

# **Impact of IPL Match Victory on Sponsors' Stock Returns**

**SAMPRITA SEN**

## **Abstract**

This paper attempts to study the impact of Indian Premier League (IPL) match victories on the stock returns of the major sponsors of the playing teams for the years 2014-2017. We undertake an Event Study analysis to examine how the winning of various matches during an ongoing IPL season affects the investors' sentiment as reflected in the form of abnormal returns on stocks of the major (jersey) sponsors. We first compute the abnormal returns and then cross validates using the market model. We also attempt to report the cumulative abnormal returns and examine whether the popularity of the match or its due importance in the season has any significant contribution towards the abnormal returns. This work looks to determine how far investors' sentiments are swayed by the exogenous event of an IPL match victory.

**Keywords:** Event Study; Market Model; Abnormal Returns; Investors' Sentiments

**JEL Codes:** G11, G12, G14, G17