

# INDONESIAN CAPITAL MARKET CONTRACTION USE OF COLLECTIVE VACCINES COVID-19 PANDEMIC TIME

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## Abstract

This study aims to determine the difference in the average abnormal return, trading volume activity, and security return variability before, during, and after the event of cooperation vaccine administration. The type of data used is secondary data with data collection techniques using the documentation method. The IDX 80 index list includes 42 stocks from the consumer goods industry, property, real estate, building construction, utility companies, transportation infrastructure, and service and investment trade sectors. The sampling technique in this study is the saturated sampling method. This study used a one-sample t-test, paired sample t-test, and the Wilcoxon signed-rank test. The tests carried out show that there is no significant difference between the average abnormal return, the average trading volume activity, and the average SRV before and after giving vaccines together Covid-19 pandemic period on May 18, 2021. This indicates that the event giving cooperation vaccines during the Covid-19 pandemic does not contain important information affecting stock price movements.

**Keywords:** Abnormal Return, Trading Volume Activity, Security Return Variability

## INTRODUCTION

The Covid-19 pandemic, which continues to spread throughout the world, is no exception. The increasing number of sufferers with a high fatality rate in the last two months, accumulated data from March 2 to May 4, 2020 as many as 11,192 positive cases and 8,452 deaths, is very worrying and causes panic among the government, society, and the business world (Ismanto, 2020; Haryanto, 2020). The response of the government and the community to take preventive measures, such as closing schools, working from home, especially formal sector workers, delaying and canceling various government and private events, stopping several modes of public transportation, and enforcing PSBB in various areas, prohibiting going home, making the wheel of the economy slows down (Arthamevia et al., 2021).

In line with the condition of the global economy is showing positive growth. Even before Covid-19, the global economy was shrouded in intimidation, such as geopolitical tensions between the United States and Iran and the trade war between the United States and the European Union, triggered by the EU green deal

(Fakhrunnas, 2020). Furthermore, the trade war between the United States and China and the issue of Brexit have not been resolved. However, overall global conditions before the Covid-19 pandemic were still excellent and prospective for investment (Nanda and Permata, 2017).

Not only is the global economy still positive, even before the pandemic, but the national economy was also quite good, as seen from the Composite Stock Price Index (JCI) in early January 2021, which touched 6300; this is a good and interesting achievement for Indonesia. Not only that, but the prospect of the national economy is also stable, where economic growth is at the level of five to five and a half percent. Then the regulations made by the government, the condition of the rupiah, which tends to be more stable, and our good foreign exchange reserves are an attraction for investors to invest in Indonesia. The development of some early indicators in November 2020 confirms the ongoing improvement in the global economy. Among other things, the increase in Purchasing Manager.

The entry of the Covid-19 virus in Indonesia was first discovered around the beginning of March. This outbreak has impacted the trend of the JCI, which has decreased due to issues regarding Covid-19, which began to spread from Wuhan to Japan, Korea, and Singapore, which is closest to Indonesia. So this decline caused our JCI to decline to below the 4000 level. Because the Indonesian government was not serious about dealing with Covid-19 at the time, when the health crisis occurred, investors preferred to withdraw their funds from the capital market, causing stock prices to fall.

The government program with the Indonesian Chamber of Commerce and Industry (KADIN) will start the initial injection (Kick-Off) of the Mutual Cooperation Vaccination program with the vaccine provider, PT Kimia Farma Tbk. This vaccination is given by cooperation or to employees, families, and other related individuals in the family whose funding is borne by legal entities/business entities. Meanwhile, companies participating in the cooperation vaccine must first be registered with the Indonesian Chamber of Commerce and Industry. This cooperation vaccination program will have an impact on stock movements in the Indonesian capital market.

## LITERATURE REVIEW

### Signaling Theory

According to Tambunan (2020), signaling theory is a theory that discusses the ups and downs of prices in the market so that it will influence investor decisions, so that information that occurs from the condition of a company's shares always affects investor decisions as to the party who catches the signal. This signal is in the form of information about what management has done to realize the owner's wishes. The signal theory states that good quality companies will intentionally give signals to the market. Thus the market can be expected to distinguish between good quality and poor quality companies. For the signal to be good, it must be captured by the market with good perception and not easily imitated by the company that owns it (Febriyanti, 2020).

### Stock price

The most important capital market activity that investors pay attention to is investing in the movement of stock prices because these movements show the performance or achievements that are being passed by the issuer (Nurmasari, 2020). If the issuer's performance is getting better, the profits generated from business operations will be even greater. This condition causes the share price of the issuer concerned to tend to increase. Conversely, if the issuer's performance deteriorates, the profits generated from business operations will be smaller. Investors must realize that in addition to profiting from investing, it is also possible that they will also experience losses (Dang et al., 2020). factors that influence stock price movements, namely internal factors and external factors Agustina and Sumartio.

