

ABSTRACT

The war that took place between Russia and Ukraine had broad implications for the global economy with indications of rising prices of various oil and gas commodities. The war between the two countries is one of the non-economic factors that can affect capital market. The capital market industry is sensitive to issues or events affecting the investment climate. In knowing how the market analysis of an event can be measured by indicators of abnormal returns and trading volume activity.

This study aims to find out whether there were significant differences in abnormal returns and trading volume activity before and after the war in Russia and Ukraine. The type of research used is an event study. The observation period was carried out for 7 days before and 7 days after the event. The samples used were 29 oil and gas energy sub-sector companies listed on the Indonesia Stock Exchange. The calculation of abnormal returns in this study uses a market-adjusted approach model.

The results of the study indicated that there were no significant differences in abnormal returns before and after the events of the Russian and Ukrainian wars in oil and gas energy subsector companies listed on the Indonesia Stock Exchange. However, the results of testing trading volume activity show different results where there are significant differences in trading volume activity before and after the events of the Russian and Ukrainian wars in oil and gas energy sub-sector companies listed on the Indonesia Stock Exchange.

Keywords: *abnormal return, trading volume activity, event study, war between Russia and Ukraine, oil and gas energy subsector*