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Comparison of Sharia Stock Prices and Trading Volumes Before and During COVID-19

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Abstract: Before making an investment, entrepreneurs or investors must consider the benefits and financial risks obtained. So, investors need to take action in investing, meaning that investors need to form a portfolio by selecting several assets so that financial risk can be minimized without reducing the expected. The COVID-19 pandemic has significantly impacted the economy, especially investors, informing an optimal portfolio. This study aims to determine the optimal portfolio formation during the COVID-19 pandemic. In this study measurement, we used variables in the form of stock prices and stock trading volumes before and during COVID-19 pandemic. This study shows a comparison, but not so significant, between stock prices before and during the pandemic. Based on the survey conducted, the following results were found, i.e., first, shows an insignificant difference between prices before and after the rights issue announcement. The stock trading volume indicates a significant difference between the stock trading volume before and after the rights issue; trading volume increases after the information of the rights issue. By implementing companies affected by COVID-19 pandemic, we can watch the prices that occur around the announcement date. Investors can make a reason about their investments in shares of issuers affected by COVID-19 pandemic.

Keywords: Investment, Comparison Study, Stock Price, COVID-19

JEL Classification Code: G11, G01, G23

1. INTRODUCTION

The capital market, in general, is an activity that has to do with public offerings and securities trading, every public company dealing with securities issued, and institutions and professions related to securities. The capital market has a vast and vital role in the economy of a country. This is because the capital market will carry out two functions at once: economics and finance. In the realm of the capital market, various kinds of financial information are a basic need for financial administration employees because this information provides an overview of how the economic conditions and conditions of these companies are in reality. For example, if the market overvalues the stock price, the number of requests for purchases will increase (Zahra, 2019). The capital market is closely related to various products in the form of ideas, cultural products, and globalization products adopted from the Conventional Economic System, namely the Islamic Capital Market (ICM). The beginning of the dominant ICM was inspired by the Conventional Capital Market (CCM). Until the first quarter of 2008, this sharia pattern has been implemented and operated in general and experienced very positive growth. It is noted that the stock price index in the Islamic Capital Market is still affected by fluctuations in the stock price in CCM.

Investors in PMS have the same motivation and potential for profit and loss as investors in CCM. However, several studies have shown that investment risk factors in ICM are more muted (Hulyati, 2006). Despite having a crucial role, the capital market is considered to provide pressure that complicates today's world economy. This is due to various economic practices and actions based on different unique ideas of human creativity and innovation. This creative idea is seen as excellent because dynamic, fantastic value financial transactions occur through the capital market, constantly changing from second to second when the process takes place (Aziz & Ulfah, 2010). By utilizing sophisticated information technology, the transactions involve various instruments, either through



excellent and lawful processes or unfavorable and unlawful processes, indifferent, mixed, and complicated ways. In addition, the capital market is also one of the spearheads of free trade, which is consistently campaigned by high-ranking capitalist developed countries. The capital market is used as a political tool to regulate the world, which capital holders use to always oppose government intervention in the free trade process, including in capital market activities. At the same time, free trade that does not recognize the values of devotion to God can cause many doubts and questions that adhere to the importance of materialism. These include: (1) Is this system applicable to all parties for the common interest and prosperity; (2) Can this system spur growth and development; (3) Whether the number of poverty and the problem of poverty is reduced; and (4) What is the impact on the environment and natural resources.

