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The Effect of Industry Types and Foreign Investors on Capital Market Reaction due to Covid-19 in Indonesia

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Abstract: **The capital market has an important role for the economy of a country because of two functions as a means of funding and a means of investing in financial instruments. Information plays an important role in the capital market, both internal and external information. One of the external information is the announcement of a global pandemic related to the Covid-19 virus. This study aims to analyze the information content by looking at the reaction of the capital market in Indonesia to the announcement of a global pandemic related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 based on the type of industry and to examine the influence of foreign investors on this reaction. This research is an event study with an observation period of 5 exchange working days, namely two days before (t-2), event date (t0), and two days after the event (t + 2). The samples in this study were all companies listed on the Indonesia Stock Exchange based on the industrial sector in 2020. The sampling method was purposive sampling technique. The data analysis technique used the mean difference test (two way ANOVA) and simple linear regression. The results showed that there was a significant difference in the mean cumulative abnormal return before and after the announcement of the global pandemic related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 based on different types of industry. Meanwhile, with two linear regression tests for cumulative abnormal returns before and after the event, foreign share ownership had no effect on cumulative abnormal returns due to the announcement of a global pandemic related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 in Indonesia.**

Keywords: **event study, Covid-19 Pandemic, cumulative abnormal return, type of industry, foreign share ownership.**

I. INTRODUCTION

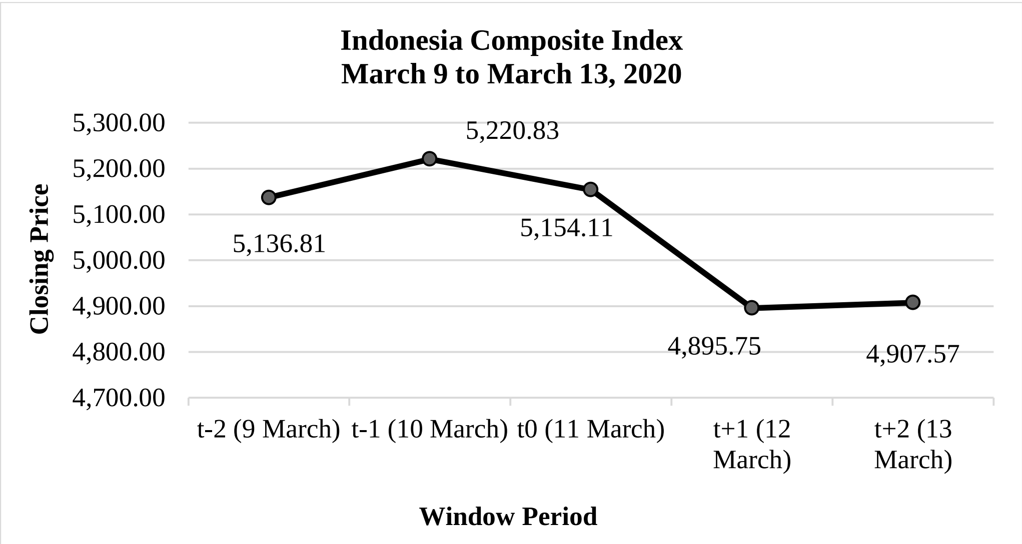
The capital market is an important economic instrument and is an indicator of economic progress in a country. The capital market has an important role for a country's economy because of two functions, namely as a means of funding and a means for people to invest in financial instruments such as bonds, stocks, mutual funds, and others. The role of the capital market as a source of corporate funding has significant implications for the country's economy (Permata & Ghoni, 2019). The condition or development of stocks in Indonesia is measured by the Indonesia Composite Index (ICI) (Utama & Artini, 2013). ICI is a sectoral index that is used as a means of investment destination. In transactions on the Stock Exchange, investors really need historical data on stock movements in order to know the movement of the stock index. If the movement of shares shows a decline, the stock index in the market also decreases and if the movement of shares increases, the stock index will increase.

The reason for choosing stocks to invest by investors is to get a greater return compared to other instruments (Mahendra & Rasmini, 2019). Return is the return or return on funds that have been invested. The existence of new information in the capital market will affect the company's stock price and will further influence decision making by investors. Mahendra & Rasmini (2019) stated that if information is able to change investors' confidence in making decisions, then this information can be considered informative. The concept of the information content of an event discusses how the market responds to incoming information and how this information can subsequently affect the price movements of securities.