### Abnormal Return

Caporale and Plastun (2021) state that abnormal returns are results that are not as expected (abnormal) because a summary of the actual results (stock returns) is different from the expected return (expected return). Meanwhile, according to Hartono (2016), abnormal returns exceed actual returns over average returns. Average returns are expected returns or returns expected by investors. Thus, the abnormal return is the difference between the actual yield that occurs and the expected return. Abnormal returns can be calculated using several models, namely: (1) the mean-adjusted model; (2) market model (market model).

### Trading Volume Activity (TVA)

1. Stock trading volume measures a stock's liquidity (Akbar et al., 2019). If statistically, stock trading a few days after the event there is an increase compared to a few days before the event, it can be said that there is an increase in stock trading liquidity after the event (Alrhafynza and Siswanto, 2017). According to Bodie et al. (2014), there are several principles in the interpretation of trading volume, namely:
2. The most important principle is that trading volume is in line with the trend; trading activity will increase when the market is in an uptrend, and trading activity will decrease when the market is in a downtrend. This means that trading volume can be used to predict the current trend. Trading measures the enthusiasm of buyers and sellers. In an uptrend market with low trading volume, it can be caused by a lack

of sellers compared to the enthusiasm of buyers. Sooner or later, this will push the market to a price that sellers are willing to sell the stock at.

3. Stock prices are heavily influenced by market activity. If a seller reacts to bad news by selling his stock, the stock price will fall.

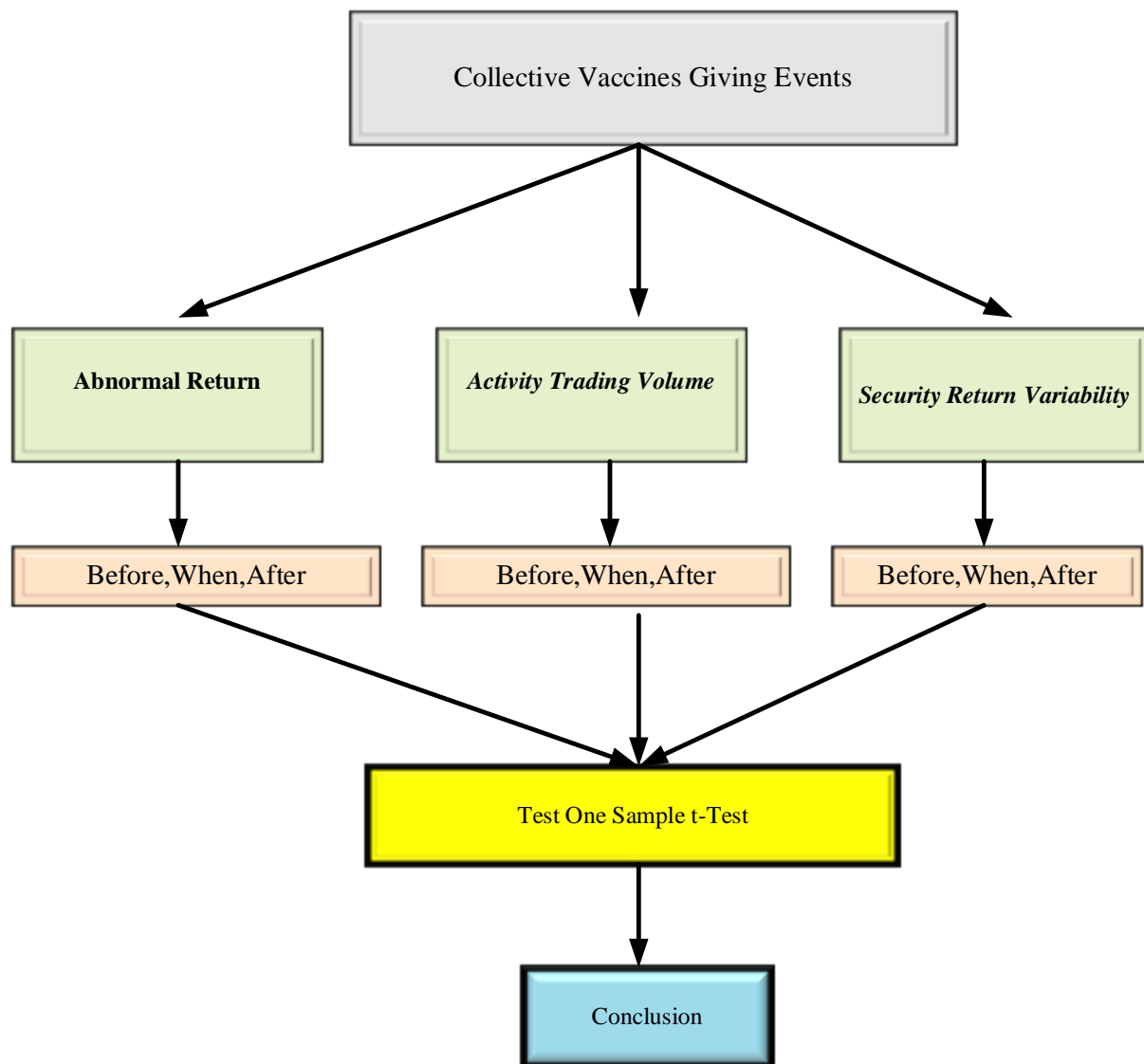
This study refers to Haryanto's research (2020) which shows that the Covid-19 pandemic also has a significant impact on fluctuations in the IDR/US\$ exchange rate and JCI fluctuations. The same thing was done by research by Rofiah et al. (2019) conducted on mining companies showing empirical evidence that there are differences in abnormal returns before and after the issue of revocation of DMO, while related to trading volume activity, there are no differences in abnormal returns, providing empirical evidence that there are differences average trading volume activity before and after weakening. Nurmasari's research (2020) examines the impact of Covid-19 on changes in stock prices and transaction volume at PT. Ramayana Lestari, Tbk with the results of the difference in the average value of the stock price at PT Ramayana Lestari, Tbk.

