Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

COVID-19 aftermath: study of implication to Indonesia industries performance

Maya Merida Liem[1], **Yie Ke Feliana**[2]
[1,2]Program Studi S-2 Akuntansi Fakultas Bisnis Dan Ekonomika Universitas Surabaya

Article Info
Keywords:
Market Performance,
Fundamental Performance,
COVID-19

ABSTRACT
This study aims to analyze the difference in market performance value and fundamental performance before the pandemic, during the pandemic, recovery period, and after the COVID-19 pandemic. This study uses a descriptive methodology to characterize the results of the analysis of market performance variables, namely share return, MBR, and PER. Then the fundamental perforance consists of ROA, CR, and DER for all components. The data of this study are secondary. The objects of this study are 11 industrial sectors recorded on the IDX through a sample selection process with conditions determined by the author. Data were tested using ANCOVA test through a process of descriptive, normality, and homogeneity testing. The results showed that Market to Book Ratio (MBR) that has significant differences is the main cyclicals sector, consumer non-cyclicals, financial, main industrials, infrastructures, technology, transportation & logistics and energy. Then the price earning ratio (PER) which has significant differences is the main industrial sector, the technology sector and the transportation & logistics sector. The variable share return that has significant differences is the cyclicals sector and the consumer non-cyclicals sector. Profitability variables that have significant differences are the main cyclicals sector, healthcare sector, main industrial sector, infrastructures sector, properties & real estate sector, Transportation & Logistics sector, energy sector. Liquidity variables that have significant differences are the basic materials sector, the main industrial sector, the technology sector, the transportation & logistics sector. Solvency variables that have significant differences are the main cyclicals sector, the property & real estate sector and the energy sector.

Corresponding Author:
Maya Merida Liem
Program Studi S-2 Akuntansi Fakultas Bisnis Dan Ekonomika Universitas Surabaya
Maaya_m@ymail.com

INTRODUCTION

In late 2019, COVID-19 was first reported in Wuhan, China. Due to its rapid spread worldwide, the virus reached every corner of every country, including Indonesia on March 2, 2020. According to WHO in 2020, there were 17,665,523 confirmed cases and 680,894 deaths in 216 countries until August 2020. Additionally, the Indonesian Ministry of Health reported 165,887 confirmed cases and 7,169 deaths for 34 provinces in Indonesia in 2020.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

As of now, the Republic of Indonesia has reported 4,254,443 confirmed COVID-19 cases, with 143,766 deaths and 4,102,700 patients recovered (Ministry of Health, 2021). In response to the virus spread, the government implemented various measures such as national lockdowns, curfews, and the formation of the COVID-19 Task Force, PSBB1, Transition PSBB, New Normal, micro-scale PSBB, PPKM, PPKM Levels 1-4, and vaccination. Ren and Homburg (2020) noted that the effectiveness of lockdown policies depends on their duration, with earlier implementations yielding better results.

Statistics indicate that when PPKM is implemented and mass vaccination is encouraged, reported cases will increase from tens of thousands to between tens of thousands and hundreds of thousands for several weeks in July 2021, before decreasing to tens of thousands in August 2021. Daily death tolls have risen to thousands, even reaching 2,000. Indonesia ranks fifth among the largest countries confirmed with COVID-19 for the period from July 2021 to August 2021. Regarding daily cases and deaths, Indonesia has risen to the third-highest category. A significant slowdown in the influx occurred during the second week of August when the number of people receiving the first and second vaccine doses increased.

Many individuals and organizations, including professionals, ordinary citizens, and financial institutions, have warned that the current pandemic will have a broad impact on the economy, including a deep and prolonged economic depression lasting longer than the 1997 and 1998 crises. The global economy and affected countries are feeling the extraordinary impact of the recent pandemic. Many nations have experienced economic downturns and the threat of recessionary revivals. Even countries outside Singapore, Japan, Korea, North Korea, and the United States have felt its impact. The flow of funds into the market has also slowed down (Junaedi et al., 2022).

According to Tandelilin (2001), the return on investment in stocks acts as an incentive and an examination of investors' willingness to bear the risks associated with investments. Research findings by Purnamasari & Anggraini (2021) conclude that investors' positive reaction to companies listed on the Indonesia Stock Exchange (BEI) during the study period is reflected in the positive abnormal return from the announcement of the COVID-19 pandemic until now. Furthermore, studies by Cahyaningdyah & Faidah (2017), Kurniawan (2012), Masitoh & Rahayu (2015), Sari & Susilawati (2018), and Wijayanto (2016) indicate that trading days impact stock yields on the Indonesia Stock Exchange. While stock return patterns may have changed after the current pandemic, this study was conducted before the pandemic when economic conditions were generally normal.

In general, businesses must maintain efficiency across all components, from raw material procurement to production, operations, marketing, and beyond, to overcome economic challenges. To succeed in the market, both investors and shareholders need more than just money; they also require knowledge and the ability to make informed decisions. Investors and shareholders need to conduct fundamental and macroeconomic analyses, taking into account a country's economic conditions. The better the economic conditions, the better the market conditions. Therefore, researchers are interested in studying the

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

implications of COVID-19 on company performance, both in terms of fundamentals and market behavior, across all industries in Indonesia (Syafi'i et al., 2023).

Investors and shareholders need to be vigilant about company performance so that they can make the right decisions about selling, holding, or buying stocks, and to avoid making irrational decisions due to economic fluctuations or unexpected disasters such as the COVID-19 pandemic.