The influence of the non-economic environment can also cause the level of trust of investors to be negative which indirectly reacts to the market depending on how much the event gets a negative response from market players (Nurhaeni, 2009). Information can be divided into two, namely internal information and external information (Fama, 1997: 284). Internal information is information on events that occur within the company, while external information is information on events that occur outside the policies made by the company.

The market will give positive market reactions to good news and negative reactions to bad news are predictions of the efficient market hypothesis. The market reaction can be seen from a positive abnormal return for good news and a negative abnormal return for bad news (Tandelilin, 2010: 565). One of the events originating from a non-economic environment that is still a trending topic in the world today is the Global Pandemic Announcement regarding the Covid-19 Virus by WHO (World Health Organization) on March 11, 2020. WHO Director General Tedros Adhanom Ghebreyesus announced the situation. after the number of infections worldwide reached more than 121,000 (www.kompas.com). As is known, the Covid-19 virus causes acute respiratory problems in humans which resulted in the city of Wuhan, where the outbreak began, having to decide on a lockdown to slow the spread of the Covid-19 virus (Kiky, 2020). As a result of this virus, many foreign investors sold their shares due to the panic that the capital market abroad experienced a drastic decline. Asian exchanges also reacted to this incident. Not only in the Asian region, the United States and Europe also experienced a decline. The Asian Development Bank (ADB) estimates that the Covid-19 virus outbreak will cause global economic losses of US $ 347 billion or equivalent to Rp. 4,944 trillion. The Covid-19 virus is certain to have an impact on the Indonesian economic sector, where the capital outflow or capital outflow in the stock market also occurred as much as Rp. 980 billion (Sambuari et al., 2020).

According to Lopatta et al (2020), the development of the capital market during the Covid-19 virus did show a very negative outlook, the MSCI world index recorded a decline of more than 30% in February. Yan (2020) stated that from a window period of 50 trading days from January 20, 2020 to April 7, 2020, it gave the result that the Covid-19 virus caused drastic changes in stock prices. This shows that the Covid-19 incident had a significant impact on share prices. Kiky (2020) stated that the outlook for the ICI when in early 2020, showed a positive and good signal. The ICI itself in early 2020 touched a value of nearly 6,300 and fluctuated never to fall below the 6,000 mark until the end of January 2020. However, the index movement direction drastically changed in early February 2020. The decline in the ICI value even continued until March 2020. Initially in the 6,000s, it lost almost 50% of that value when it was in early March 2020. Since WHO announced the Covid-19 virus as a pandemic, the market responded to it which can be reflected from the stock price, namely the Indonesia Composite Index (ICI), described in Figure 1.



Source: *www.idx.co.id*, 2020

The Indonesia Composite Index (ICI) is one of the stock market indices used by the Indonesia Stock Exchange (IDX). This index includes price movements of all common shares and preferred shares listed on the IDX (Hartono, 2015: 151). Judging from the graph figure 1, the ICI on Thursday 12 March 2020 decreased from Rp5,154.11 to Rp4,895.75, then increased to Rp4,907.57 on March 13, 2020. This shows that the capital market responded information regarding the announcement of the Covid-19 virus as a pandemic outbreak.

Market reactions are indicated by changes in the price and trading volume of the securities concerned (Hartono, 2015: 264). Gul et al. (2013) show that events have a significant impact on share prices. According to Jogiyanto (2007: 450), research on event studies also uses cumulative abnormal return (CAR) to measure the market reaction to an event. Chen et al (2007) stated that the reaction of the capital market is influenced by non-macroeconomic information such as the Avian Flu pandemic and SARS (Severe Acute Respiratory Syndrome) outbreak in Asian countries. Zhang et al (2020) stated that the capital market reaction is closely related to the severity of the pandemic in each country. Hartono (2015: 647) states that abnormal returns or excess returns are the advantages of returns that actually occur on normal returns. An announcement or an event that causes a market reaction will give an abnormal return to the market, and vice versa.