Furthermore, state of the art, that this research was carried out under two conditions, namely the post-Eid condition and when the mutual cooperation vaccination was given, which was the biggest moment for Muslims who were prohibited from going home during Eid, and the mutual cooperation vaccination was applied which was expected to increase economic growth in Indonesia. and provide information to investors.

### **Security Return Variability (SRV)**

In addition to abnormal returns, changes in stock prices can also be measured using the Profit Level Variability indicator through SRV. With SRV, it can be seen whether the market in aggregate assesses an informative event in the sense of whether the event causes changes in the distribution of stock returns. If abnormal returns are averaged, there is a possibility that positive and negative values will cancel each other out. While on the SRV indicator, all markdowns are positive. Thus the heterogeneity of information can be eliminated. The impact of heterogeneous details can be detected with SRV, although the direction of movement cannot be seen (Husnan and Enni, 2015). Meanwhile, according to (Kramer et al., 2016) (Kramer et al., 2016), Po & Inyangete (1992).

The frame of mind that underlies this research is the market reaction to the 2021 cooperation vaccine program. With the cooperation vaccine program, investors hope that there will still be positive abnormal returns. In theory, a positive abnormal return from the two events can maintain stability in stock prices because investors believe that the event can contain positive information for stock trading even though the event is not negative. Likewise, trading volume activity and security return variability will be expected to be stable on the Indonesia Stock Exchange in line with stable stock prices. The framework of thought in this study is shown in Figure 1 as follows:



**Figure 1: Framework of Thought**

An event can affect the movement of the stock price index traded in the capital market when an event is considered to contain information for investors. The information is well received by investors, both before, during, and after the event. If the event contains positive information, the information can have an impact on the stock price index.

### Hypothesis

#### The Effect of the Event of Giving Mutual Cooperation Vaccine on Abnormal Return

Abnormal returns occur because of new information or new events that change the company's value and are reacted by investors in the form of an increase or decrease in market prices. Jogyanto (2008) states that if an

announcement contains information, the market will receive an abnormal return and vice versa. If an event does not include data, the market will not receive an abnormal return.

$H_1$ : There is a difference abnormal return significant before, during, and after the event of giving the mutual cooperation vaccine

#### The Effect of the Event of Giving Mutual Cooperation Vaccine on Trading Volume Activity

Trading volume activity (TVA) is an instrument that can be used to see the capital market's reaction to information through the parameters of the movement of trading volume activities in the market. Judging from its function, it can be said that TVA is an indicator of an event study.

According to Zamroni (in Hamidi: 2008), trading volume is key in predicting stock price movements. He believes that volume tends to increase when prices decline, indicating that the market is in a bearish condition. When the volume tends to increase as long as the price increases, the market is predicted to be in a bullish state.

Investor Reactions in the Capital Market to Defending Islam on November 4, 2016, in Jakarta (Event Study on Companies Listed in LQ-45 on the Indonesia Stock Exchange) where there is no significant difference. Pre- and post-Action to Defend Islam trading volume activity differs significantly. Afifudin and Junaidi (2018) found no difference in trading volume before and after the 2017 Ormas Perppu.

