

ABSTRACT

In 2020-2022, the world will experience the covid 19 pandemic, starting with the Alpha variant wave in 2020 then the Delta variant in 2021 and the Omicron variant in 2022. The covid 19 pandemic has caused the Telecommunications Industry to experience quite high fluctuations both in terms of needs communication and the type of communication services required. hedging is needed to protect assets from sharp declines as well as the need for change/service side so that Telecommunications Industry Operators can survive in the industrial world after the covid 19 pandemic is over. Option contracts using the Collar strategy method are one of the hedging strategies. As for the purpose of this study, namely to examine the implementation of option contracts with the Black Scholes and GARCH models in the telecommunications industry using the collar method.

The data used is data on the closing price of shares in Telecommunications Industry Companies (Operators) in Indonesia from 2007 to 2021. Through this research it is hoped that the best option method can be obtained during crisis conditions and normal conditions. As for through the Collar strategy with the GARCH method It is hoped that it can provide more value (benefit) when experiencing a crisis impact condition from the Covid 19 pandemic compared to no option and obtain information on the average profit in terms of maturity and volatility. Through the research results, it is hoped that information will be obtained, namely the most appropriate model between the Black Scholes Model compared to the GARCH Model in crisis conditions as well as in normal conditions.

Keywords: Stock, Option Contract, GARCH, Collar, Black-Scholes