Heyden (2020) studied the short-term capital market reaction of US and European stocks during the start of the Covid-19 pandemic, using the capital market event study methodology to react negatively to the first announcements caused by the Covid-19 virus in certain countries. Alber (2020) investigates the effects of the spread of the Covid-19 virus on the capital market by measuring the cumulative death cases in 6 worst-affected countries. With the analysis of the event study Rameli & Wagner (2020) studying the reaction of the capital market to the Covid-19 virus explains the importance of international trade and financial policies for company value. Putri (2020) examines the reaction of the capital market before and after the fluctuation of the rupiah against the US dollar and the rupiah where the result is a capital market reaction to the depreciation of the rupiah against the US dollar due to Covid-19. So it can be concluded that the Covid-19 incident contains information for the capital market. With the enactment of Large-Scale Social Restrictions, especially in Indonesia, as an effort to prevent the spread of the Covid-19 virus, it has led to the closure of financial markets, companies and other business sectors. Apart from that, the exponential rate of the spread of the Covid-19 virus has an impact on consumers, institutional investors, and foreign investors (Ozili & Arun, 2020).

The industrial sector is one of the largest contributors to Indonesia's Gross Domestic Product (GDP) in 2019. Data from the Central Statistics Agency (BPS), the contribution made by this industry to 2019 GDP was recorded at 19.62%. According to data during February 2020, the import value of all categories of goods decreased compared to January 2020. This decline occurred due to restrictions on all forms of activities outside the home (work from home) to prevent the spread of Covid-19 which ultimately had an impact on economic activity (www.akseleran.co.id). Chen and Kim (2007) found that the market reaction to the publication of the SARS (Severe Acute Respiratory Syndrome) outbreak is also determined by the type of industry. This outbreak resulted in reduced yields in various industrial sectors in the Taiwan capital market. However, the tourism sector experienced the worst decline in yields after one month of the publication of SARS compared to 11 other industrial sectors. Research results by Utama & Hapsari, (2012) also found that the reaction of the capital market to terrorist bomb attacks would be more negative for the tourism industry than for other industries. Al-Awadhi et al (2020) found that the market reaction due to the Covid-19 virus in different industrial sectors will be affected differently. So, it can be said that the capital market reaction to information on different types of industry will be affected differently.

Utama & Hapsari (2012) stated that another factor that determines the reaction of the capital market is foreign investors in a company. Since the establishment of the capital market in Indonesia, the contribution of foreign investors has always been greater, in other words, those who enjoy more benefits due to economic growth (Chandra, 2011). The share value of foreign investors is higher than local investors. The implication means that buying and selling by foreign investors will determine the movement of the index and the capital market as a whole. When foreign investors make big purchases, share prices rise rapidly, and vice versa. The activity of foreign investors is often a barometer because it is considered to have a big influence on stock prices (Dewi et al., 2017). Generally, foreign investors are more sensitive to publications, especially publications related to information on security and political stability (Deliarnov, 2005: 178). The financial institutions of the Financial Services Authority (OJK) also stated that the emergence of the Covid-19 virus certainly had an impact on the performance of each financial service institution. As is well known, the Covid-19 virus has made many foreign investors start looking for a safe asset and get out of the capital markets of developing countries. Thus, the greater the ownership of foreign investors in a company compared to local investors, an event will make the market reaction of companies dominated by foreigners more negative or worse than other companies.

II. CONCEPTUAL MODEL AND HYPOTHESES

Event study research based on signaling theory states that every event in the form of an announcement will contain information that affects and gives reactions to the market. According to Jogiyanto (2007: 450), Cumulative Abnormal Return (CAR) can be used as a research variable to see how strong the information content of an event that reacts to the market. The announcement of a global pandemic related to the Covid-19 virus by WHO on March 11, 2020, is an event that is suspected of having information content, which could affect and react to the market. If the event contains good news information, investors will respond to the event as a positive signal to invest, whereas if the event contains bad news information, investors will respond to the event as a negative signal to invest.