The capital market in Indonesia has developed quite rapidly. This is shown by the number of companies listed on the Indonesia Stock Exchange (IDX) and the many people who enter the capital market. Making capital market participants realize that trading can provide reasonably good profits for them. The capital market is an alternative that capital owners or investors can use to invest (Zahra, 2019). In this era of globalization, various business opportunities are increasingly providing a wide-open road, and the level of competition is getting higher and tighter. So that this condition increasingly demands different companies to continue to improve their performance results to be able to survive in this increasingly fierce competition. Starting from the end of 2019, the whole world was attacked by the COVID-19 virus, which first appeared in Wuhan, China, at the end of 2019. The existence of this coronavirus spread very quickly until the whole world felt its negative impact, starting from death, the health crisis, the education crisis because all activities are limited or even wholly suspended. Also, one of the most severely affected is the economic crisis which is getting more challenging along with the spread of this virus. The government has made various efforts to prevent the spread of the COVID-19 outbreak, including physical distancing, wearing masks, closing schools, working from home, and so on (Nurmasari, 2020). The COVID-19 pandemic has spread all over the world. At first, it did not affect the stock market, but with the increasing number of cases of spread, with a broader spread range, the impact is that more and more confirmed victims influence stock prices by giving adverse reactions (Khan et al., 2020). After the WHO declared that the spread of the coronavirus was officially referred to as a pandemic, then this, of course, had an influence on stock prices in the market and caused prices in the stock market to decline (Alali, 2020) and generated negative abnormal returns (Liu et al., 2020). The COVID-19 pandemic in Indonesia affects the capital market. It causes changes in trading times on the Indonesia Stock Exchange. This negative signal (terrible news) causes investors to be more interested in selling their share ownership (Kusnandar and Bintari, 2020). The condition of the COVID-19 pandemic has also affected the dynamics of the stock market. In Indonesia, this also has a negative impact on the capital market and affects investors in making investment decisions (Pitaloka et al., 2020).

The investors must have pocketed several company criteria that they can invest in so as not to cause losses in the future. One of them is by looking at and assessing how the condition of a company is not only seen from the turnover received. It can also be seen from the price of shares owned or sold by the company. By holding shares in the company, each share price owned will show how much supply and demand occurs in the sale of these shares. A situation like the COVID-19 pandemic negatively impacts the economy, especially for companies listed on the Jakarta Islamic Index. As a result of this pandemic, there have been many significant and unnatural declines in the global index, especially for the prices of issuers that have gone public in Indonesia. This decline affected various sectors and the telecommunications sub-sector whose products were still being used during this pandemic. The COVID-19 situation caused a reduction in the IHSG caused by investors who prefer to hold cash in cases like this and choose to shift their money to safer instruments. The following is a chart of the IHSG movement describe in Figure 1. The IHSG chart shows that in March 2020, the movement of the composite stock price index decreased. So this will also have an impact on the direction of stock prices in most sectors on the Indonesia Stock Exchange, including the telecommunications sub-sector, since the government announced the first confirmed cases of COVID-19 in Indonesia on March 2, 2020. this has resulted in the government trying to reduce the number of infected patients by implementing physical distancing and working, studying, and worshipping from home, resulting in increased internet use due to policies issued by the government.

The implementation of physical distancing causes internet usage to increase significantly in 2020; the number of internet usage rises by 30-40%.



Figure 1: IHS Movement Chart (www.poems.com)

In developing and developing countries, including low-income countries with limited health care capabilities, efforts to contain COVID-19 could trigger a more profound and more prolonged recession, exacerbate decades of potential growth trends, and slow productivity growth. Before this crisis, growth in many developing and emerging economies was weak. The COVID-19 shock is now making the challenges facing these ecological nations even more difficult. Low oil prices allow oil producers to diversify their economies. Short- and long-term reconstruction policies need to strengthen health services and implement targeted stimulus measures to help restore growth, including support for the private sector and direct public fundraising. The UN framework for immediate socio-economic responses to the COVID-19 crisis warns: The COVID-19 pandemic is not just a health crisis: it affects people and the economy's core. Although the impact of the pandemic varies from country to country, it is possible to exacerbate poverty and inequality on a global scale, achieving sustainable development goals more pressing. Assessing the impact of the COVID-19 crisis on people, economies, and vulnerable groups is critical to informing and adapting government and partner responses to the situation, and ensuring that no effort is put into this effort. Without urgent socio-economic action, global suffering will intensify in the coming years, endangering lives and livelihoods. Immediate development countermeasures to be taken in this crisis must be far-sighted.

