

ABSTRACT

This study was conducted to determine "The Impact Of The Jiwasraya Scandal On The Performance Of Insurance Subsector Companies Listed On The Indonesia Stock Exchange". The purpose of this study is to determine whether there is a significant average abnormal return on the insurance subsector company listed on the Indonesia Stock Exchange during the Jiwasraya scandalous period and to determine whether there is a significant difference in the average abnormal return on the insurance subsector company listed on Indonesia Stock Exchange before and after the Jiwasraya scandal.

This research uses quantitative methods of event studies with descriptive research. Sampling was done by purposive sampling method, with a total sample of sixteen companies. The data analysis technique used is wilcoxon signed rank test.

Based on the results of hypothesis 1 testing, there is a significant average abnormal return on the insurance subsector company listed on the Indonesia Stock Exchange during the Jiwasraya scandal period. This is evidenced by the Asymp value. sig. of 0.005 with a significance level of 0.05. Based on the results of hypothesis 2 testing, there is no significant difference in average abnormal returns in the insurance subsector companies listed on the Indonesia Stock Exchange before and after the Jiwasraya scandal. This is evidenced by the Asymp value. sig. amounted to 0.686 with a significance level of 0.05.

The conclusion of this research is that there is a significant average abnormal return on insurance subsector companies listed on the Indonesia Stock Exchange during the Jiwasraya scandal period and there is no significant difference in average abnormal return on insurance subsector companies listed on the Indonesia Stock Exchange before and after the Jiwasraya scandal. This means that the Jiwasraya scandal did not contain any information that had an impact on the performance of the insurance subsector companies listed on the Indonesia Stock Exchange.

Keywords: Jiwasraya scandal, event study, and abnormal return.