According to research from Moody's, the industries most affected by the Covid-19 virus pandemic are divided into three parts (www.akseleran.co.id). The first part that is most affected is quite high, namely industries such as garment, automotive, automotive suppliers, consumer, tourism, airlines, to shipping. The second part that was moderately affected was the beverage, chemical, manufacturing, media, metal and mining, oil and gas, property, agriculture to hardware technology companies. The third part that was slightly affected was industries such as construction, defense, equipment, transportation, pharmaceuticals, packaging, food retail to telecommunications. At the time of the Covid-19 pandemic, the condition of the industrial sector was considered to be the worst in Indonesia, especially for companies or industries based on export and import due to lack of supply (www.cnbcindonesia.com).

Ozili & Arun (2020) stated that the Covid-19 virus outbreak and its impact on the global economy that triggered a global recession in 2020, where the most visible result of the impact of Covid-19 on financial markets is the effect on global stock markets. Chen et al., (2007) found that the market reaction to the publication of an outbreak of acute respiratory disease (severe acute respiratory syndrome or SARS) was also determined by the type of industry. This outbreak resulted in reduced yields in various industrial sectors in the Taiwan capital market. The tourism sector experienced the worst decline in yields after one month of the publication of SARS compared to 11 other industrial sectors. Furthermore, the tourism industry reacted the worst negatively to news of the SARS outbreak that occurred in Taiwan on April 22, 2003, even ten days later (0, + 10). The results of the study prove that the measured capital market reaction through cumulative abnormal returns (CAR) for the tourism industry is the lowest, which is -4.49% compared to 8 other industrial sectors (Chen et al., 2007).

Research by Satria et al., (2017) examined the market reaction to the China's Black Monday (CBM) incident on the Indonesia Stock Exchange (IDX), the results of their research found a significant market reaction on eight Sectoral Indices on the Indonesia Stock Exchange, namely the agricultural sector, various industries. , basic and chemical industry, consumer goods industry, property and real estate, transportation and infrastructure, finance, and trade, services and investment while the mining sector index does not react to CBM events. The results of this study indicate that investors use industry specific information as a basis for evaluating the impact of unexpected macroeconomic events. Al-Awadhi et al (2020) also found that market reactions due to the Covid-19 virus in different industrial sectors will be affected differently. Based on the description above, this research will look further at the difference in the average market reaction which is proxied by cumulative abnormal returns before and after the impact of the Covid-19 pandemic event based on company fundamental factors such as different types of industry.

H_1: There is a difference in the average cumulative abnormal return before and after the announcement of the Covid-19 virus pandemic based on different types of industries.

The Covid-19 outbreak has had a serious impact on almost all countries in the world, including Indonesia. One aspect of concern amid the spread of the Covid-19 virus is investment. The development of foreign investors in the Indonesian capital market is in line with the active Indonesian capital market. Foreign investors do have several advantages over local investors. One of them is that foreign investors have strong characteristics in funding. Thus, they act as market leaders because they are able to carry out trading transactions in large numbers. Indonesia can be said to be one of the countries with good investment objectives, this can be proven by the large number of foreign investors from various countries who want to invest in the Indonesian capital market.

Foreign investors have an important role in developing countries, one of which is Japan. Takahashi & Yamada, (2020) identified the factors affecting Japanese stock returns in the first quarter of 2020 during the Covid-19 virus outbreak which focused on its share ownership structure. The results of his research show a negative relationship between foreign ownership and abnormal returns on stocks when the Covid-19 virus spreads in Japan. Previous research has also shown that foreign ownership improves working capital management, monitoring, and investment efficiency (Chen et al., 2007). In particular, it shows that, although foreign investors are considered to force companies to invest in the short term, foreign investors can increase long-term investment in companies. So it can be said that another factor that influences market reaction is the company's ownership structure, namely foreign investors.

According to Ang (1997), the concept of market efficiency is that investors always include the available information factor into their decisions so that it is reflected in the price they are transacting, so that the price prevailing in the market already contains this information. (Gul et al., 2010) stated that ownership of foreign investors accelerates the reaction of share prices to private company information or prevents uninformative share prices (synchronicity). (Gul et al., 2010) concluded that ownership concentration which is a characteristic of developing countries results in controlling shareholders tending to cover private company information and reducing informed trading, in the end the stock prices created in the capital market tend to be less informative (synchronous). stock price). Furthermore, the results of research by Liu et al., (2020) also show that the Covid-19 pandemic will affect investor confidence in the capital market. Investor confidence in the performance of companies in the capital market will decline because investors predict that the company's cash flow in the future will be disrupted due to the Covid-19 pandemic. As a consequence, investors will ask for a high rate of return due to the increasing risk of the company's fundamentals or the decline in stock prices in the capital market.