Thus, both studies align with Bamber's theory in Indarti (2003), who argues that trading volume activity reflects more on investor activity because of the new information through the sum of all stock trades, while prices tend to reflect an aggregation or average of investor confidence. Thus, based on the theory from the previous research above, the hypothesis in this study can be stated as follows:

H<sub>2</sub>: There is a difference trading volume activity significant before, during, and after the event of giving the mutual cooperation vaccine.

### **The Effect of the Event of Mutual Cooperation Vaccination on Security Return Variability**

Testing the price reaction and the level of profit can be seen from the security return variability. Security return variability is used to see whether the market in aggregate assesses an event as informative, in the sense of whether the information causes changes in the distribution of stock returns when the event occurs. According to Husnan et al. (1996), the test of price reaction and profit rate can be seen from the security return variability (SRV) with the formula for abnormal return squared I at time t divided by the variance of the profit rate outside the announcement. SRV is used to see whether the market aggregates the dividend announcement as informative, in the sense of whether the information causes changes in the distribution of stock returns at the time of the dividend announcement.

The study by Ni Komang et al. shows no difference in average security return variability

before and after the 2018 simultaneous elections. Tiswiyanti (2016) found no difference in the security return variability before and after the announcement of the fuel price increase. So from the two studies, it can be revealed by Husnan et al. (1996) that all values are positive on the security return variability indicator. Thus the heterogeneity of information can be eliminated. The impact of heterogeneous details can be detected with security return variability, although the direction of movement cannot be seen. Thus, based on the theory and previous research above, the hypothesis in this study can be stated as follows:

H<sub>3</sub>: There is a difference security return variability significant before, during, and after the event of giving the mutual cooperation vaccine.

## **RESEARCH METHODS**

### **Types of research**

This is an event study of quantitative descriptive research. During the Covid-19 pandemic, shares of issuers listed on the Indonesia Stock Exchange were given mutual assistance vaccines. The study used a ten-day event window: Four days before the mutual assistance vaccine announcement, Two days during the event, Four days after. It is expected that the market has fully reacted and that it has reacted quickly to the occurrence of giving the vaccine together. The research period also limits the impact of other information on abnormal returns, trading volume, and security return variability.

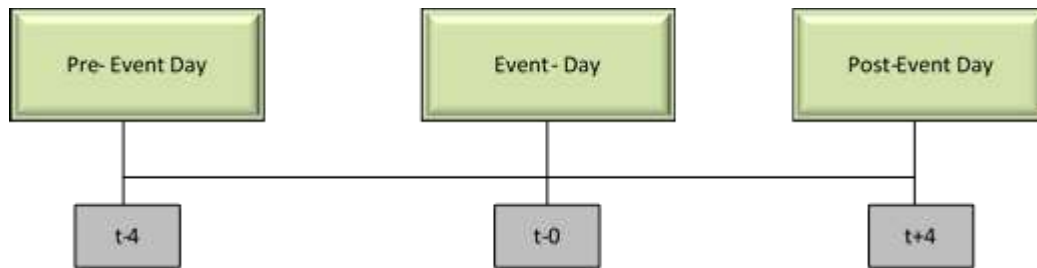
### **Population and Research Sample**

The IDX 80 index group includes 42 stocks from the consumer goods industry, property, real estate, construction, utilities, transportation infrastructure, and service and investment trade sectors. This study uses saturated sampling, which means the entire population is sampled.

### **Research time**

The marked-adjusted model used in this study doesn't always require an estimation period. This model considers the stock index return at the event to be the best estimator of a security's return. In this case, the estimated security return is identical to the market index (Hartono, 2016).

Figure 2 depicts the observation period as follows:



Source: Processed by Researchers (2021)

**Figure 2 Observation Period**

### Operational Research Variables

#### Abnormal Return

The calculation of abnormal returns is used to evaluate the results that can be given by a stock, where the value obtained shows investors' expectations. The analysis of abnormal return is mathematical as follows:

$$AR_{it} = Rit - R_{mt}$$

Where:

$AR_{it}$  = abnormal return sekuritas (i) in period t

$R_{it}$  = actual return sekuritas (i) in period t

$R_{mt}$  = market return in period t

Actual return I on day t can be calculated using the formula:

$$R_{i,t} = \frac{p_{i,t} - p_{i,t-1}}{p_{i,t-1}}$$

Where:

