

ABSTRACT

The emergence of a new Covid-19 virus attack that rapidly spread globally has caused many countries to implement various efforts to limit its spread, such as lockdowns, travel restrictions, and the cancellation of public events. The impact of these containment efforts has had an extraordinary effect on the global and national economies.

This study aims to analyze the impact before and after the announcement of Covid-19 on the stocks of companies in the Hotel, Resort, and Cruise Ship sub-industry (E512) listed on the Indonesia Stock Exchange (IDX). The study uses Trading Volume Activity (TVA), Abnormal Return (AR), Security Return Variability (SRV), Market to Book Value (M/B), and Actual Return of companies in the Hotel, Resort, and Cruise Ship sub-industry before and after the event.

This research is designed with a comparative descriptive approach using secondary data from 9 companies as the research objects. The analysis method applied is an event study, with a window period of 1 year before and 1 year after the announcement. Data is processed using paired sample t-test and Wilcoxon sign-rank test methods with the assistance of SPSS software for Windows.

The study found that only actual return did not show any significant differences before and after the event. Meanwhile, TVA, AR, SRV, and MVB showed significant differences before and after the event.

The results of this research are expected to serve as empirical evidence to recognize the pre and post-reaction and performance of stocks in facing force majeure phenomena such as the Covid-19 pandemic, so that it can provide investors with deeper insights into investment decisions and strategic steps to deal with such phenomena.

Keywords : COVID-19, Abnormal Return, Trading Volume Activity, Security Return Variability, Market to Book Value, Actual Return