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THE RUMOR ON THE STOCK EXCHANGE: A STUDY ON THE STOCKS WITH THE HIGHEST FINANCIAL VOLUME

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The objective of this research was to analyze how rumors spread among the participants in the stock market and their influence on the price fluctuations that occurred on the The Iraq Stock Exchange (ISX). For this purpose, through the bibliographic research, the identification of the stock market traders and their relationship networks was carried out. To analyze the influence of rumors on the price fluctuations of the companies' shares, a multiple case study was used as a research method, centered on the few selected companies whose shares had the highest volume of trading on the spot market between the years 2014 to 2018. The spot market is a form of negotiation in which you can buy or sell a certain number of shares at a price established during the trading session for immediate settlement, so the buyer makes the payment and the seller delivers the shares that are the object of the negotiation. We chose to work with stocks with a higher financial volume because they are more representative in the stock market, since they are highly negotiated papers among market agents, moving a lot of money on the stock exchange. The selected period corresponds to the last five years in relation to the beginning of the field research, containing a time interval that makes it possible to collect a large amount of data, taking