$p_{i,t}$  = stock price i on day t

$p_{i,t-1}$  = stock price i at t-1

Marked-adjusted The model is used in the study, because the market fit model considers this the best predictor for estimating the return of a security is the market index at that time.

$$R_{mt} = IHS_{Gt} - IHS_{Gt-1}$$

$$IHS_{Gt-1}$$

Where:

$R_{mt}$  = market return on day t

$IHS_{Gt-1}$  = JCI on day t-1

#### Trading Volume Activity (TVA)

This TVA is a trading volume activity that becomes an instrument that can be used to measure the level of stock trading activities on the stock exchange. The TVA calculation formulation is as follows:

$$TVA_{i,t} = \frac{G \text{ share } i \text{ is trading on day } t-1}{G \text{ shares } i \text{ outstanding on day } -t}$$

#### Security Return Variability (SRV)

Testing the price reaction and the profit rate can be seen from the SRV with the abnormal return quadratic profit formula I at time t divided by the variance of the profit rate outside the announcement. The equation formula is as follows:

$$SRV_{it} = \frac{AR_{it}^2}{V(AR_{it})}$$

$$V(AR_{it})$$

To find  $V(AR_{it}) = \frac{(AR_{it} - \bar{AR}_{it})^2}{n-1}$

$$n-1$$

Where:

$V(ARit)$  = Variance of abnormal return in the period outside the announcement

N = Number of days observed

## Research Data Analysis

### Descriptive Analysis

This descriptive research describes a particular individual, situation, symptom, or group. Data from each share of companies joining the consumer goods industry group, the real estate and construction sector proportion, the utility and transportation infrastructure sector, and the trade, services, and investment sector.

### Normality test

The test is to determine whether the data used in this study is normally distributed or not, with the provision that the level of significance is  $> 0.05$ .

### Hypothesis testing

This study uses a one-sample t-test, paired sample t-test, and the Wilcoxon signed-rank test to see the difference in the mean in a group of

mean scores before and after the event, each of which will be compared with the mean value at the time of the event. Giving vaccines together. The test criteria on the provisions of the significance level ( $\text{sig}$ )  $> 0.05$  by seeing whether the probability value is smaller or greater than 0.05. There will be a difference if the probability value is greater than or equal to 0.05 ( $p \geq 0.05$ ) and if the probability value is less than 0.05 or ( $\text{sig}$ )  $t < 30.05$ , then there is no difference in the average between the two.

## RESULTS AND DISCUSSION

### Descriptive Analysis

The first step is to perform statistical tests to determine the movement of abnormal returns, TVA and SRV. Table 1 presents the minimum value, maximum value, average value (mean), and standard deviation of the average abnormal return and average trading volume activity of sample companies for four days before and four days after the announcement. The results of the descriptive statistical test of this study are:

**Table 1. Descriptive Statistics Abnormal Return, TVA and SRV**

Descriptive Statistics					
	N	Minimum	Maximum	mean	Std. Deviation
AR Before	80	-,0314757	0.0305549	-0.004006086	,0107809586
AR After	80	-,0338046	,0260349	-0.005887610	0.0137344952
TVA Before	80	,0000866	0.0123705	0.002124350	,0022315096
TVA After	80	,0000717	0.0195384	0.002125953	,0027043870
SRV Before	80	-4.3438070	,2252077	-0.116907505	,4918433190
SRV After	80	-2,9457540	1.1469112	-0.134519312	,5554045530
Valid N (listwise)	80				

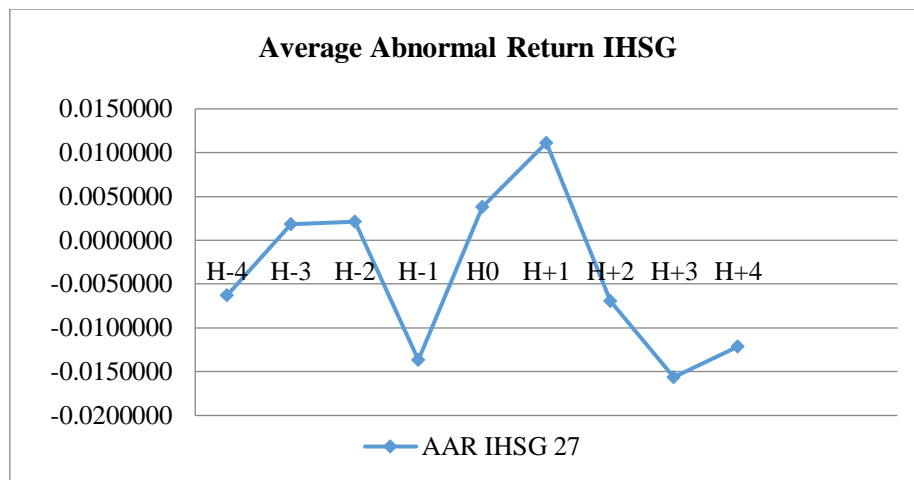
Source: processed data, 2021

Based on Table 1. the mean value of abnormal returns with the JCI as a reference in the Indonesian capital market administering cooperation vaccines Covid-19 pandemic period on May 18, 2021, before and after are -0.004006086 and -0.005887610, which illustrate that there is a significant decrease in the average abnormal return concerning the JCI