The main purpose of this study is theoretical development to gain insights into natural and social phenomena, providing explanations and predictions about them. By conducting this research, the researchers aim to analyze the differences in company performance across markets and fundamental dimensions before and after the COVID-19 pandemic. Additionally, during the COVID-19 pandemic, investors will gain knowledge about market and fundamental performance trends for each industry segment. Therefore, the goal of this research is exploratory.

The benefits of this study include its ability to provide a comprehensive overview to investors about the conditions of company sectors post the global pandemic, namely COVID-19. However, it is hoped that the research conducted here will assist investors in making decisions and gaining more accurate knowledge if they face similar disasters in the future, such as the COVID-19 pandemic, regarding future business performance. It also provides additional factors to consider when making investments. The benefits of this study serve as basic research.

METHOD

Research Object

The object to be studied during the research activities is the 11 industrial sectors listed on the Indonesia Stock Exchange (BEI). These industrial sectors are basic materials, consumer cyclicals, consumer non-cyclicals, energy, financial, healthcare, industrials, infrastructures, properties & real estate, technology, and transportation & logistics.

Research Method and Approach

The research methods used are descriptive and verificative. Descriptive methods describe or analyze research findings without making generalizations. The method for obtaining evidence, related to the acceptance or rejection of hypotheses, with statistical sampling is called a verifiable method. This study uses a descriptive methodology to characterize the results of the analysis of market performance variables, namely share return, MBR, and PER. Then ROA, CR, and DER for all fundamental performance components.

Type and Source of Research

Because it is numerical, the data used is quantitative. Conversely, the data in this study are secondary because they come from sources that have been created and compiled by others and have been published (Muhammad, 2013). The data is then analyzed by researchers using secondary data analysis techniques used on existing data to eliminate the need for further data collection techniques such as interviews, surveys, and observations.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Population and Research Sample

According to Riduwan (2003), the population is objects or subjects located in a specific geographic area and also meets certain research methodology criteria. The majority of companies analyzed come from eleven different sub-sectors represented on the BEI. The following is the demographic of the population of this study.

Table 1 Industry Sectors on the Indonesia Stock Exchange (BEI)

No	Industrial Sector Number of Companies	Companies
1.	Basic Materials	96 Companies
2.	Cyclicals	139 Companies
3.	Consumer Non-Cyclicals	113 Companies
4.	Energy	76 Companies
5.	Financial	105 Companies
6.	Healthcare	27 Companies
7.	Industrials	55 Companies
8.	Infrastructures	62 Companies
9.	Properties & Real Estate	84 Companies
10.	Technology	33 Companies
11.	Transportation & Logistic	30 Companies

The sampling is considered representative of the entire population and all observed phenomena. The sample error rate is an important factor in determining whether the sample is collected using random or non-random sampling techniques. The sampling method is a hybrid of two different approaches: purposive sampling, where a specific sample size is determined and then used to represent the entire population, and quota sampling, where the sample size has been pre-determined and then used to sample from groups with known characteristics (Kasiram, 2008).

RESULTS AND DISCUSSION

In this section, the results of statistical testing will be discussed, accompanied by relevant analysis and theories.

Impacts of COVID-19 Pandemic on Market Performance

In this study, market performance is measured using Market to Book Ratio (MBR), Price Earning Ratio (PER), and share return. Here is a summary of the significance values per variable based on ANCOVA tests:

Table 2 Summary of ANCOVA Test Results – Market Performance

Industri	Nilai Signifikansi		
	MBR	PER	Share Return
Basic Materials	> 0.05	> 0.05	> 0.05
Cyclicals	< 0.05	> 0.05	< 0.05
Consumer Non-Cyclicals	< 0.05	> 0.05	< 0.05

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Industri	Nilai Signifikansi		
Energy	< 0.05	> 0.05	< 0.05
Financial	< 0.05	> 0.05	< 0.05
Healthcare	> 0.05	> 0.05	> 0.05
Industrials	< 0.05	< 0.05	< 0.05
Infrastructures	< 0.05	> 0.05	< 0.05
Properties & Real Estate	> 0.05	> 0.05	> 0.05
Technology	< 0.05	< 0.05	< 0.05
Transportation & Logistic	< 0.05	< 0.05	> 0.05

a. Market to Book Ratio (MBR)

Based on the test results, some sectors show significant differences, while others do not. Sectors with significant differences include the main cyclicals sector, which exhibits significant differences before the pandemic (2019) compared to during the pandemic (2020), before the pandemic (2019) compared to after the pandemic (2020), and during the pandemic (2019) compared to after the pandemic (2021). The consumer non-cyclicals sector shows significant differences between before, during, recovery, and after the COVID-19 pandemic. The financial sector shows differences between before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022). The main industrials sector shows significant differences between before, during, recovery, and after the COVID-19 pandemic. The infrastructures sector shows significant differences between before, during, recovery, and after the COVID-19 pandemic. The transportation & logistics sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), and during the pandemic (2020) and after the pandemic (2022). The energy sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and after the pandemic (2022), and during the pandemic (2020) and after the pandemic (2022). The technology sector shows significant differences between the recovery period (2021) and after the pandemic (2022).

For sectors with no significant differences, the basic materials sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The healthcare sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The properties & real estate sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic.

