

**The Russian-Ukrainian Invasion of Capital Markets in Southeast Asia
Continues.**

Muhammad Yusron¹, Puji Endah Purnamasari²

^{1,2} State Islamic University of Maulana Malik Ibrahim Malang
myusron71@gmail.com¹, pujiendah@uin-malang.ac.id²

ABSTRACT

The purpose of this study is to investigate whether there are any abnormal changes in return, trading volume activity, and the variability of security returns prior to and during the time of the Russian-Ukrainian invasion. A total of eighty companies operating in the energy industry from Indonesia, Malaysia, Singapore, the Philippines, and Thailand make up the sample. The study utilizes secondary data from the financial statements of each individual financial institution. The purpose of this method is to determine whether there are changes in anomalous returns, trading volume activity, and security return variability between the time before the Russian-Ukrainian invasion and the time of the invasion. There are considerable disparities between the pre-event and post-event periods in Indonesia with regard to the level of trade activity that happened during both times. In addition, when it comes to testing the variability of security returns, there is a distinction between the pre-event and post-event periods in each of the five countries.

Keywords: *Abnormal Return; Trading Volume Activity; Security Return Variability*

ABSTRAK

Tujuan dari penelitian ini adalah untuk menyelidiki apakah ada perubahan abnormal dalam pengembalian, aktivitas volume perdagangan, dan variabilitas pengembalian keamanan sebelum dan selama masa invasi Rusia-Ukraina. Sebanyak delapan puluh perusahaan yang beroperasi di industri energi dari Indonesia, Malaysia, Singapura, Filipina, dan Thailand merupakan sampel. Penelitian ini menggunakan data sekunder dari laporan keuangan masing-masing lembaga keuangan. Tujuan dari metode ini adalah untuk menentukan apakah ada perubahan dalam pengembalian anomali, aktivitas volume perdagangan, dan variabilitas pengembalian keamanan antara waktu sebelum invasi Rusia-Ukraina dan waktu invasi. Ada perbedaan yang cukup besar antara periode pra-acara dan pasca-acara di Indonesia sehubungan dengan tingkat aktivitas perdagangan yang terjadi selama kedua waktu. Selain itu, ketika datang untuk menguji variabilitas pengembalian keamanan, ada perbedaan antara periode pra-acara dan pasca-acara di masing-masing dari lima negara.

Kata kunci: Abnormal Return; Aktivitas Volume Perdagangan; Variabilitas Pengembalian Keamanan

INTRODUCTION

Changes in international economic and political dynamics have had a significant impact, including on the global economy as a whole. The emergence of the

COVID-19 pandemic has worsened the global economy. With the deteriorating global economy, nations have to survive and adapt quickly to the worst global economic situation. The Russian invasion of Ukraine has intensified economic instability, hindering the developing world's recovery from the COVID-19 pandemic. Vladimir Putin announced an intervention in the Ukrainian state during the first quarter of 2022, specifically on Thursday, February 24, 2022. The reason for this Russian invasion is the Ukrainian state's desire to join NATO, which the Russian state views as a threat to its sovereignty (Satura, 2022). The Ukrainian government, over the past eight years, has viewed it as both a threat and a means of safeguarding the Russian population from violations and genocide (Faura, 2022). Then President Putin launched his invasion of Ukraine.

Historically, inter-national military conflicts have had a bad impact on regional and global economies. Negative impacts range from trade and monetary collapse to economic collapse, reduced production, labor, and resources (Khudaykulova et al., 2022). The impact of the Russian-Ukrainian conflict has created a humanitarian crisis and threatened geopolitical stability. It also adds to concerns about global economic growth, rising inflation and debt, and rising poverty levels (Orhan, 2022). The main impact of the Russian-Ukrainian conflict on the world's economy is the rise in world oil prices and the decline in confidence in financial markets (Dano, 2022). The United States, which also condemns Russia's actions, has subjected Russia to economic punishment. The measures include freezing all investment assets and property of anyone who has close relations with the Russian president, as well as suspending the operation of Russian-owned financial institutions in the United States. In addition, the European Union and US countries have imposed sanctions on Russia, including a crude oil embargo (Huka & Kelen, 2022).