In the long term, the trajectory of suspicion will be influenced by choices made in the assumed current state and the support they receive. Based on the above background, researchers are interested in studying more deeply related to it. It is interesting for researchers to learn more about comparing stock prices calculated before the pandemic and during the pandemic. Based on the description of the background above, the researcher formulates the problem for this research. Namely, is there a difference in the price of Islamic shares and their trading volume as seen from the trading of Islamic shares before and during COVID-19 recorded in the Jakarta Islamic Index. Apart from that, the purpose of this research is to obtain empirical and accountable evidence regarding whether there are differences in sharia share prices and stock trading volumes when viewed before and during COVID-19 recorded in the Jakarta Islamic Index. With this study, the researcher hopes that this study will provide more insight and thoughts that will later support existing theories related to the topic under study. In addition, the researcher also hopes that the results of this study can provide additional knowledge, various series of related theoretical explanations, as consideration for making decisions for investors to invest, as well as material for scientists and readers and can be additional references and literature for research.

Furthermore, we hope that the results of this study will be helpful for academics by being able to provide additional knowledge, especially in the field of stock prices and stock trading volume before and during COVID-19. This research is also expected to be input for other research with the same topic in the future. Researchers also hope that the results of this analysis can provide benefits in the form of a deeper understanding of the Islamic capital market and its sales comparison during this

pandemic, as well as various understandings of investment, especially in the field of Islamic stock prices and trading volume before and during COVID-19.

2. Literature Review

Signaling theory helps describe the behavior when two parties (individuals or organizations) access different information. Usually, one party, the sender, must choose whether and how to communicate (or signal) the data, and the other party, the receiver, must decide how to interpret the signal. Signaling theory explains that the sending party or the owner of the information can give a call or sign in the form of communication that also reflects the condition of a company that is beneficial to the recipient (investor) (Robert, 2018). The capital market is an activity that is closely related to various kinds of public offerings on securities trading or public companies dealing with securities. In addition, there is also the term stock exchange in the capital market, which means a type of market where investors meet to sell or buy securities or securities. The word effect comes from the Dutch effect-ten. In essence, the function of the capital market is to obtain long-term capital in the form of material and essential information that is useful for the various units involved in it. The capital market is also used to get multiple kinds of new capital that are useful for companies. In addition, the existence of the capital market will also get production with the money obtained so that the results will be able to help the productivity of the company. Investment is an activity carried out by an individual or a group of people by investing in assets in the form of funds expected to provide more significant reciprocal gains in the future. This interchange is closely related to the number of funds invested from the start.

The impact of financial uncertainty on bank risk-taking could also be different from that of economic uncertainty. The financial instability hypothesis (Minsky, 1992) argues that financial markets tend to move from a stabilizing financial structure with hedge finance domination over a long period of good times to an economical design with speculative finance domination. Banks may have an incentive to increase risk-taking in good times, therefore leading to banking crises. Danielsson et al. (2018) find support for this hypothesis through the presence of a "low volatility channel": lower levels of volatility encourage higher risk-taking and credit booms sequentially, thus endogenously fueling the probability of a crisis. From both banks' and businesses' perspectives, higher financial uncertainty leads to tighter credit conditions and less bank lending (Stock and Watson, 2012; Caldara et al., 2016; Popp and Zhang, 2016). Therefore, we hypothesize that financial uncertainty is negatively associated with the risk-taking of banks. Besides examining the overall impact of economic uncertainty and financial uncertainty on bank risk-taking, this paper also explores whether the ownership of banks alters the direction or magnitude of this impact. As prior literature has suggested that bank risk-taking levels differ among foreign-owned, state-owned, and private banks (Chen et al., 2017), our paper also focuses on the modifying force of banks' ownership on the nexus of economic/financial uncertainty and bank risk. As some emerging markets have witnessed a significant presence of foreign and domestic state-owned banks, uncertainty likely leads to heterogeneous effects in banking markets with different ownership structures.