The MBR values during the pandemic experienced a decline compared to before the pandemic. This decline may be due to the impact of the pandemic, causing instability in the capital market. The company's value is indicated by the stock price of the company, where the stock price reflects the demand and supply. Since the COVID-19 pandemic hit, there has been a downward trend in the Composite Stock Price Index (IHSG), caused by numerous investors withdrawing their stocks from companies due to economic uncertainty. This has resulted in a decrease in the value of companies across various sectors.

The Market to Book Ratio measures the financial market's assessment of the management and organization of the company as a going concern. The book value of stocks reflects the historical and current value of the company's assets. Well-managed and efficiently operated companies may have a higher market value than the book value of their assets. A higher company value increases investor interest in investing. The higher the company's value, the higher the demand for its stocks by investors, and the stock price increases.

b. Price Earning Ratio (PER)

The second variable is the Price Earning Ratio, and there are sectors with differences and sectors without differences. Sectors with differences include the main industrials sector, which shows a significant difference during the pandemic (2020) compared to after the pandemic (2022). The technology sector shows a significant difference between before, during, recovery, and after the COVID-19 pandemic. The transportation & logistics sector shows a significant difference between before the pandemic (2019) and after the pandemic (2022).

Government policies such as Large-Scale Social Restrictions (PSBB) and Work From Home (WFH) during the COVID-19 pandemic in Indonesia are a bad signal or bad news for sub-sectors/companies in the transportation sector and main industrials. This is because the government's policy aims to limit community activities to prevent the spread of COVID-19. The implementation of this policy has caused the PER value to decline.

Companies in the transportation sub-sector listed on the Indonesian stock market have significantly underperformed, prompting investors to consider the poor performance of these companies. As a result, most investors withdraw their funds from the capital market because the COVID-19 pandemic in Indonesia is unclear in terms of how to handle it, when it will end, and is also a threat to companies in the transportation sub-sector due to the government's activity restriction policies. Due to this uncertainty, investors withdraw their funds and wait until the situation becomes certain or returns to normal. This is in contrast to the technology sector during the pandemic, which managed to work optimally in the stock market. This is regardless of societal needs amid the pandemic.

For sectors without significant differences, the basic materials sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The main cyclicals sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The consumer non-cyclicals sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The financial sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The healthcare sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The infrastructures sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The properties & real estate sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The energy sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic.

This explains that the market value, which is one indicator of the company's condition, has decreased, but not significantly, so there is no significant difference. The results of this

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

research do not align with the signaling theory, which explains that companies will provide signals in the form of information about the company's condition to stakeholders. This information is not responded to by key stakeholders, especially investors, because there is no significant difference in PER before and during the COVID-19 pandemic. Therefore, PER information is not a concern for investors to assess the company's financial performance.

c. Share Return

Based on the share return testing results, the basic materials sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. Some company sectors exhibit differences, while others show no significant differences. Sectors with significant differences in share return values include the main cyclicals sector, with significant differences between before the pandemic (2019) and during the pandemic (2020). The consumer non-cyclicals sector shows significant differences in share return values between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2020), before the pandemic (2019) and after the pandemic (2020), during the pandemic (2019) and after the pandemic (2022), the recovery period (2021) and after the pandemic (2022). The financial sector exhibits differences before the pandemic (2019) and the recovery period (2021), and during the pandemic (2020) and the recovery period (2021). The main industrials sector shows significant differences between before, during, recovery, and after the COVID-19 pandemic. The infrastructures sector exhibits significant differences between before, during, recovery, and after the COVID-19 pandemic. The technology sector shows significant differences between before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022), during the pandemic (2020) and the recovery period (2021), and during the pandemic (2020) and after the pandemic (2022). The energy sector shows significant differences between before the pandemic (2019) and during the pandemic (2020). The transportation & logistics sector shows significant differences between before, during, recovery, and after the COVID-19 pandemic.

On the other hand, sectors without significant differences include healthcare, which shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The properties & real estate sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The purpose of investors investing their capital is to obtain returns on the invested capital. The return can be in the form of dividends and capital gains. Return is the result obtained from investments; it can be the actual return that has occurred or the expected return that has not yet occurred but is anticipated in the future. The market has a level of volatility that tends to be very sharp and unpredictable, prompting investors to be more cautious and take steps to diversify. Investors are more inclined to put their money into financial assets or real estate; this is done to reduce losses significantly due to unpredictable market conditions.

Impacts of COVID-19 Pandemic on Fundamental Performance

In this study, market performance is measured using profitability, liquidity, and solvency. Here is a summary of the significance values per variable based on ANCOVA tests:

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Table 3 Summary of ANCOVA Test Results – Fundamental Performance

Industri	Nilai Signifikansi		
	Profitabilitas	Likuiditas	Solvabilitas
Basic Materials	> 0.05	< 0.05	> 0.05
Cyclicals	< 0.05	> 0.05	< 0.05
Consumer Non-Cyclicals	> 0.05	> 0.05	> 0.05
Energy	< 0.05	> 0.05	< 0.05
Financial	> 0.05	> 0.05	> 0.05
Healthcare	< 0.05	> 0.05	> 0.05
Industrials	< 0.05	< 0.05	< 0.05
Infrastructures	< 0.05	> 0.05	> 0.05
Properties & Real Estate	< 0.05	> 0.05	< 0.05
Technology	> 0.05	< 0.05	> 0.05
Transportation & Logistic	< 0.05	< 0.05	> 0.05

Based on profitability testing results, the basic materials sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. Some company sectors exhibit differences, while others show no significant differences. Sectors with differences include the main cyclicals sector, with significant differences before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), during the pandemic (2020) and the recovery period (2021). The healthcare sector shows significant differences between before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and during the pandemic (2022). The main industrials sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), during the pandemic (2020) and the recovery period (2022). The infrastructures sector exhibits significant differences between before the pandemic (2019) and during the pandemic (2020), during the pandemic (2020) and the recovery period (2022), during the pandemic (2020) and after the pandemic (2022). The properties & real estate sector shows differences before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022), during the pandemic (2020) and the recovery period (2021). The transportation & logistics sector shows significant differences between before the pandemic (2019) and after the pandemic (2022), during the pandemic (2020) and after the pandemic (2022). The energy sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), during the pandemic (2020) and the recovery period (2021), during the pandemic (2020) and after the pandemic (2022).