after the event. Whereas in the previous Trading Volume Activity (TVA), giving cooperation vaccines during the Covid-19 pandemic on May 18, 2021, has a mean value of 0.002124350, and after the announcement date, the mean value is 0.002125953, which indicates that there is a not so significant increase in trading activity by investors after the April 27, 2020 event on the

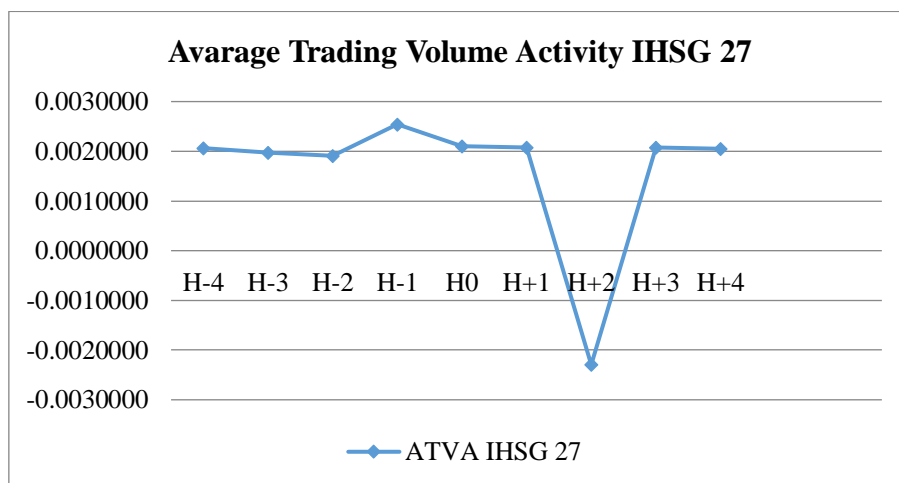
IDX 80 Index shares. The SRV value before the event date has a mean value of -0.116907505, and the SRV value after the event date is -0.134519312. This shows that there is SRV;

namely, there is a decrease in SRV value but does not move significantly.



**Figure 3. Graph of Average Abnormal Return**

Figure 3 shows the average abnormal return for the JCI during the period of giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021. The figure shows that H+1 is the highest average abnormal return during the study period, and H+3 is the lowest.



**Figure 4. Graph of Average Trading Volume Activity**

Figure 4. It is known that the fluctuation of the average trading volume activity is not too significant for the period giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021. On the day of the event, namely, H0 has a positive value, and the movement of the average value of trading volume activity after the date of the event is relatively the same except on H+2, where there is a decrease in the movement of the average value of trading volume activity. However, there is a significant

decrease in H+2, and the highest value on the average trading volume activity occurs on H-1, then the lowest value on H+2.



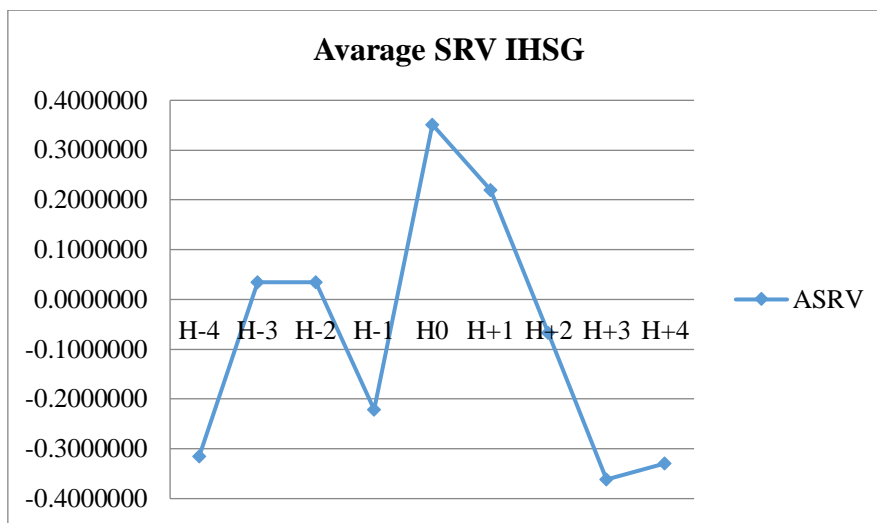


Figure 5. Graph of Average SRV

Figure 5. explains that there is a significant SRV movement. As for the SRV movement for the period giving mutual cooperation vaccines during the Covid-19 pandemic on 18 May 2021 have fluctuations in movement in the positive and negative directions. The highest value occurs at H0 and the lowest is at H+3.