The recent corporate finance literature focuses on examining how managers' psychological biases or characteristics affect firm decisions (Baker, Pan, & Wurgler, 2009; Hirshleifer et al., 2012; Galasso & Simcoe, 2011). The upper echelons theory is often used as a theoretical perspective to explain how top executives influence an organization's strategic decisions (Hambrick & Mason, 1984). The theory advocates that strategic decision-making partly reflects the psychological characteristics of powerful actors in the organization (Baker et al., 2012; Malmendier & Tate, 2005). Within the remit of the upper echelons theory, CEOs are crucial factors that affect their decision to commit resources into the innovative processes of the firm. CEO's MSENT, in this case, refers to the CEO's beliefs and feelings about an economic, industry, or business situation or event (Danso et al., 2019; Hribar et al., 2017). Such behavioral characteristics of CEOs influence their definition and interpretation of competitive conditions, which prompts reaction (Colombo, Piva, Quas, & Rossi-Lamastra, 2016). Extant literature suggests that managers' outlook on the economy drives essential firm decisions.

For instance, Danso et al. (2019) highlight that managers are likely to underinvest if economic conditions permit the firm to make profits in the future. Similarly, a CEO's awareness of prevailing

economic conditions also drives their corporate innovativeness (Taalbi, 2017; Schumpeter, 1942). Innovative activities and innovative organizations are reshaped by the underlying economy, especially in periods of extreme firm vulnerability, such as during an economic crisis (Archibugi et al., 2013; Paunov, 2012). During poor periods, the zeal to innovate more rather than less may depend on certain key factors. First, the CEO manages a highly dynamic firm or a firm that cannot survive without changing its products and services. The competitive advantage of such a firm resides particularly in its CEO's ability to generate new or upgrade existing knowledge for the firm to innovate continuously, regardless of the business cycle. In this situation, firm innovation, success, and technical change are rooted in the cumulative learning processes of the CEO and mainly driven by patterns linked to their organizational routines. Innovative success is often attained via more remarkable persistence in creative activities. In turn, persistence is usually a characteristic of well-established (i.e., mature or large) firms (López-Salido, Stein, & Zakrajšek, 2017; Maslach, 2016). When CEOs perceive economic, industry, and business cycles as unfavorable, innovation strategies and activities are undertaken cumulatively. CEOs implement and undertake these innovative strategies or activities via established technological approaches, which consequently channel into enhancing their firms' competitive advantage as incumbents capable of developing and accomplishing innovation as a routine while also preventing new firms² (Schumpeter, 1942). Therefore, the CEOs will drive the level of innovation they are willing to embrace to survive and beat the competition (Colombo et al., 2016). Secondly, the CEO may be managing a new innovator firm that was not necessarily involved in any innovation before the crisis.

Under such a situation, these firms may be smaller in size or entirely new firms that take advantage of the crisis to contest incumbent firms' market shares or launch in fresh markets (Archibugi et al., 2013). Often, this is grounded on the assumption that the prevailing economic or industry turbulence during poor periods increases the likelihood of new and small firms emerging in a competitive market through innovation (Perez, 2002; Freeman & Louça, 2001). Poor period usually generate extreme shocks even in well-established industries and technological fields (Paunov, 2012). Typically, new firms in new sectors often have a relatively greater impact in generating innovations than their incumbent counterparts (Archibugi et al., 2013). In most cases, CEOs in new firms are more eager to exploit new technological opportunities in order to achieve superior results and enhance their ability to challenge incumbent firms (Bergek et al., 2013). On the other hand, the literature also argues, based on the relevance of cumulative poor/insufficient periods of knowledge a generalization, that CEOs as well as firms whose past performances are driven by continuous and/or extreme investments in innovation are more likely to continue more significant in the present and in the future, regardless of a perceived upswing in economic, industry or business cycles (Archibugi et al., 2013). Other possible explanations for these actions contributed to the learning process that underlines innovation and drives path-dependency (Maslach, 2016;