Figure 1. 10 countries with the world's largest oil production (2022)

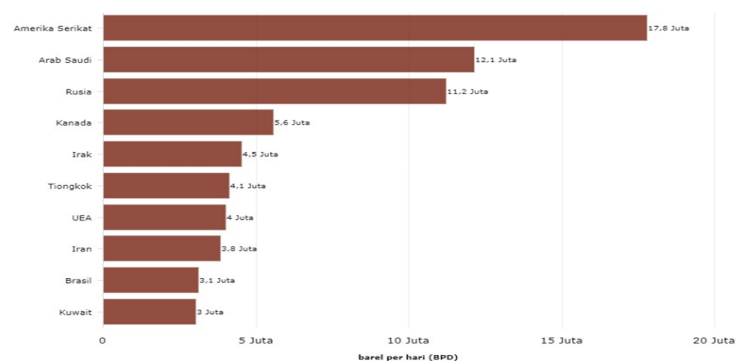


Figure 1 shows that in 2022, the United States will hold the top spot in oil production, followed by Saudi Arabia in second place, with Russia emerging as the largest country. There will be a global oil shortage as a result of the sanctions imposed on Russia by the US and other EU countries will cause a global oil shortage. As a result, oil prices have rocketed globally, as evidenced by rising gas prices in various countries. Countries around the world are also suffering from non-subsidized BBM

price increases. The rise in oil prices will also have an impact on the operations of companies that consistently use oil. The rise in oil prices around the world also puts pressure on sales prices in various sectors, especially industrial sectors, with the world economy trying to recover from the impact of COVID-19. The worst effect of the BBM price rise is a higher price of commodities and a more uneven distribution of products than before. Such conditions can then affect macroeconomic conditions, leading to inflation and a slowdown in economic growth (Lubis, 2022).

On a worldwide scale, the oil, gas, wheat, energy, food, and fertilizer markets are significantly impacted by Russia and Ukraine. Additionally, Southeast Asia gets approximately 37% of its Russia produces oil and gas, making it the biggest energy provider overall. There was probably a major reorganization of global trade as a result of the Russian invasion and its effects on the economy. Being the world's largest importer of commodities like oil and gas, the intensifying conflict between Russia and Ukraine has led to rising prices of these goods, severely impacting Southeast Asia's economy (Bakrie et al., 2022).

According to CNBC Indonesia's website, it lists the countries with the largest importers in Southeast Asia: Singapore, Thailand, Indonesia, Malaysia, the Philippines, Brunei Darussalam, and Vietnam. The ranking of Indonesia in third place does not imply its superiority over Singapore or Thailand. Remember that due to its small factory capacity and the type of gasoline it uses, Indonesia still imports a lot of fuel other than crude oil. According to the latest figures from the Central Statistical Agency (BPS), Indonesia imported 10 million tons of oil products between January and May 2018 (Indonesia, 2018). A lot of Southeast Asian countries rely on oil as a source of energy because of the region's high consumption rates, the fact that Russia is the region's leading oil supplier, and the fact that countries like Indonesia, Malaysia, and the Philippines can mitigate the inflationary effects of higher oil prices (Jongwanich, 2022). According to the International Energy Agency's (IEA) report, countries in the region will continue to increase their consumption because the need for fossil fuels is still very high. The IEA also stated that the global trend promoting the use of fuel-fueled vehicles poses a significant threat to the global exploitation of fossil fuels. The agency forecasts a peak in global oil demand within the next 10-20 years, as electricity will take its place. Oil, along with coal, will lead to demand growth in Southeast Asia's energy and transport sectors. By the way, we expect the energy demand in this region to rise by almost 60% from current levels by 2040 (Andri, 2017).

Growth in capital markets is one of the most important tools in the global economy. The expansion of the stock price index gives more insight into the capital market situation. Act No. 8 of 1995 defines the term "capital market" to include public offerings and securities trading, institutions associated with the securities it publishes, individuals working in the security industry, and organizations working in the securities domain. Consequently, Act No. 8 of 1995 created and developed capital markets to facilitate the relationship between investors with financial resources and companies seeking funding for their daily operations (Wardani & Supiati, 2020).