**Normality Test Results**

The next step is to determine whether the data is normally distributed or not. This test can be done with the normality test using the Shapiro-Wilk statistical technique, namely hypothesis testing which is used for the purpose of knowing whether the data is normally distributed or not.

Table 2. Normality Test of Average Abnormal Return, ATVA and Average SRV

Tests of Normality						
	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistics	df	Sig.	Statistics	df	Sig.
AAR Before	0.281	4	.	0.875	4	0.316
AAR After	0.284	4	.	0.874	4	0.312
Atva Before	0.329	4	.	0.822	4	0.148
Atva After	0.439	4	.	0.635	4	0.001
ASRV Before	0.301	4	.	0.833	4	0.175
ASRV After	0.264	4	.	0.895	4	0.405

a. Lilliefors Significance Correction

Source: processed data, 2021

Table 2 shows the normality test results on the average abnormal return during the study period with the Sig value of the average abnormal return in the sample obtained values of 0.316 and 0.312. When compared to a probability of 0.05, the impact is greater, indicating that the

data is normally distributed. The average trading volume activity resulted in Sig values of 0.148 and 0.001. This result is smaller than a probability of 0.05, indicating that the data is not normally distributed. The average SRV obtained Sig values of 0.175 and 0.405.

### Hypothesis testing

As for the presence or absence of abnormal returns around the announcement. This test uses a one sample t-test. The test results show the following results:

**Table 3. One Sample T-Test Abnormal Return Uji**

	AAR	Information	T	df	Sig. (2-tailed)
H-4	-0.0063147	Significant	-3.206	79	0.002
H-3	0.0018515	Not significant	,714	79	0.477
H-2	0.0021313	Not significant	,926	79	0.357
H-1	-0.0136924	Significant	-5.513	79	0.000
H0	0.0038320	Not significant	1,644	79	0.104
H+1	0.0111325	Significant	4,454	79	0.000
H+2	-0.0069063	Significant	-2.254	79	0.027
H+3	-0.0156298	Significant	-6,689	79	0.000
H+4	-0.0121469	Significant	-4,550	79	0.000

Source: processed data, 2021

Table 3 shows that for the period 18 May 2021, there is an abnormal return around the event date, as indicated by the value of Sig. (2-tailed) in the period H-3, H-2, and H0 with a value greater than 0.05. Sig is significant for H-4, H-1, H+1, H+2, H+3, and H+4. (2-tailed) 0.05 The only significant value with a positive abnormal return value is H+1, while the others show a significant value. Negative abnormal return of

significance During the Covid-19 pandemic on 18 May 2021, there are no significant and positive differences in abnormal returns in all periods, giving mutual cooperation vaccines. The first hypothesis is also calculated using the paired sample t-test because the normality test results show that the abnormal return data is normally distributed.

**Table 4. Paired Sample T-Test Average Abnormal Return**

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pairs 1	AAR Before AAR After	-0.0018815 500	0.0151083 660	0.0075 541830	-0.0221592 318	0.0259223 318	0.249	3	0.819

Source: processed data, 2021

Table 4. explains the results of the paired sample t-test for the average abnormal return concerning the JCI before and after giving cooperation vaccines during the Covid-19

pandemic on 18 May 2021 has a value of Sig. (2-tailed) of  $0.819 > 0.05$ , then H0 is accepted, and H1 is rejected. This explains no significant difference in the average abnormal return with

the JCI reference in the period before and after giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021. The second hypothesis is to test the difference in the average

TVA using the Wilcoxon signed-rank test because it is known that the TVA value is not normally distributed in the normality test.

**Table 5. Wilcoxon Signed Rank Test Average TVA**

	ATVA After - ATVA Before
Z	-0.730b
asymp. Sig. (2-tailed)	0.465

Source: data processed, 2021

The results of Table 5. show that the Wilcoxon Signed Rank Test on average Trading Volume Activity (TVA) concerning the JCI before and after giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021 has an Asymp value. Sig (2-tailed) of 0.465. As for the test criteria, with the Asymp value. Sig (2-tailed)  $0.465 > 0.05$  then  $H_0$  is accepted and  $H_2$  is rejected. This means that based on the test

results, it is known that there is no significant difference in the average trading volume activity in the period before and after giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021. The third hypothesis was carried out to test the difference in mean SRV using the paired sample t-test because it was known that the SRV data normality test was normally distributed.