Then, sectors that do not have significant differences are the financial sector, where there is no significant difference between before, during, recovery, and after the COVID-19 pandemic. The technology sector also shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The consumer non-cyclicals sector also shows no significant differences between before, during, recovery, and after the

COVID-19 pandemic. The presence of the COVID-19 pandemic does not affect the financial, technological, and consumer non-cyclicals sectors' performance in generating high profitability. This may happen because companies can still sell products, albeit not as optimally as before the pandemic, especially considering that companies provide food needs for the community. Profitability ratio is a ratio used to measure the profit gained by a company using the resources it owns, whether from cash sales activities, models, the number of employees, or the number of branches in a specific period. The type of profitability ratio in this study is Return On Asset (ROA). ROA is a ratio comparing net income after tax to sales. Agency theory explains the relationship between a company's financial performance and the disclosure of environmental information. If a company has good financial performance, it can increase the company's profits, which affects the extent of financial information disclosure, thus reducing agency costs. According to Spence (1973), signaling theory explains that the sender (information owner) provides a signal or information that reflects the company's condition beneficial to the receiver (investor). ROA can be used to assess performance in terms of profit generated by the company temporarily. The COVID-19 pandemic caused a decrease in company revenue across various sectors. This occurred due to a decrease in public activities, with people focusing more on daily consumption needs. With the decrease in revenue, the net income after tax for companies will also experience a decline.

b. Liquidity

Based on the profitability testing results, several sectors show significant differences, while others show no significant differences. Among them, the basic materials sector exhibits significant differences between before the pandemic (2019) and the recovery period (2021), and before the pandemic (2019) and after the pandemic (2022). The main industrials sector shows significant differences before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), during the pandemic (2020) and the recovery period (2021). The technology sector exhibits significant differences between during the pandemic (2020) and after the pandemic (2022), the recovery period (2021) and after the pandemic (2022). The transportation & logistics sector shows significant differences between before the pandemic (2019) and after the pandemic (2022), during the pandemic (2020) and after the pandemic (2022), the recovery period (2021) and after the pandemic (2022).

Liquidity ratio reflects the financial condition of a company with the management of current assets. The research results illustrate differences in company conditions during the COVID-19 pandemic. One of the differences is in the management of current assets to meet the company's short-term obligations. During the COVID-19 pandemic, companies experience differences marked by a decline in financial performance, meaning that the COVID-19 pandemic has an impact on the liquidity of current assets of the company to meet short-term obligations. This is in line with the signaling theory that companies with information related to business activities will signal to stakeholders, especially for company investors. The results of this study give a negative signal that there is a decrease in liquidity due to the impact of the COVID-19 pandemic that affects company activities.

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Then, the sector that does not have any differences is the main cyclicals sector, where there is no significant difference between before, during, recovery, and after the COVID-19 pandemic. The healthcare sector also shows no significant differences between before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and during the pandemic (2022). The consumer non-cyclicals sector also shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The financial sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The infrastructures sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The properties & real estate sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. The energy sector shows no significant differences between before, during, recovery, and after the COVID-19 pandemic. This is because the CR (Current Ratio) of consumer non-cyclicals, financial, properties & real estate, and energy companies has not experienced a drastic decrease due to the COVID-19 pandemic in Indonesia, so they still have sufficient current assets to settle short-term company liabilities.

c. Solvency

Based on the test results, several sectors have significant differences, while others do not. Sectors that have differences in solvency value include the main cyclicals sector, with significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), and before the pandemic (2019) and after the pandemic (2022). The main industrials sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022). The properties & real estate sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022). The energy sector shows significant differences between before the pandemic (2019) and during the pandemic (2020), before the pandemic (2019) and the recovery period (2021), before the pandemic (2019) and after the pandemic (2022).**

Companies experience a decline in the management of assets with fixed charges (long-term debt or preferred stock) for the company, thus affecting the company's ability to meet these fixed and long-term charges. The COVID-19 pandemic, causing a decrease in company revenue across various sectors, will impact the decrease in company assets as well. The increasingly declining company assets cause the company to be unable to cover all its operational and non-operational costs, resulting in the company's inability to settle its long-term debts. This certainly has an impact on the solvency value between before and after the pandemic. A higher ratio indicates higher company debt, and the company finds it more difficult to obtain loans. Then, sectors of companies that do not have significant differences include the basic materials sector, consumer non-cyclicals sector, financial sector, healthcare sector, infrastructure sector, technology sector, and Transportation & Logistic sector. The COVID-19 pandemic has caused a decrease in the number of company assets due to a decrease in cash inflows. However, the decrease in the number of assets is also followed by an increase in the amount of company debt. In Aprillianto and Wardhaningrum (2021), it is stated that after the COVID-19 pandemic, fixed company costs continue to exist and cause companies to seek additional funding along with a decrease in company income. Many companies choose to increase debt during financial difficulties in the pandemic to meet their operational and non-operational obligations and burdens. This decision is made to prevent the company from further losses and eventual bankruptcy.