Pavitt, 2005), and firms may also become more interested in survival and/or the zeal to keep out new entrants (S, chapter, 1942). While one strand of literature argues is a greater degree of persistence among CEOs who act as innovators (Peters, 2009; Cefis, 03). others propose that the persistence is rather low because the number of large and incumbent firms has remained relatively stable over the years (Roper & Hewitt-Dundas, 2008). Indeed, during poor periods such as a crisis, firms may often continue some innovation projects and also discontinue others. This scenario has been referred to as ambidexterity in innovation strategy (Blackburn, Smallbone, & Dixon, 2009). Kitching et al. (2009) argue that poor periods such as economic crises prompt changes in investment strategies as a managerial response to the changes in the prevailing macroeconomic. Even relatively innovation is inherently a risky and costly venture; several firms may significantly emphasize survival and more minor on seeking out new opportunities during poor periods. A potential strategy during these times is the combination of retrenchment and investment, which usually requires CEOs to seek out new products or markets in certain geographical locations, whilst engaging in cost-cutting measures and activities in order to increase their firms' efficiency (March 1991; Archibugi et al., 2013). March (1991) contends that the ability of a CEO to achieve a trade-off or balance between exploitation and exploration, or long-run and short-run strategies, helps their firm to survive during poor periods. By maintaining an appropriate balance between exploitation via cost-cutting and exploration via new product or market development, CEOs can increase their firms' competitive advantage and,

consequently, survive (whileo et al., 2016). As such, the core problem of factoring poor periods is their managers' ability to engage in sufficient exploitation that aims to ensure their firms' current viability, while concurrently devoting enough energy to exploration in order to ensure their firms' future viability (Levinthal & March 1993).

Nevertheless, the literature has also examined whether sentiments are rational or irrational, i.e., influenced by noise-shocks (e.g., Verma & Verma, 2008). Along these lines, the evidence suggests that view may be explained by purely psychological reactions or animal spirits (Acharya, Benhabib, & Huo, 2017) or by an interpretation of a signal or news (Blanchard, L'Huillier, & Lorenzoni, 2013), or some combination thereof (Brown and Cliff, 005). Under this scenario, some changes in CEOs' may be announcements or changes in fundamentals that affect future growth rate (Blanchard et al., 2013). As such, MSENT may result from pseudo signals that managers consider to convey information about future anticipation and returns, but that would not share such data in an entirely rational model (Acharya et al., 2017). The likelihood of agency problems, uncertainty about future cash flows, financial constraints, or costly external financing during poor periods will induce CEOs to identify and pursue more explorative strategies towards new product and market development and to ensure their firms' survival (Sidorkin & Srholec, 2014; Archibugi et al., 2013). We, therefore, hypothesize that poor periods are associated with more incredible firm innovation evidenced by greater output (more patents), greater input (more R&D), or more significant impact (more cites). This effect is more prominent in more competitive industries and when firms anticipate more significant variations in future financial position or cash flows. The result of CEOs is also more evident with specific organizational characteristics. We show that it is associated with a decreased propensity to innovate for high-growth and large-firm CEOs.

Global Financial Cycle From a methodological point of view, our work closely relates to the literature on the global financial cycle (e.g., Borio, 2012; Rey, 2015; Bruno and Shin, 2015; Cerutti et al., 2017). In their paper, the authors find that one single factor explains over 20% of the variation of risky asset prices. They also show that US monetary policy contractions significantly decrease the global financial cycle, leading to significant deleveraging of international financial intermediaries, a reduction in domestic credit internationally, and a tightening of foreign economic conditions. Unlike the papers mentioned above, our focus is on second moments rather than returns (first moments). More specifically, we estimate the global factor from the realized volatility of global assets' returns rather than from the first difference of stock prices.