Capital markets play an important role in a country's economic progress of a country because of their potential for positive effects. When the capital markets operate efficiently.

The event's related information may influence the market response. Stock price movements are a useful tool for measuring market reactions. (Jogiyanto, 2018) defines abnormal returns as the benefits or differences between expected and actual returns. Actual returns are the key metrics for evaluating a company's success, as they serve as the basis for calculating expected returns and assessing future risks. Understanding realized returns (actual returns) and predicted returns is helpful in identifying deviant returns. Additionally, we can implement an anomalous return to evaluate the capital market's reaction to the disclosure of an event. The capital market will react to the information provided by exhibiting a positive abnormal return response to positive news and a negative abnormal return response to negative news (Pratama, 2018).

Trading volume activity provides information in addition to abnormal return market reactions. Trading volume activity is defined as the number of stock sheets traded at a given time. The larger the trading volume of a stock, the more active and frequently traded it is in the Lmodal market. (Pratama, 2018). The shift in the volume of stock exchange transactions reflects investor investment decisions and reflects stock trading activity on the exchange. Individual investors will determine the attractiveness of the release by examining the trading volumes. Therefore, people may argue that this information has the potential to influence investments.

Whereas, by measuring whether information causes a change in the return on a stock at the time of the event, security return variability is a useful tool to determine whether the market as a whole regards an event as informative. Security return variability aims to assess the exchange company's overall ability to discern the informative value of an event, assuming that the information's value has influenced the stock's returns at the time of the event. If the market responds to new information, returns can change. The advantage of using SRV indicators is that they turn all values into positives, allowing the deletion of heterogeneous information and detection of its impact.

The findings of (Sahputra et al., 2022) provide support for this investigation, discernible variations in anomalous results prior to and during the COVID-19 revelation. In 2023, the World Bank conducted the Sunaya study, which revealed strikingly distinct differentials in abnormal returns and trade volume activity before and after the 2022 global recession declaration. This disparity only exists between real estate companies and those listed on the Indonesian Stock Exchange. Ferli et al., (2024) found that there were no substantial differences in anomalous returns and trade volume activity among the six grain-based food companies listed in the EIB before and after the Russian-Ukrainian invasion.

Using the characteristics of abnormal return, trading volume activity, and security return variability for energy sector enterprises in the country that is the top oil importer in the ASEAN area, this update draws analogies with earlier research on Russian-Ukrainian incursions. Based on the background, a gap exists in the research; there are discrepancies between the previous research and the existence of a case study on Russia's invasion of Ukraine, which includes variables in the capital markets such as abnormal returns, trading volume activity, and security return variability.

RESEARCH METHODS

This study employs quantitative research methods due to the numerical nature of the data, which necessitates statistical analysis for interpretation. Furthermore, the study uses an event study methodology to examine how the market responds to a particular event. Jogiyanto, (2018) asserts that an event study focuses on the market's reaction to an announcement-related event. The study's population consisted of energy sector companies from five major oil importers in Southeast Asia: Indonesia, Malaysia, Singapore, the Philippines, and Thailand. This research employs purposive sampling as the method for sample-taking. This study's sampling technique led to the collection of 80 samples. In this study, abnormal returns, trading volume activity, and security return variability were used.

The following are the analytical methods used in data analysis:

Descriptive Analysis To examine the data, we use a statistical test known as descriptive analysis, which provides a table-based description of the obtained data. This way, we describe abnormal returns, trade volume activity, and security return variability. Each variable in this case has an average, standard deviation, maximum value, and minimum value listed.

Normality Test We use a normality test to determine whether the data follows a normal distribution. We need to run this test so we can run the next one. Both the Kolmogorov-Smirnov and Shapiro-Wilk procedures are part of the normality test. When testing normal distributed data sets with sampling sizes of less than fifty, researchers often switch to the Shapiro-Wilks test. On the other hand, researchers use the Kolmodorov-Smirnows test to ensure distribution for data sizes ranging from twenty to a thousand. For this test to be considered normally distributed, the significance value must exceed 0.05.

