

## CHAPTER V

### CONCLUSIONS AND SUGGESTIONS

#### 5.1 Conclusions

Based on the hypothesis testing that has been done, it can be concluded that the research results are as follows:

1. There is a significant difference in average abnormal return before and after the initial vaccine COVID-19 in Indonesia. This can be shown from the results of statistical processing with a significance value of  $0.015 < 0.05$ . Thus H1 is accepted.
2. There is no significant difference in average trading volume activity before and after the initial injection of COVID-19 in Indonesia. This can be shown from the results of statistical processing with a significance value of  $0.113 > 0.05$ . Thus H2 is rejected.
3. There is a significant difference in the average bid-ask spread before and after the initial vaccine COVID-19 in Indonesia. This can be shown from the result of statistical processing with a significance value of  $0.001 < 0.05$ . Thus H3 is accepted.
4. The conclusion in this study can be said that the initial injection of the COVID-19 vaccine contains information on stocks listed on the Indonesia Stock Exchange in 2021, which is an announcement that contains

information on investor reactions in terms of falling stock prices which have an impact on abnormal returns and bid-ask spreads.

## **5.2 Research Implication**

### **1. Theoretical Implication**

This study adds empirical evidence that abnormal returns and bid-ask spreads significantly affect companies listed on the IDXHEALTH index and companies with subsidiaries engaged in the health sector. Moreover, this study also provides evidence that the vaccine injection event reduces trading volume activity on the stock market, indicating that investors lack confidence in the company's performance, resulting in lower stock prices. So, it is hoped that in the future, many parties will consider these shares to be an option in conducting trading transactions if the event is related to health issues.

### **2. Managerial Implication**

The company is expected to pay attention to its involvement in increasing investor demand to realize its strategy and presence in the market. This research information can provide a signal to investors to take advantage of current events to attract investors' attention to trade transactions. So, in the future the company is expected to be able to provide good information in order to keep investors investing in the company so that the company can survive due to crisis.

### **3. Investor Implication**

This study provides evidence that non-economic or non-financial

information, especially the initial injection of vaccine COVID-19, gives a signal to investors about how they should react to information in the capital market. The results of the study show that the presence of abnormal returns and bid-ask spreads has an effect on an event, so investors are expected to pay attention to stock price movements to get profits.

#### 4. For Further Research

Further research can increase the population, add research variables, increase the number of samples, and use different calculation methods so that future researchers can research with better results.

### 5.3 Research Limitation

This research has been carried out with the best and full of accuracy. However, there are some limitations in this study that should be noted:

1. The event window of the research is relatively short, which is 10 (ten) days before and 10 (ten) days after the initial injection of vaccine COVID-19 in Indonesia. Meanwhile, until the completion of this research as of July 2021, information related to the vaccine of COVID-19 impacts investors' decisions to trade so that the selection of different research periods may produce different research results.
2. There are only 3 (three) market reaction proxies used in this study: AAR, TVA, and bid-ask spread. This study only measures abnormal returns using the Market Adjusted Model.

3. The sample in this study is only 30 samples because very few companies are listed on IDXHEALTH, and companies have subsidiaries related to health and pharmaceuticals.

#### 5.4 Suggestion

From the results of the research concluded earlier, there are several suggestions as follows:

1. For Managerial

In the study results, there are significant differences in abnormal returns and bid-ask spreads before and after the initial injection of the COVID-19 vaccine. Therefore, it is hoped that the managerial side will give an effort in the vaccine production line by enhancing the quality of vaccine, the distribution to the society, to maintain the contract, expand the business area, and ensuring the effectiveness of the vaccine to keep the trust of the customer and society. Hence, the stock prices of the company will keep stable, even increase continuously.

2. For investor

The existence of significant differences in abnormal returns and bid-ask spreads is expected to be a good signal for traders who want to make profits in a short time so that traders can quickly analyze this vital information.

As for investors, it is hoped that they will not be in a hurry to get out of the capital market because of the quite volatile situation when there is ambiguous information about the COVID-19 vaccine, as long as the

information is positive, it is hoped that investors will be able to maintain their investment.

Investors are advised to be careful with information circulating in the market and consider it in making investment decisions to minimize risk. Investors should be cautious in choosing stocks that can provide a higher rate of return than the market benchmark.

### 3. For Further Researcher

It is recommended for the next researcher to further develop this research with the number of samples by using another population so that future researchers will get better results than representing the actual situation.

Then, it is recommended for the next researcher to further develop this research with other methods such as Capital Asset Pricing Model (CAPM) or Mean Adjusted Model may produce different research results and make comparisons for each method so that it can be known whether there are differences in the research results.

Hopefully, the next research can provide a more significant contribution to this topic. It is hoped that this research can be a help for further researchers and a source of reference.