**Table 6. Paired Sample T-Test Average SRV**

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pairs 1	ASRV Before - ASRV After	0.0176118	0.3926681	0.1963340	-	0.6424344	0.090	3	0.934
		500	150	570	0.6072107	450			

Source: data processed, 2021

On 18 May 2021, during the Covid-19 pandemic, the paired sample t-test average SRV before and after cooperation vaccines was 0.934. With Sig. (2-tailed)  $0.934 > 0.05$ ,  $H_0$  is accepted, and  $H_3$  is rejected. The test results show no significant difference in the average SRV before and after giving cooperation vaccines on 18 May 2021.

## Discussion

Based on the above results, it is clear that this event does not contain information that can influence investors' investment policy. Of course, there are reasons why the capital market

does not react or is inefficient (Jogiyanto, 2016). Here are the reasons:

1. The existence of a small number of capital market participants who can affect the price of securities.
2. The reception of information is not evenly distributed among market participants due to non-uniform access to information. This occurs when some market participants receive timely information while others do not. It's also possible that the data's owner does not want it shared, and it's only used for their benefit. This is asymmetric information. The information that will be disseminated turns out to be readable or well predicted by some market participants.

3. Investors are straightforward individuals (naive investors) and unsophisticated (unsophisticated investors). In an inefficient capital market, investors still react to information because their ability is limited in interpreting the information received.

Based on the four causes of the market not reacting or the capital market being inefficient above, it can be found that in this study, there are reasons that cause the capital market not to respond to the future. Giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021 that is, the information disseminated is predictable by some market participants. This can happen because of events giving vaccines together During the Covid-19 pandemic. There have also been many issues and news circulating that the government will issue a policy to deal with the spread of Covid-19, namely by providing vaccines to the public.

As for these reasons, it also explains that it is only natural that the research results do not have differences in the average abnormal return, the average Trading Volume Activity (TVA), and the average Security Return Variability (SRV) because it should be before and after giving cooperation vaccines during the Covid-19 pandemic on 18 May 2021 do not have information because market participants can already predict that the government will take policies to minimize the expansion of cases of the spread of the Covid-19 pandemic.

The implications of some of these hypotheses can be seen. Because of this vaccine policy, the company will be able to provide vaccines to its employees so that it can automatically prevent the spread of the Covid-19 pandemic, which is getting more expansive in the company environment, so that it can automatically resume optimal performance. If the company does not have a positive case of Covid-19, it can continue to operate normally and avoid the temporary suspension of operations. However, the announcement on May 18, 2021, giving cooperation vaccines during the Covid-19 pandemic is bad news because if the stock market is closed for some time, capital market participants will be unable to buy and sell stocks and provide valuable information for investment decisions. Causes of the capital market not reacting to the distribution of cooperation vaccines during the Covid-19 pandemic on May 18, 2021.

## CONCLUSIONS AND SUGGESTIONS

### Conclusion

On May 18, 2021, during the Covid-19 pandemic. This study compares the IDX 80 index's average abnormal return, trading volume, and Security Return Variability (SRV) before and after. The tests conducted show no significant difference in the average abnormal return, trading volume activity, and SRV before and after the Covid-19 pandemic on May 18, 2021. As a result, the event giving cooperation vaccines during the Covid-19 pandemic does not contain critical information.

For entrepreneurs or companies, the announcement of the Covid-19 tax stimulus policy can be good news because it allows them to provide vaccines to their employees, thereby preventing the spread of the Covid-19 pandemic and re-launching their activities optimally. The Covid-19 tax stimulus policy announcement is bad news for capital market participants because they cannot conduct stock buying and selling transactions or provide information if the stock market is closed for some time. Useful for investors making investment decisions.

This is what makes the researcher suggest that further research can discuss per type of stock and use the mean adjusted model or market model so that it can describe the consistency of the results of this study. In addition, it is also recommended to add the date for the testing period and add other variables that can be used to see the reaction of capital market movements to an announcement or the implementation of a policy, such as stock liquidity variables

### Suggestion

For further researchers to add other variables such as bid-ask spread, stock volatility, or stock trading frequency in the research that will be conducted. Investors should consider the research results to be taken into consideration in making investment decisions, especially in the event of cooperation vaccine distribution. To the government to be able to distribute vaccines properly and thoroughly to the entire community.

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