H_2: The amount of foreign ownership affects the cumulative abnormal return before and after the announcement of the Covid-19 virus pandemic event.

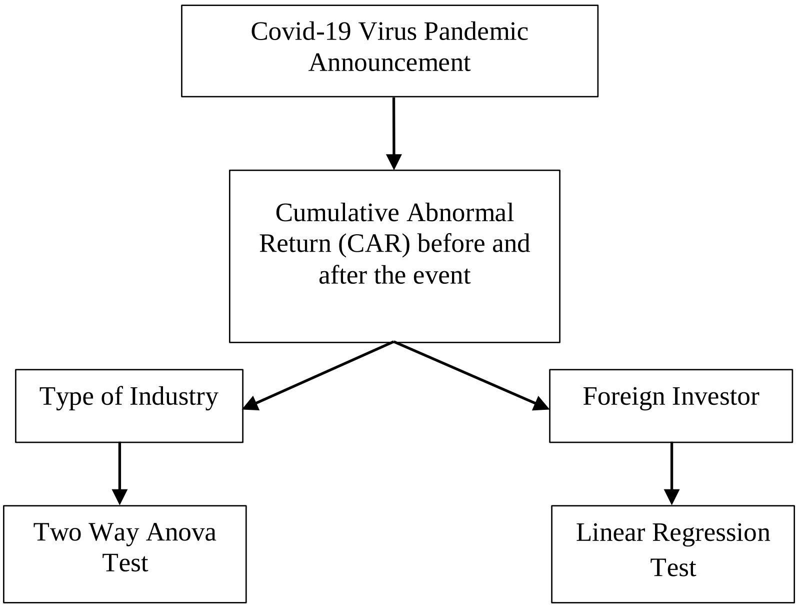
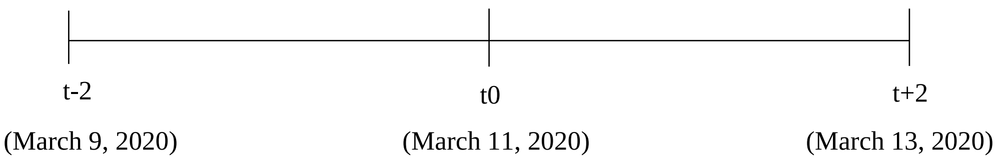


Figure 2: Conceptual Model

III. RESEARCH METHODS

This study uses an event study approach. The event study is a methodology used to test the efficiency of the semi strong form market. This research was conducted on companies listed on the Indonesia Stock Exchange (IDX) based on 9 industrial sectors by directly accessing www.idx.co.id which is the official website of the IDX and daily share price data obtained through the website www.yahoofinance.com. The sampling method used is a non-probability sampling method using purposive sampling technique. The data collection method used in this study is the non-participant observation method. The data analysis technique used in this study was the Two Way Anova Test and Simple Linear Regression Analysis.

The observation period through the event window in this study was 5 days. Unlike the event study which uses corporate action announcements, the spread of the Covid-19 virus outbreak does not have the possibility of leakage information. Therefore, this study uses the event window for 5 days consisting of t-2 (pre-event, 2 days before the event), t0 (event-day, the day the event occurs), and t + 2 (post-event, 2 days after the event). The time span was chosen to minimize confounding effects. The event window is presented in Figure 3.