Uncertainty Shocks and US Business Cycles This paper is also strongly related to the strand of the macroeconomic literature on the economic effects of uncertainty shocks. After the seminal paper by Bloom (2009), a growing body of literature (e.g., Bachmann et al., 2013; Born and Pfeifer, 2014a; Fernandez-Villaverde et al., 2015; Backus et al., 2015; Basu and Bundick, 2017) has investigated how uncertainty shocks could generate business cycle fluctuations both with theoretical and empirical frameworks. From a theoretical perspective, the literature has focused on quantifying the impact of uncertainty shocks within Dynamic Stochastic General Equilibrium (DSGE) models. They disentangled the main transmission channels and highlighted the importance of financial (Christiano et al., 2014; Bonciani and van Roye, 2016) and labor market frictions (Leduc and Liu, 2016; Guglielminetti, 2016). From an empirical perspective, the literature has mainly revolved around the study of the US business cycle. The majority of those contributions found that positive surprises in uncertainty cause significant downturns in economic activity, reducing output, consumption, investment, and increasing unemployment. These results have been found using various measures of uncertainty such as financial volatility indexes (Bloom, 2009), macroeconomic uncertainty measures (Jurado et al., 2015; Rossi and Sekhposyan, 2015), or political uncertainty news-based indexes (Baker et al., 2016).

The larger the assets invested, the greater the percentage of shares owned, the greater the return obtained. In addition, the purpose of supporting this asset also plays an important role and provides other returns according to its objectives. COVID-19 is a disease in the form of a virus called Corona. Coronavirus disease (COVID-19) is an infectious disease with a variety of severe and mild symptoms. Some people who get mild to moderate symptoms will recover without any special treatment. However, some people with severe symptoms accompanied by comorbidities must undergo special treatment, either mild or severe symptoms, both of which are at risk of death. Stock is proof of ownership that contains a company's value.

Shares are in the form of a piece of paper that shows the rights of investors or asset investors in a company that opens a stock auction. Namely, the party who owns the report and then later gets a share of the prospects or wealth obtained by the organization or company that issues the securities and various conditions that allow investors it exercises its rights. The calculation is that when the company enjoys a significant profit, the stock's market value (owner's funds) will increase rapidly. Still, the value of the company (creditor funds) is not affected. On the other hand, when the company suffers various kinds of losses, the rights of creditors or shareholders will take precedence while the value of shares will decrease drastically. So it can be concluded that the value of shares is the right index and can be used to measure the effectiveness of the company so that it is often associated with maximizing the value of the company, which also means maximizing the value of shareholders' wealth. The Jakarta Islamic Index (JII) is a sharia stock index first established and launched in the Indonesian Islamic capital market on July 3, 2000. JII's constituents consist of 30 sharia stocks with the highest liquidity of various stores in Indonesia and are listed on the Indonesian Stock Exchange. These 30 shares have previously been determined and selected by the IDX to become JII's constituents. The various liquidity criteria used in choosing the 30 Islamic stocks JII's constituents are as follows: First, Sharia shares included in the Indonesian Sharia Stock Index (ISSI) have been registered within the last six months at the latest. Second, 60 stocks were previously selected based on the order value based on the average market capitalization with the highest rating in the last year.

Third, 30 shares were selected, calculated based on the highest average daily transaction value occurring in the stock market. Forth, choose the remaining 30 stocks. The stock price is the selling price given to one investor by another at the same selling price. In practice, stock market prices can fluctuate rapidly due to factors such as investors' expectations of future dividend income levels, company earnings levels, and economic conditions. The trading volume illustrates the intensity of buying interest and the backpressure of the price movement that occurs. Stock trading volume can also predict the picture of market conditions that occurred at that time by providing a level of opportunity for rising and falling shares in Islamic stock market activities. The total shares traded are calculated starting from the highest so that it is also an indicator that the company has a good performance. Taking a risk may result in a gain or a loss because the probable outcomes are known, while uncertainty comes with unknown probabilities. Based on the explanation, so the hypothesis of this study such as:

H1: There is a difference in the price of Islamic shares before and during COVID-19.

H2: There is a difference in the trading volume of sharia shares before being and during COVID-19

3. Research Method and Materials

3.1. Sample Criteria

The population in this study is a manufacturing company with stock investors listed on the Jakarta Islamic Index industry listed on the Indonesia Stock Exchange. In this research, sample selection was carried out using the purposive sampling method, namely analysis with specific goals and targets, with several sample criteria determined by the researcher. Meanwhile, samples that do not meet the specified criteria will not be sampled.

