

## **ABSTRACT**

*Currently, the world is facing a pandemic of the COVID-19 virus, this virus is spreading rapidly, including in Indonesia, so that this virus is declared a pandemic because the entire world is affected. Seeing the difference in abnormal returns and trading volume activity before and after the announcement of the first COVID-19 case in Indonesia by President RI and the announcement of the COVID-19 pandemic by WHO, this aims to see whether the capital market in the telecommunications sector reacts to these announcements.*

*This research is quantitative research and uses descriptive methods and comparative methods. The study population is a telecommunications company listed on the IDX. The research sample is determined by using a sample at a certain time, namely 5 days before the announcement and 5 days after the announcement.*

*This study aims to determine whether there are differences in abnormal returns and trading volume activity. It is hoped that this research can prove that the capital market reacts to the President's announcement regarding the first case of COVID-19 in Indonesia and the WHO's announcement that COVID-19 is a pandemic.*

*The results showed that in the shares of the telecommunications sub-sector there were differences in abnormal returns, but there was no difference in trading volume activity before and after the announcement of the first COVID-19 case in Indonesia by the President of the Republic of Indonesia. Then the results also show that there is no difference in abnormal returns and trading volume activity in shares of the telecommunications sub-sector before and after the announcement of the COVID-19 pandemic by WHO. In addition, the research results show that there is a significant difference between the announcement of the first COVID-19 case in Indonesia by the President of the Republic of Indonesia and the announcement of the COVID-19 pandemic by WHO.*

**Keywords:** *Abnormal Return, Trading Volume Activity, Event Study, COVID-19, World Health Organization*