

Abstract

The inflation is one of the big problems faced by most of the global economies, especially the Iraqi economy and because of its effects on the overall economic sectors including the financial sector (Iraqi stock exchange), this paper aims to state the impact of inflation on the performance of the Iraqi financial market for the period 2005-2011, through the analysis of the inflation and market index monthly data for using Co. Vector error correction model, The results show, there is a bile here long run relationship between inflation and market index.