Testing Hypothesis This study employs a different test from the paired sample T-test. To detect any significant differences, this test compares abnormal returns, trading volumes, and security return variability. If the data is in the form of a ratio or interval, i.e., quantitative data, then the pair-t test of two samples (Paired Sample T-test) should be used to test the hypothesis for comparison or comparison of two related samples, that is, the same sample but undergoing different measurements.

To find a value of α at a 0.05 level of significance. If we find a normal distribution in the data, we proceed to use a parametric paired sample t test as a

hypothetical test for further analysis. Perform a nonparametric and unmeasured Wilcoxon-marked rank test if the data does not conform to normal distributions.. Acceptance or rejection of a hypothesis based on this test depends on the following. If the (Asymp.Sig) value is less than 0.05, we accept the hypothesis.

RESULT AND DISCUSSION

Descriptive Analysis

Table 1. Descriptive Analysis Test Result

	Statistics					
	AR Sebelum	AR Saat	TVA Sebelum	TVA Saat	SRV Sebelum	SRV Saat
N Valid	80	80	80	80	80	80
Missing	0	0	0	0	0	0
Mean	0.01225	-0.00755	0.76890	0.84871	0.08893	0.24680
Median	-0.00200	0.00700	0.94350	0.93500	-0.01200	0.14700
Std. Deviation	0.053345	0.052956	0.270514	0.198742	0.367201	0.446460
Minimum	-0.050	-0.377	0.071	0.044	-0.336	0.001
Maximum	0.382	0.054	0.975	0.999	2.651	3.601

Source: Results of Research Data, 2024

All samples have a minimum value of -0,050 and -0.377 for the abnormal return variable. The anomalous return reaches its peak between 0.382 and 0.054, respectively, before and during the occurrence. The average abnormal return was 0.01225 Before Russia invaded Ukraine, the data had a standard deviation of 0.053345 and fell to -0,00755 with a default deviation of 0.052956 during that event. TVA peaked at 0.975 and 0.999, respectively, before and throughout the occurrences. Before the Russian invasion of Ukraine, the average TVA was 0.76890, with a standard deviation of 0.270514. During the invasion, this figure rose to 0.84871, with a standard deviation of 0.93500. The security return variable variability has the minimum values of all samples before and during the invasion event, respectively, -0,336 and 0,001. Furthermore, 2,651 and 3,601 are the maximum values of the security return variability that occurred both before and during the invasion. At the time of the invasion, the average SRV value was 0.24680 with a standard deviation of 0.446460, down from 0.08893 with a standard deviation of 0.367201 before the event.

Normality Test

Table 2. Normality Test Result

Result	Tests of Normality		
	Kolmogorov-Smirnov ^a		
	Statistic	df	Sig.
			Information

Variable	AR Before	0.242	80	0.000	Abnormal
	AR After	0.247	80	0.000	Abnormal
	TVA Before	0.273	80	0.000	Abnormal
	TVA Hour	0.225	80	0.000	Abnormal
	SRV Before	0.243	80	0.000	Abnormal
	SRV Hour	0.324	80	0.000	Abnormal

Source: Results of Research Data, 2024

There were no significant differences between the periods before and after the Russian invasion of Ukraine in terms of abnormal returns, trading volume activity, or security return variability, according to the normalcy test that used the Kolmogorov-Smirnov test. The Kolmogorov-Smirnov test result indicates that no significant value surpasses the threshold of 0.05, thereby ruling out a normal distribution for all the aforementioned data.