Implications of Research Findings

Here are some lessons that can be drawn from the research results on fundamental and market performance variables during the periods before, during, and after the pandemic.

1. Implications for Investors

Understanding the variability of the financial sector's performance in the context of MBR, PER, and share return is crucial. This understanding can provide better investment tactics, enabling investors to diversify their investment portfolios to maximize returns and minimize risks. Investors should note that industrial and technology sectors tend to have significant differences in MBR and PER during the pandemic, indicating they may be more vulnerable to the economic impact of the pandemic. They should also be aware that these sectors are likely to recover more slowly than others.

Additionally, investors should pay extra attention to how pandemic-related differences can affect the profitability, liquidity, and solvency of companies across various sectors. As the pandemic unfolds, there are significant changes in certain sectors that can impact the potential profits and investment risks.

2. Implications for Companies

Companies need to consider how they can optimize their profitability during the pandemic and also how the pandemic affects their MBR, PER, and share return. Moreover, companies need to evaluate and take effective measures to remain liquid and able to meet their obligations in both the short and long term.

3. Implications for Regulators or Government

Regulators or the government need to review and consider the economic impact of the pandemic on various sectors and how they can facilitate market recovery. Regulators need to ensure that policies implemented are in line with and support market stability. Additionally, they should provide appropriate assistance and stimulus for the sectors most affected.

Specifically, concerning profitability, industries such as infrastructure and energy should receive special attention, as they show significant differences in their profitability during the pandemic and recovery. This may indicate that these sectors may need further support in terms of stimulus or regulations to help them recover and return to previous profitability levels.

Meanwhile, for liquidity, the industrial, technology, and transportation & logistics sectors stand out significantly and may require better financial management strategies to ensure they have sufficient resources to endure during periods of economic uncertainty.

For solvency, companies in the consumer cyclicals and energy sectors need special attention, as they show significant differences in their solvency during the pandemic and recovery. This may indicate that these sectors may have higher debt levels or difficulty in meeting their obligations, posing risks to investors and becoming a primary focus in the policies taken by regulators or the government. Therefore, the findings of this research are essential as a reference for investors, companies, as well as regulators or the government in creating future strategies in the face of economic conditions influenced by global issues such as the COVID-19 pandemic.

CONCLUSION

From the analysis conducted, it can be seen that the COVID-19 pandemic has affected various sectors in the market differently. Regarding market performance, sectors that showed significant differences during the period from 2019 (early pandemic) to 2022 (post-pandemic) include major cyclicals, consumer non-cyclicals, financial, major industrials, infrastructures, technology, transportation & logistics, and energy. However, in the basic materials, healthcare, and properties & real estate sectors, there were no significant differences. In terms of fundamental performance, sectors with significant differences between 2019 and 2022 include major cyclicals, healthcare, major industrials, infrastructures, properties & real estate, transportation & logistics, and energy. On the other hand, the basic materials, financial, technology, and consumer non-cyclicals sectors did not show significant differences. In conclusion, the COVID-19 pandemic has had varied impacts on the market and fundamental performance of several sectors, with some sectors demonstrating better adaptation and faster recovery compared to others. With this understanding, investors can make more accurate and well-informed investment decisions.

REFERENCES

Acheampong, Prince, Evans Agalega, and Albert Kwabena Shibu. (2014). The Effect of Financial Leverage and Market Size on Stock Returns on the Ghana Stock Exchange: Evidance from Selected Stocks in the Manufacturing Sector. International Journal of Financial Research, 5(1),125-134.

Aditia, D., Nasution, D., Sains, F. S., Pembangunan, U., Budi, P., & Utara, U. S. (2020). Dampak Pandemi COVID-19 Terhadap Perekonomian. 5(2), 212–224.

Ajija, R. S. (2011). Cara cerdas menguasai eviews. Penerbit salemba empat. Hal 52. ISBN 9789790611504

Alexander, Nico, dan Nicken Destriana. (2013). Pengaruh Kinerja Keuangan terhadap Return Saham. Jurnal Bisnis dan Akuntansi, 15(2), 123-132

Anwaar, Maryyam. (2016). Impact of Firms' Performance on Stock Returns (Evidance from Listed Companies of FTSE-100 Index London, UK). Global Journal of Management and Business Research: Accounting and Auditing, 16(1)

Ashraf, B. N., (2020). Stock markets' reaction to COVID-19: Cases or fatalities?, Research in International Business and Finance, Vol. 54.

Baker, S. R., N. Bloom, S. J. Davis, K. Kost, M. Sammon, & T. Viratyosin. (2020). The

Unprecedented Stock Market Reaction to COVID-19, The Review of Asset Pricing Studies

Ben-Ahmed, K., Ayadi, I., & Hamad, S. B. (2021). COVID-19 impact on digital companies' stock return: A dynamic data analysis. Finance Research Letters, 46, 102340.

Bodie, Z., Kane A., Marcus .,AJ. (2008). Investments and Portfolio Management – 9thedition. NewYork: Irwin – McGraw Hill.