Cumulative Abnormal Return is the sum of abnormal returns obtained from the difference between actual returns and expected returns in the event period of each sectoral index. Cumulative Abnormal Return from sectoral index during the observation period from day k to day l is formulated as follows (Hartono, 2015: 663):

$$CAR_{i,t} = \sum_{i=k}^{l} AR_{i,t} \text{ .... (5)}$$

Foreign investors in this study are measured using the percentage of foreign share ownership (> 5%) as seen in the company's financial statements, because the proportion of foreign investor ownership comes from each issuer in the industrial sector, the value of the proportion of ownership of foreign investors from each sector is average. The average foreign ownership of all issuers for each industrial sector. Formulated as follows:

$$FO = \frac{Shares\ owned\ by\ foreign\ investors}{The\ total\ number\ of\ shares\ outstanding}\ x\ 100\% \text{......(6)}$$

IV. RESULTS AND DISCUSSION

The two way ANOVA test in this study was used to see the difference in the average cumulative abnormal return before and after the event based on different types of industry. The two way Anova test in this study was used to test the first hypothesis (H_1), whether there was a difference in the average market reaction before and after the announcement of the Covid-19 virus pandemic based on different types of industry. Decision making in the two way ANOVA test method is based on a significance value (Sig.)> 0.05, then H_1 is rejected, on the contrary if the value (Sig.) ≤ 0.05, then H_1 is accepted. Table 1 is the result of the two way ANOVA CAR test with different industries.

TABLE 1: RESULTS OF TWO WAY ANOVA CAR TEST BEFORE AND AFTER BASED ON DIFFERENT TYPES OF INDUSTRY

Dependent Variable: CAR

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	.041[a]	17	0,002	3,207	0,000
Intercept	1,695E-05	1	1,695E-05	0,023	0,881
Types of Industry	0,025	8	0,003	4,122	0,000
Period of Events	0,012	1	0,012	16,404	0,000
Period * Event	0,001	8	0,000	0,221	0,987
Error	0,325	433	0,001		
Total	0,366	451			
Corrected Total	0,366	450			

Source: Data processed, 2020

Based on Table 1, it can be seen that the significance value of the event period gives an F value of 16.404 with a significance level of less than 0.05 (Sig. = 0.000), this means that the mean difference in cumulative abnormal returns before and after the event is statistically significant. Type of industry gives an F value of 4.122 with a significance level of less than 0.05 (Sig. = 0.000), this means that the difference in the average cumulative abnormal return produced by each type of industry is statistically significant. This means that there is a significant difference in the average market reaction before and after the announcement of the Covid-19 virus pandemic based on different types of industry so that H_1 is accepted. The existence of an error rate of 5% indicates that at a 95% confidence level, it can be ascertained that there are differences in market reactions before and after the announcement of the Covid-19 virus pandemic based on 9 different types of industries.

This simple linear regression analysis is used to test the second hypothesis (H_2), namely whether the proportion of foreign ownership affects the capital market reaction due to the measurable Covid-19 pandemic announcement through CAR. Decision making in linear regression analysis, that is, if the significance value <0.05 means that the variable X has an effect on variable Y, whereas if the significance value is> 0.05 it means that the variable X does not affect the variable Y.

TABLE 2: RESULTS OF SIMPLE LINEAR REGRESSION ANALYSIS

		CAR before			CAR after		
		B	Beta	Sig.	B	Beta	Sig.
1	Constant	0,012		0,021	-0,005		0,149
	PKSA	-1,745E-05	-0,010	0,876	3,736E-05	0,035	0,593

Source: Secondary data processed, 2020

From the results of the simple linear regression analysis in Table 2, the regression equation for foreign share ownership on the CAR before and after the event can be stated as follows:

1) CAR before = 0,012 - 1,745E-05PKSA

2) CAR after = -0,005 + 3,736E-05PKSA

By looking at the significance value of the proportion of foreign ownership of 0.876 for CAR before and 0.593 for CAR after this event, it means that the significance value > 0.05% can be said that the proportion of foreign ownership has no significant effect on market reactions before and after the event of the global pandemic announcement related to the virus. Covid-19 by the World Health Organization (WHO) on March 11, 2020 means H_2 is rejected. If seen from the regression equation, the PKSA coefficient value on CAR after the event has increased but the effect of PKSA on CAR after the event is not significant. This shows that the information from the events seen from the financial statements is not enough by looking at the cumulative abnormal return (CAR) value alone.