Hypothesis Test

Abnormal Return

Table 3. Abnormal Return Wilcoxon Signed Rank Test Result

Country	Asymp. Sig. (2-tailed)	a	Conclusion
Indonesia	0.008	0.05	Accepted
Malaysia	0.075	0.05	Rejected
Singapura	0.953	0.05	Rejected
Filipina	0.441	0.05	Rejected
Thailand	0.027	0.05	Accepted

Source: Results of Research Data, 2024

The normality test of abnormal returns in Indonesia reveals a non-normal distribution of data, prompting the use of the non-parametric Wilcoxon signed rank test to evaluate the hypothesis. The return of the abnormal Indonesian country to the target of a rank test signed by Wilcoxon and the findings revealed a sig (2-tailed) value of 0.008 ($0,008 \leq 0.05$), meaning that there was a significant difference between normal return and normal return at the time of the Russian invasion of Ukraine. Therefore, the study's results reject H0 and accept H1.

The abnormal normality return test in Malaysia determined that the data did not follow the normal distribution. This conclusion is based on test results. We evaluated the hypothesis using a non-parametric Wilcoxon-marked rating test. The Malayan anomalous return produced significant marks in the rank test results signed by Wilcoxon with a second tail significance of 0.075 ($0.075 \geq 0.05$), which shows that there were no significant differences in abnormal returns before and during the Russian invasion of Ukraine. The investigation's findings led to the acceptance of H0 and the rejection of H1.

Since the data did not follow a normal distribution according to the Singapore normality test, we can test this hypothesis using the non-parametric Wilcoxon signed rank test. Anomalies in returns did not differ significantly before or during Russia's invasion of Ukraine. A significance level of 0.953 ($0,953 \geq 0.05$) was obtained using the Wilcoxon signed rank test on Singapore's atypical return, indicating this. Thus, H_0 was accepted and H_1 was rejected, according to the study's results.

The anomaly return normality test in the Philippines found the data to be non-normally distributed, prompting a hypothetical trial using a non-parametric Wilcoxon-marked rank test. Wilcoxon's signed ranking test findings for the abnormal return of the Philippines yielded a sig. (2-tailed) value of 0.441 ($0.441 > 0.05$), indicating the absence of statistically significant differences in the anomalous return before and at the time of the Russian invasion of Ukraine. Therefore, the study's results confirm the acceptance of H_0 and the rejection of H_1 .

The normality test of abnormal returns in Thailand indicates a non-normal distribution of the data. Therefore, we used Wilcoxon's non-parametric rank test to test the hypothesis. The Wilcoxon-marked rating test on the abnormally returned Thailand revealed significant differences in abnormal returns before and at the time of the Russian invasion of Ukraine. Therefore, the study's results reject H_0 and accept H_1 .

Trading Volume Activity

Table 4. Trading Volume Activity Wilcoxon Signed Rank Test Result

Country	Asymp. Sig. (2-tailed)	a	Conclusion
Indonesia	0.002	0.05	Accepted
Malaysia	0.807	0.05	Rejected
Singapura	0.515	0.05	Rejected
Filipina	0.374	0.05	Rejected
Thailand	0.97	0.05	Rejected

Source: Results of Research Data, 2024

Because the data did not fit the expected distribution, we proceeded with the hypothesis test using the non-parametric Wilcoxon signed rank test after conducting the normality test of Indonesian trading volume activity. The investigation's findings support H_1 while casting doubt on H_0 .

After verifying that the data did not adhere to a normal distribution, we employed the non-parametric Wilcoxon-signed rank test to assess our hypothesis on the trade volume activities in Malaysia. Thus, the findings of the study support the null hypothesis H_0 and reject the alternative hypothesis H_1 .

After confirming that the data did not follow a normal distribution, we moved on to testing the hypothesis using the non-parametric Wilcoxon signed rank test,

which is applicable to Singaporean trade volume activities. Therefore, the study's results accept H0 and reject H1.

The normality test of trade volume activity in the Philippines indicated that the data did not follow a normal distribution, so we proceeded to test the hypothesis using the non-parametric Wilcoxon signed rank test. Therefore, the study's results accept H0 and reject H1.

For this hypothesis test, we use the non-parametric Following the results of the normalcy test for Thai trade volume activity, which indicated that the data did not adhere to a normal distribution, Wilcoxon joined the rank test. According to the results, H0 is correct and H1 is false.