3.2. Measurement

In this study measurement, we used variables in the form of stock prices and stock trading volumes before being affected by COVID-19 with stock prices and stock trading volumes when affected by COVID-19. We used a data analysis test in the form of a Paired Sample T-test. Before that, a normality test was carried out first to ensure the data were normally distributed or not. Paired Sample T-test is an analytical test used to test differences and related data samples (Sanusi, 2011). If the data used is not normally distributed, the test is carried out using the Wilcoxon Signed Rank Test. In this study, the significance level for rejecting H0 was 0.05 or 5%.

4. Results and Discussion

4.1. Statistical Analysis

The population in this study are companies listed on 30 shares of the Jakarta Islamic Index. In this study, the sample selection was carried out using a purposive sampling method, namely research with specific goals and targets, with several predetermined sample criteria. A sample of 20 companies was obtained based on the requirements set by the previous chapter. We use descriptive statistics displayed in Table 1 to provide an overview of the initial calculations shown by the research variables and are used to determine the characteristics of the sample used in the study.

Table 1: Statistic Descriptive Variable

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Sharia Stock Prices before COVID	20	130	565	365,50	152,52
Sharia Share Prices during COVID	20	107	560	353,00	157,17
Trading Volume before COVID	20	11128000	2716325100	59839395,00	784526,92638
Trading Volume during COVID	20	11007728400	4009924100	259871680,00	1039736,32849
Valid N (listwise)	20				

To test this assumption, you can use the t-test Kolmogorov Smirnov. Suppose the probability of t-test result Kolmogorov Smirnov is more significant than 0.05. In that case, the research data is normally distributed, and if it is less than 0.05, then the research data is not normally distributed.

Table 2: Normality Test

		Sharia Stock Prices before COVID-19	Sharia Share Prices during COVID-19
N		20	20
Normal Parameters ^{a,b}	Mean	3105.8297	2663.4726
	Std. Deviation	67.65510	192.28354
Most Extreme Differences	Absolute	.095	.125
	Positive	.085	.085
	Negative	-.095	-.125
Kolmogorov-Smirnov Z		.531	.694
Asymp. Sig. (2-tailed)		.941	.721

The first hypothesis in this study states an insignificant difference in stock prices in the period before and during the COVID-19 impact. For further details, see Table 3 of the Paired Sample t-test; in testing this hypothesis, the data used is stock price data before and during the COVID-19 impact.

Table 3: Paired t-test

	Paired Differences					t	Sig.
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference			
				Lower	Upper		
Price before/during	12,500	17,062	3,815	4,515	20,485	3,276	.004
Trading Volume Before/during	-200032285,00	87216398,12	19502179,49	-240850815	-159213754	-10,257	.000

4.2. Discussion

From the comparison test results of stock prices before and when affected by COVID-19, the value of t-count is 3.276 and a significance of 0.004. In table 3, it can be seen that $\text{sig } 0.004 < \text{from a significance level of } 0.05$, it can be concluded that H_0 is accepted or there is an insignificant difference between stock prices before and after the announcement of the rights issue. The previous discussion shows that the mean or average stock price statistically affected by COVID-19 of 365, and

the mean or average stock price, when affected by COVID-19, amounted to 353. This means stock prices before COVID-19 are higher than stock prices after being affected by COVID-19, and this shows an insignificant difference between before and when affected by COVID-19. This result indicates that the market is in an efficient state, meaning that the market can absorb existing information, namely when it is affected by COVID-19, so that the stock price is affected by the events that occur. Such data can also cause investors to make transactions in the capital market, which are reflected in price changes. Because in this study, was found the difference in stock prices before and after by COVID-19. so COVID-19 is considered to have influenced investors' preferences in making investment decisions. However, the results of this study are not in line with previous research conducted by Widaryanti, which concluded that there was no significant difference in the average abnormal return before and being affected by COVID-19.