Brigham, F. Eugene dan Joel F. Houston. (2013). Dasar-dasar Manajemen Keuangan. Jakarta: Salemba Empat

Bursa Efek Indonesia. Daftar Saham. Di akses di https://www.idx.co.id/data-pasar/data-saham/daftar-saham/ pada 08.00 WIB

Cahyaningdyah, D., & Faidah, F. (2017). Analisis Pengaruh Hari Perdagangan Terhadap Return Saham Di Bursa Efek Indonesia: Pengujian Menggunakan Garch (Generalized Autoregressive Conditional Heteroskedasticity).Ekspektra: Jurnal Bisnis Dan Manajemen, 1(1), 1-10.

Damodaran, Aswath. (2006). Security Analysis for Investment and Corporate Finance. New Jersey: John Wiley and Sons, Inc.

Darabee, T. (2022). The impact of COVID-19 on the financial performance of the listed firms in Palestine. Gazi Iktisat Ve Işletme Dergisi, 8(3)

Didar, K. (2019). Impact of the Financial Factors on Return on Assets (ROA): A Study on ACME. Daffodil International University Journal of Business and Entrepreneurship, 12(1), 50–61.

Durrah, O., Rahman, A., Jamil, S. A., & Ghafeer, N. a. M. (2016). Exploring the Relationship between Liquidity Ratios and Indicators of Financial Performance: An Analytical Study on Food Industrial Companies Listed in Amman Bursa. DergiPark (Istanbul University).

Fabozzi, Frank J. (2000); Manajemen Investasi; Buku Dua; Salemba Empat, Pearson Education Asia Pte. Ltd. Prentice-Hall

Fama, E. F., (1970). Efficient Capital Markets: A Review of Theory and Empirical Work. The Journal of Finance, 25(2), 383 -417

Fitriaty, Muhammad Haris Saputra, Dessy Elliyana. (2022). Analisis Faktor – Faktor Yang Mempengaruhi Keputusan Investasi Selama COVID-19 Di Bursa Efek Indonesia. Jurnal Manajemen Terapan dan Keuangan (Mankeu) 11(2), 2022

Fraser, L. M. & Ormiston, A. (2016). Understanding financial statement, 11th edition. Pearson

Fraser, Lyn M. And Allen Ormiston. (2004). Memahami Laporan Keuangan. Jakarta: PT Indeks

Ganie, I. B., Wani, T. A., & Yadav, M. P. (2022). Impact of COVID-19 Outbreak on the Stock Market: An Evidence from Select Economies. Business Perspectives and Research, 227853372110736

Georgieva, Kristalina. (2020). Fiscal Monitoring: Policies to Support Peoplr Durig the COVID-19 Pandemic. Washington DC: IMF. ISBN 978-1-51353-769-6.

Gunawan, I Putu Ari dan I Ketut Jati. (2013). Pengaruh Rasio Keuangan Terhadap Return

Saham Dalam Pengambilan Keputusan Investasi Pada Saham Unggulan Yang Terdaftar Di Bursa Efek Indonesia, E Jurnal Akuntansi Vol 2 No 1, 1-18

Hasliana. (2019). Analisis Pendekatan Price Earning Ratio (PER) dalam Pengambilan Investasi (Studi pada Perusahaan sub sektor Food & Beverage yang Terdaftar di BEI 2016-2018). Jurnal Manajemen. 1(26).

Hermanto, Bambang, dan Mulyo Agung. (2015). Analisis Laporan Keuangan. Jakarta: Lentera Printing.

Hermuningsih, Sri. (2010). Pengaruh Profitabilitas, Size Terhadap Nilai Perusahaan Dengan Struktur Modal Sebagai Variabel Intervening. Jurnal Siasat Bisnis, 16 (2) :232-242.

Hin, L. Thian. (2008). Panduan berinvestasi saham edisi terkini. Jakarta : PT Elex Media Komputindo.

Islam, M. R., Khan, T. R., Choudhury, T., & Adnan, A. M. (2014). How Earning Per Share (EPS) Affects on Share Price and Firm Value. European Journal of Business and Management, 6(17), 97–108.

Isola Fatoki, O., & Nasieku, T. (2017). The Influence of Market to Book Ratio of Equity on Capital Structure Choice in Nigeria. Scientific Research Journal, V(XI).

Jamil, I., Kogid, M., Lim, T. S., & Lily, J. (2023). Pre- and Post-COVID-19: The Impact of US, UK, and European Stock Markets on ASEAN-5 Stock Markets. International Journal of Financial Studies, 11(2), 54

Junaedi, D., & Salistia, F. (2020). Dampak Pandemi COVID-19 terhadap Pasar Modal di Indonesia: Studi Kasus Indeks Saham Komposit (ISHG). Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah, 2(2), 109–131. https://doi.org/10.47467/alkharaj.v2i2.112

Junaedi, Dedi, M. Rizal Arsyad, Faisal Salistia, Moh. Romli. (2022). Menguji Efektivitas Vaksinasi COVID-19 di Indonesia. Reslaj: Religion Education Social Laa Roiba Journal 4(1), 120-143

Kasiram, M. 2008. Metodologi Penelitian Kuantitatif. Malang: UIN Malang Press. hal 227

Kasmir. (2010). Analisis Laporan Keuangan. Cetakan Ketiga. Jakarta: Raja Grafindo Persada

Kementerian Kesehatan Republik Indonesia. (2020). Info Infeksi Emerging Kementerian Kesehatan RI pada hakaman https://infeksiemerging.kemkes.go.id diakses pada 16 Oktober 2022

Kementerian Kesehatan Republik Indonesia. (2021). Situasi Terkini Perkembangan Coronavirus Disease (COVID-19) 25 November 2021, di akses di https://infeksiemerging.kemkes.go.id/situasi-infeksi-emerging/situasi-terkini-perkembangan-coronavirus-disease-COVID-19-25-november-2021 pada 16 Oktober 2022

Kementerian Keuangan RI. (2020). Pemerintah Waspada Dampak Pandemi COVID-19 Terhadap Ekonomi Indonesia. April, 17–21.