Security Return Variability

Table 4. Security Return Variability Wilcoxon Signed Rank Test Result

Country	Asymp. Sig. (2-tailed)	a	Conclusion
Indonesia	0.042	0.05	Accepted
Malaysia	0.002	0.05	Accepted
Singapura	0.011	0.05	Accepted
Filipina	0.008	0.05	Accepted
Thailand	0.000	0.05	Accepted

Source: Results of Research Data, 2024

We use the non-parametric Wilcoxon-marked ranking test to evaluate the hypothesis, as the security return variability in the Indonesian normality test indicates that the data does not conform to the normal distribution. From the different security returns in Indonesia, the Wilcoxon's signed rating test shows a noteworthy distinction in the range of security returns between the time before and after the Russian invasion, with a sig. (2-tailed) value of 0.042 ($0.042 \leq 0.05$). The research findings led to the rejection of H0 and the acceptance of H1.

The results of the Malaysian safety return variability normality test show that the data is not normally distributed, prompting the application of the non-parametric Wilcoxon rank test to verify the hypothesis. There are significant differences in security return variability before and at the time of the Russian invasion of Ukraine, according to Wilcoxon's signed ranking test findings on Malaysia's security return variability, which revealed a sig. (2-tailed) of 0.002 ($0.002 < 0.05$). Therefore, the research findings indicate a contestation of H0 and an acceptance of H1.

We conducted the hypothesis test using a non-parametric Wilcoxon-marked ranking test, as the normality test of Singapore's security return variability revealed an irregular distribution of data. There is a significant difference in the variability of security returns before and after the Russian invasion of Ukraine, according to Wilcoxon's signed ranking test findings on Singapore's security return variability,

which show a sig. (2-tailed) of 0.011 ($0.011 \leq 0.05$). The research findings led to the rejection of H_0 and the acceptance of H_1 .

After determining that the data was not normally distributed using the security return variability normality test in the Philippines, a non-parametric Wilcoxon-marked ranking test was used to evaluate the hypothesis. The Philippine security return variability was targeted by Wilcoxon's signed ranking test, and the results showed a significant difference in the security return variability between the period before and after the Russian invasion, with a sig. (2-tailed) of 0.008 ($0,008 < 0.05$). The research findings thus indicate a contestation of H_0 and an acceptance of H_1 .

Our data does not follow the expected distribution according to the normal Thailand test for security return variability, so we apply the non-parametric Wilcoxon-marked rating test to check our hypothesis. The security return variability in Thailand is the target of the Wilcoxon's signed ranking test, and the results show a significant difference in the security return variability between the period before and after the Russian invasion, with a sig. (2-tailed) of 0,000 ($0,000 < 0.05$). The research findings thus indicate a contestation of H_0 and an acceptance of H_1 .

Discussion

Invasion Of Russia-Ukraine Facts Abnormal Return

According to Hartono, (2010), when the market receives an announcement containing information, it is likely to react, and one can use abnormal returns to predict this reaction. According to the tests, energy corporations in Indonesia and Thailand have seen extraordinary profits from Russia's invasion of Ukraine. The mean difference in abnormal return between the two time periods, with sig (2-tailed) values of 0,008 and 0,027, respectively, proves this. Gains or discrepancies between actual and expected returns are examples of anomalous returns. Realized returns, which serve as the basis for future risk assessments and indicators of predicted returns, can partially measure a company's performance. To identify unusual returns, it is helpful to know expected returns, also known as realized returns, and actual returns. As a result, the Russian invasion of Ukraine revealed information about Indonesian and Thai energy industry companies' shares, prompting investors to engage in stock transactions. It's not just domestic investors who react in each country; there are also foreign investors. According to (Ramadhani, 2022), on page 6, there is a flow of foreign investor funds entering Indonesia amidst risk pressures. The flow of foreign investor funds is a recognition of Indonesia's macroeconomic strength, commodity prices, and stable recovery.

Industrial companies in Malaysia, Singapore, or the Philippines were unaffected by Russia's invasion of Ukraine, according to further studies of abnormal returns on energy industry shares in these countries. So, it's safe to say that energy businesses in the Philippines, Malaysia, and Singapore were unaffected by Syria's attack on Ukraine. These three countries may have more stable economic and political

conditions, which can help mitigate the impact of geopolitics. This stability can calm investors and reduce excessive reactions to external events. Malaysia, Singapore, and the Philippines have stronger ties with China and the United States, so economic ties dampen the invasion of Ukraine by Russia has had significant effects.