The comparison test results of stock trading volume early and when affected by covid-19 obtained a t-value of -10.267 and a significance of 0.000. In table 3, it can be seen that $\text{sig } 0.000 < \alpha$ from a significance level of 0.05, it is concluded that H_0 is accepted or there is a significant difference between stock trading volumes before and when affected by COVID-19. We can see in the previous discussion that statistically, the mean (average) volume of stock trading before being affected by COVID-19 of 59,839,395.00. And the mean value (average) of stock trading volume after being affected by COVID-19 amounted to 259,871.680.00. This means that stock trading volume before being affected by COVID-19 is higher than when affected by COVID-19. This shows a significant difference between the volume of stock trading before and during the impact of COVID-19. This means that investors are more active in making transactions in the capital market after being affected by COVID-19 because the price offered at the time of the rights issue is lower than the market price. So investors prefer selling transactions rather than buying transactions after COVID-19, which will be reflected in changes in stock prices and stock trading volumes. The causes of changes in stock prices and stock trading volumes are due to many selling transactions made by investors after the announcement of the rights issue. These investors made many selling transactions because the rights issue offering price was lower than the market price and the increasing number of shares on the market and conditions. The condition of the high value of the rupiah against the dollar, the high value of the rupiah against the dollar has a very negative effect on the decline in stock prices, the high value of the rupiah against the dollar, investors, think that the state of the economy in a country is not good. So investors prefer to sell the shares they own rather than holding on for the long term to minimize the risks.

In such an environment, information scarcity can exacerbate volatility, making markets more vulnerable to rumors, political swings, or other news that might be protected appropriately by better property rights. However, if property rights are secure, information on company-specific risks is assessed accordingly, which means that any adverse news events or financial shocks need not lead to panic. Neither should the effects spillover of firm-specific financial failures be magnified across markets. In life, conditions of uncertainty are natural, also included in the system financial and economic (Bibow, 2013). Of course, uncertain conditions will later lead to various risks (Blyth et al., 2007). Including in investing, the uncertainty of the system financial can lead to two things, namely profits or losses. The problems of uncertainty and risks faced are essential to consider and pay attention to because they considerably affect policies and decisions in investing (Klos et al., 2005). As we see today, business is increasingly complicated. Many enterprises are interfered with by many parties, including many global and local policies. The chaos and fraud in the business world are caused by the many parties who play in it. For example, a business sells products not regulated in one region but another. Those products may be strictly regulated and taxed differently. Accounting problems and the process of preparing financial statements are very complicated. Accounting and reporting standards and leases, pensions, income taxes, and earnings per share are examples of today's factual complexity. As complexity increases, the risk of misinterpretation and unintentional error also increases. As users find it increasingly difficult or even impossible to self-assess the quality of financial statements, they rely on independent auditors to assess the quality of information contained in financial statements. In many circumstances, the reality is ugly, which can lead to misunderstandings. Due to ambiguity and decision-making based on limited knowledge, companies will face risks. For

this reason, companies need to conduct experiments, summarize, test hypotheses and make prototypes to understand the results accurately.

5. Conclusion

Based on the study conducted, the following results were found, i.e., first, shows an insignificant difference between prices before and after the announcement of the rights issue. The time in this study is ten days. In this study, it was found that stock prices fell after the rights issue announcement. The stock trading volume shows a significant difference between the stock trading volume before and after the rights issue. It is known that the stock trading volume increases after the announcement of the rights issue. Second, the causes of changes in stock prices and stock trading volumes are due to the large number of selling transactions made by investors after the rights issue announcement. The large number of selling transactions made by these investors because the rights issue offering price was lower than the market price and the increasing number of shares on the market and condition of the rupiah's value against the dollar which is relatively high. For investors, it is hoped that this research can be used as additional information material that is used as a consideration for investors in making investment decisions in the capital market by paying attention to how a company's performance is reflected in the stock price. By implementing companies affected by COVID-19, we can watch the prices that occur around the announcement date. Investors can make a reason about their investments in shares of issuers affected by COVID-19.

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