Difference in Average Capital Market Reactions to the Announcement of the Covid-19 Pandemic based on Industry Type

The results of testing the first hypothesis (H_1) through the two way ANOVA test show that at the 95% confidence level, there is a direct influence between the observation period and the type of industry. The significance value of the event observation period and the type of industry (Sig.) 0,000 is smaller than 0.050, so H_1 is accepted. This means that there is a significant difference in the average capital market reaction before and after the announcement of the global pandemic related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 based on 9 different types of industry. The existence of significant differences in cumulative abnormal returns before and after the event based on different types of industry indicates that the market reacts to these events. From the data, the test results show the reactions shown by investors in each company based on the type of industry by buying or selling shares on the capital market, it can be said that these events contain information content. This is in line with the signal theory (signaling theory) which states that if an event contains information, it will react to the market.

This information is considered relevant by investors to be used as a consideration in making investment decisions in each type of industry in the capital market, so that market players react and respond to the situation, which is reflected in the value of cumulative abnormal returns before and after which experience differences based on the type of industry. different. The results of this study are supported by the results of research conducted by Chen et al., (2007), Utama & Hapsari, (2012), Satria et al., (2017), and Al-Awadhi et al., (2020). These studies found that market reactions to non-economic events were seen from differences in market reactions based on different types of industry. Based on the results of research, investors can use industry-specific information from the impact of the global pandemic announcement related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 as a basis for evaluation to identify investment opportunities in the sector. industries that have risk and return characteristics that are favorable for investors. Therefore, investors can predict and determine what investment steps will be taken in the face of non-economic events, especially pandemic events.

The Effect of Foreign Share Ownership on Market Reactions due to the Announcement of the Covid-19 Pandemic

The results of the second hypothesis testing (H_2) through regression analysis test the significance value of the proportion of foreign ownership with CAR before and CAR after the event of 0.876 and 0.593, this means that the significance value is greater than 0.050, then H_2 is rejected. This means that the proportion of foreign ownership has no influence on the reaction of the capital market which is proxied by cumulative abnormal return (CAR) before and after the announcement of the global pandemic related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020. The concept of market efficiency states investors always factor in the available information into their decisions so that it is reflected in the price they are transacting, so that the price prevailing in the market already contains that information.

From the research results, it is stated that foreign ownership or foreign investors do not include information on the event of the global pandemic announcement related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 to reflect the prices they transact so that it does not affect market reactions.

As for the argument that it does not affect the proportion of foreign share ownership, they do not consider the information on the announcement of the global pandemic announcement related to the Covid-19 virus by the World Health Organization (WHO) on March 11, 2020 as a fundamental event and which disrupts the company's long-term performance. However, overall these findings are consistent with overseas studies which imply that the market generally considers the announcement of a global pandemic related to the Covid-19 virus to be bad news and can influence investment decisions (Alber, 2020).

V. CONCLUSION AND SUGGESTIONS

Based on the research analysis, it can be concluded that, by using the two way ANOVA test, it shows that there is a difference in cumulative abnormal returns before and after the event based on different types of industry indicating that the market reacts to the event, it can be said that the event contains information content for investors. . Using linear regression analysis, foreign ownership of shares does not have a significant effect on cumulative abnormal returns due to the announcement of a global pandemic related to the Covid-19 virus by the World Health Organization on March 11, 2020. This means that foreign investors do not think that the information on the announcement event the global pandemic related to the Covid-19 virus by the World Health Organization on March 11, 2020, as a fundamental event that disrupts the company's long-term performance.

Based on the results of the study, the researchers provided the following suggestions. For investors, they must always make relevant assessments of the factors that affect share prices. The assessment was carried out not only from the economic aspect but also from non-economic aspects such as the global pandemic event related to the Covid-19 virus by the World Health Organization. Investors can also observe wisely every event that takes place accompanied by technical analysis and fundamental analysis before making investment decisions. Companies that are divided into 9 groups of industry types on the Indonesia Stock Exchange are expected to maintain stability and improve performance. The results showed that there were differences in cumulative abnormal returns based on different types of industry. The company must maintain its operational performance and increase its productivity so that stability is maintained so that investors trust the company and can provide good prospects in the future. Further researchers can use external events from other companies such as natural events, political events, macroeconomic policies, and events outside other companies to examine the information content and explain how the capital market reacts to these events and it is suggested to add fundamental factors. other companies such as company size, liquidity, leverage, and percentage of sales.

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