Invasion Of Russia-Ukraine Facts Trading Volume Activity

We evaluated the trade volume activity hypothesis by comparing the average TVA before and at the time of the Russian invasion of Ukraine. The findings indicate that the Russian invasion of Ukraine has an impact on Indonesia's energy business. A sig (2-tailed) value of 0.002, with a significance level of 0.05, indicates the influence of the Russian invasion on the stock of Indonesian energy companies. A stock's trading volume is the total value of all trades made in that stock over a given time frame. A large number of stock trades occur on the capital market every day. The fluctuations of the capital market's stock trading volume reflect the activities of traders and the choices made by investors. Trading volume activity (TVA), or trading volume, is one of the tools used to determine a stock's liquidity, according to (Safira & Simon, 2016). Wardhana et al., (2021) between the time of the Russian invasion of Ukraine and its aftermath, the volume of trade increased, which indicates that in a situation where the stock price rose, investors were more likely to buy stocks, so the trading volume increased. This is likely to happen because of the investor's desire to buy shares in energy companies with the potential to generate profits in the future.

Further tests in Malaysia, Singapore, the Philippines, and Thailand revealed that the Russian invasion of Ukraine had no influence on the trading volume of activity for energy companies. This could happen because investors in the capital markets of Malaysia, Singapore, the Philippines, and Thailand may have different reactions to global events. They may be more likely to maintain their portfolios and avoid panic action, resulting in stable trading volumes. Malaysia and Singapore, for example, have strong links with other global markets, such as China and the United States. This link can balance the negative impact of events in Eastern Europe. Furthermore, many companies in these countries may have strong and sustainable business fundamentals, so investors are more confident and do not make much change in their portfolios despite major global events.

Invasion of Russia-Ukraine Facts Security Return Variability

We tested the hypothesis of security return variability by comparing the average security return variability before and during the Russian invasion of Ukraine. By calculating the security return variability, one can determine whether an event is considered informative by the market as a whole, which is defined here as an event that causes a change in the stock return at the time of the event. According to Tandelilin, (2001), the lack of fluctuation indicates that an asset is risk-free. It is more likely that the return will deviate from the result that applies if the return of the asset is highly variable. We use the security return variability to ascertain if the stock exchange as a whole can account for the informative value of an event, anticipating

that the information's value influenced the share return during the event. There was a difference in security return variability before and at the time of the Russian invasion of Ukraine on the shares of energy companies in five countries, indicating that the Russians invaded Ukraine and created major geopolitical uncertainty, which caused investors to become more alert and reactive to conflict-related news and events. This uncertainty tends to increase market volatility as investors make quick adjustments in their portfolios to manage risk. Geopolitical conditions can increase stock price volatility, which in turn causes stock market volatility. Furthermore, the Russian invasion of Ukraine has the potential to impact the psychological well-being of investors. Psychological factors, such as fear or greed, can cause volatility. For instance, investors may panic and sell when the market falls, or they may become greedy when the market rises.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. Investors in energy businesses in Thailand and Indonesia had an unusually high return on equity both before and during Russia's invasion of Ukraine. When it comes to the state energy companies in the Philippines, Malaysia, and Singapore, there aren't any unusual changes in return either before or during the event.
2. The Russian invasion of Ukraine had an impact on the trading volume of energy company stock activity in Indonesia before and during the event. As for the energy companies in Malaysia, Singapore, the Philippines, and Thailand, the amount of trading activity beforehand and during the event is identical.
3. The Russian invasion of Ukraine had an impact on the security return variability of energy company shares in Indonesia, Malaysia, Singapore, the Philippines, and Thailand, both before and after the event.

Recommendations

This research has some limitations, such as the need for subsequent researchers to do research on different themes and take samples from not only Indonesia, Malaysia, Singapore, the Philippines, and Thailand.

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