Kurniawan, A. A. (2012). Analisis Pengaruh Hari Perdagangan Terhadap Return Saham Perusahaan Bidang Telekomunikasi Yang Terdaftar Di Bursa Efek Indonesia. Probisnis, 5(2).

Maria J. F Esomar, Restia Chritianty. (2021). COVID-19 Pandemic Impact towards the Financial Performance of Companies on Service Sector in BEI JKBM. Jurnal Konsep

Bisnis dan Manajemen, 7 (2), 227-233

Masitoh, T. A., & Rahayu, R. (2015). Pengaruh Hari Perdagangan Terhadap Return Saham Pada Perusahaan Perkebunan Di BEI. Jurnal Ilmu dan Riset Manajemen (JIRM), 4(4).

Mazid, Annisa, Erna Listyaningsih, Wiewiek Indriani. (2022). Dampak Pandemi COVID-19 Terhadap Return Saham Sektor Property Dan Real Estate Yang Terdaftar Di Bursa Efek Indonesia Periode 2020. Jurnal Manajemen Universitas Bung Hatta 17(1), 43-51

Muhammad. 2013. Metodologi Penelitian Ekonomi Islam. Jakarta : RajaGrafindo Persada

Nurmasari, I., (2020). Dampak COVID-19 -19 Terhadap Perubahan Harga Saham dan Volume Transaksi (Studi Kasus Pada PT. Ramayana Lestari Sentosa, Tbk., Jurnal SEKURITAS (Saham, Ekonomi, Keuangan dan Investasi), 3(3), 230 -236

Oktavia, Trisna Ayu, Nova Maulud Widodo, Halleina Rejeki Putri Hartono. (2021). Analisis Fundamental Saham Sebelum Dan Sesudah Pandemi COVID-19: Studi Empiris Di Bursa Efek Indonesia Jurnal MONEX 10(2), 213-218

Pepinsky, T. B., & Wihardja, M. M. (2011). Decentralization and economic performance in Indonesia. Journal of East Asian Studies, 11(3), 337–371. https://doi.org/10.1017/S1598240800007372

Pinglin H., Y. Sun, Y. Zhang & T. Li, (2020). COVID-19 – 19's Impact on Stock Prices Across Different Sectors —An Event Study Based on the Chinese Stock Market. Emerging Markets Finance and Trade, 56 (10).

Pontiff, Jeffrey, Lawrence D. Schall. (1998). Market to Book Ratio Ratios as Predictors of Market Returns. Jurnal of Financial Economics 49, 141-160

Purnamasari, Endah Dewi, Leriza Desitama Anggraini. (2021). Analisis Return Saham Perusahaan Yang Terdaftar Di Bursa Efek Indonesia Pada Masa Pandemi COVID-19 Jurnal Akun Nabelo: Jurnal Akuntansi Netral, Akuntabel, Objektif , 4(1), 630-639

Purnaningrum, E. & Ariyanti, V. (2020). Pemanfaatan Google Trends untuk Mengetahui Intervensi Pandemi COVID-19 -19 terhadap Pasar Saham di Indonesia. Majalah Ekonomi,25 (1), 93 -101.

Putri, H. T., (2020). COVID-19 19 dan Harga Saham Perbankan di Indonesia. Eksis: Jurnal Ilmiah Ekonomi dan Bisnis, Vol. 11 (1), pp. 6 – 9

Qadri, S. B., Ma, Z., Raza, M., Li, M., Qadri, S. Q. S. U., Ye, C., & Xie, H. (2023). COVID-19 and financial performance: Pre and post effect of COVID-19 on organization performance; A study based on South Asian economy. Frontiers in Public Health, 10

Raharjaputra, Hendra. (2009). Manajemen Keuangan dan Akuntansi. Jakarta: Salemba Empat.

Rianti, Afrida. (2021). Analisis Dampak COVID-19 Pada Volume Transaksi Saham Dan Harga Saham (Studi Kasus Pada Kelompok Perusahaan Transportasi Yang Terdaftar Di Bei Tahun 2020). JIMA Jurnal Ilmiah Mahasiswa Akuntansi 1(3), 71-178

Riduwan. 2003. Dasar-dasar Statistika. Bandung : Alfabeta

Riyadi, Slamet. (2014). Banking Asset and Liabilty Management. Jakarta: Lembaga Penerbit Fakultas Ekonomi Universitas Indonesia

Sadiq Oshoke, A., & Sumaina, J. (2015). Performance Evaluation through Ratio Analysis. Journal of Accounting and Financial Management, 1(8)

ŞAMİLOĞLU, F., Osman ÖZTOP, A., & Emre KAHRAMAN, Y. (2017). The Determinants of Firm Financial Performance: Evidence From Istanbul Stock Exchange (BIST). Journal of Economics and Finance, 8(6 Ver. I), 62–67

Sari, T. I., & Susilawati, S. (2018). Analisis Monday Effect, Weekend Effect Dan Pengaruh Hari Perdagangan Terhadap Return Saham Pada Kelompok Saham Indeks LQ 45 Di Bursa Efek Indonesia Periode Februari 2017- Januari 2018. Jurnal Profiet, 2(2), 125-129

