

## **Abstract**

This thesis investigates the impact of the European central bank communication and macroeconomic news announcements on the price and volatility of selected financial markets. We examine the stock markets of Germany and countries of PIGS (Portugal, Italy, Greece, Spain), we selected the stock indices as the financial assets, we employed the GARCH (1,1) and EGARCH (1,1) models. Main result was that the communication of ECB has significant impact on the volatility of all examined stock markets. Volatilities of German and Italian stock markets are the most influenced ones. Volatility of Portugal stock market is the least influenced one. The ECB's communication affects also the level of examined stock markets except Portugal stock market. Our results also confirmed that the macroeconomic announcements have significant impact on the volatility, but they have no fundamental impact on the level of these stock markets.