenced by fluctuations in exchange rates and crude oil prices. These factors play a crucial role in determining the profitability and stock performance of oil companies, which are inherently tied to the volatile nature of the energy market. The interplay between oil prices, currency exchange rates, and stock performance is a critical area of study for investors, policymakers, and corporate strategists.

This research aims to explore the relationship between the USD/EUR exchange rate, Brent crude oil prices, and the stock performance of BP and Exxon Mobil. By analyzing monthly data over a nine-year period from January 2015 to January 2024, this study seeks to provide empirical insights into how these variables interact and impact the financial health of these major oil companies.

Research Question

How do changes in the USD/EUR exchange rate and Brent crude oil prices influence the stock performance of BP and Exxon Mobil from January 2015 to January 2024?

Dataset Description

The dataset comprises monthly data for BP and Exxon Mobil, including stock prices extracted from Yahoo Finance, Brent crude oil prices sourced from FredData, and the USD/EUR exchange rate obtained from MacroTrend. The period of analysis spans from January 2015 to January 2024, yielding 108 observations for each variable. This comprehensive dataset allows for a robust analysis of the relationships between exchange rates, oil prices, and stock performance.

Variables:

BP Stock Price (BP\_SP)

Exxon Mobil Stock Price (XOM\_SP)

Brent Crude Oil Price (Brent)

USD/EUR Exchange Rate (USD\_EUR)

literature review

"The Impact of Exchange Rates on Stock Market Performance of the Emerging 7":

This study investigates the effects of exchange rate fluctuations on stock returns across various emerging markets including Brazil, China, India, Indonesia, Mexico, Russia, and Turkey. It finds a significant negative impact of exchange rate changes on stock market performance in the short term. The study emphasizes the importance of considering the volatility of exchange rates and their asymmetric effects on stock prices​ (Emerald Insight)​.

"Oil Prices, Stock Returns, and Exchange Rates":

This article examines the dynamic relationships between crude oil prices, stock market returns, and exchange rates. It highlights how oil price shocks influence financial markets and exchange rates, with a specific focus on both short-term and long-term interactions. The findings indicate a significant linkage between oil price volatility and stock market performance, influenced by changes in exchange rates​ (Emerald Insight)​.

These articles provide a comprehensive understanding of the interplay between exchange rates, oil prices, and stock performance, making them valuable for your literature review.