Sawir, Agnes. (2010). Analisis Kinerja Keuangan dan Perencanaan Keuangan Perusahaan. Cetakan Keenam. Jakarta: Penerbit PT. Gramedia Pustaka Utama

Sezgin, F. H. (2010). An Empirical Investigation of the Relationship Among P/E Ratio, Stock Return and Dividend Yields for Istanbul Stock Exchange. DergiPark (Istanbul University)

Shamsudin, N., Mansor Mahmood, W., & Ismail, F. (2013). The Performance of Stock and the Indicators. International Journal of Trade, Economics and Finance, 409-413

Shleifer, A. (2000b). Inefficient Markets:An Introduction to Behavioral Finance: An Introduction to Behavioral Finance. OUP Oxford.

Sianturi, Crissy Norris. (2015). Pengaruh Liquidity , Firm Size , Growth Opportunity , Financial Distress , Leverage Dan Managerial Ownership Terhadap Aktivitas Hedging Dengan Instrumen Derivatif (Studi Kasus Pada Perusahaan Nonfinansial Yang Terdaftar Di BEI Periode 2010-2014). Diponegoro Journal of Management. Vol. 4 (4).

Statman, Meir. (1995). Behavioral Finance versus Standard Finance; in Behavioral Finance and Decision Theory in Investment Management;ICFA Continuing Education, Association Investment Management and Research.

Acheampong, P., Agalega, E., & Shibu, A. K. (2014). The effect of financial leverage and market size on stock returns on the Ghana Stock Exchange: evidence from selected stocks in the manufacturing sector. *International Journal of Financial Research*, *5*(1), 125.

Cahyaningdyah, D., & Faidah, F. (2017). Analisis Pengaruh Hari Perdagangan Terhadap Return Saham Di Bursa Efek Indonesia: Pengujian Menggunakan Garch (Generalized Autoregressive Conditional Heteroskedasticity). *Ekspektra: Jurnal Bisnis Dan Manajemen*, *1*(1), 1–10.

Khan, T. R., Islam, M. R., Choudhury, T. T., & Adnan, A. M. (2014). *How earning per share (EPS) affects on share price and firm value*.

Purnamasari, E. D., & Anggraini, L. D. (2021). Analisis Return Saham Perusahaan Yang Terdaftar di Bursa Efek Indonesia Pada Masa Covid-19. *Jurnal Akun Nabelo: Jurnal Akuntansi Netral, Akuntabel, Objektif*, *4*(1), 630–639.

Syafi'i, A., Shobichah, S., & Mulyani, M. (2023). PENGARUH DIVERSIFIKASI PRODUK TERHADAP PERTUMBUHAN DAN KEUNGGULAN BERSAING: STUDI KASUS PADA INDUSTRI MAKANAN DAN MINUMAN. *Jurnal Impresi Indonesia*, *2*(6), 592–599.

Tandelilin, E. (2001). *Analisis investasi dan manajemen portofolio*. Yogyakarta: Bpfe.

Tandelilin E. (2017). Analisis Investasi dan Manajemen Fortofolio Edisi pertama Cetakan pertama. Yogyakarta: BPFE

Jurnal Ekonomi
Volume 13 , Number 01, 2024, DOI 10.54209/ekonomi.v13i01
ESSN 2721-9879 (Online)
https://ejournal.seaninstitute.or.id/index.php/Ekonomi

Usmadi, U. (2020). Pengujian persyaratan analisis (Uji homogenitas dan uji normalitas). Inovasi Pendidikan, 7(1).

Van Horne, Jamea C, dan Wachowicz, John M. (2009). Prinsip-prinsip Manajemen Keuangan. Jakarta: Salemba Emapat

Vijh, M., Chandola, D., Tikkiwal, V. A., & Kumar, A. (2020). Stock Closing Price Prediction using Machine Learning Techniques. Procedia Computer Science, 167, 599–606.

WHO. (2020). Critical Preparedness. Readliness and Response Actions for COVID-19

Wijaya, C.C & Putri, A.P. (2021). Pengaruh Analisis Fundamental Dan Analisis Teknikal Terhadap Harga Saham Pada Perusahaan Yang Terdaftar Di Indeks LQ45. Jurnal Ekonomi Bisnis Manajemen Prima, 2 (2).

Wijayanto, A. (2016). Pengaruh Frekuensi Perdagangan Saham, Volume Perdagangan Saham, Kapitalisasi Pasar dan Jumlah Hari Perdagangan terhadap Return Saham (Studi pada Saham Perusahaan Dagang Eceran yang Terdaftar dalam Indeks Saham Syariah Indonesia Sebelum Sampai Sesudah Bulan Ramadhan.Management Analysis Journal, 5(1)

Wijayanto, Andi, Agus Hermani D. Seno. (2021). Comparative Analysis of Company Financial Performance Between Sub Sectors in The Consumer Goods Industry in Indonesia Before and During The COVID-19 Pandemic. Journal of Economics, Finance and Management Studies Volume, 4(12), 2427- 2432

Yan, Y. (2022). Correlation Analysis of Stock Returns and Financial Indicators of Starbucks Corporation

Zulfitra, M. T., 2020. Reaksi Pasar Modal Index LQ45, Index Consumer Goods, Index Manufacture dan Index Finance pada Peristiwa Pandemi COVID-19 -19, Jurnal Semarak, 3 (3), 1 – 10