

ABSTRACT

This research is entitled "The Effect of the COVID-19 Pandemic on Stock Liquidity with Firm Characteristics as a Control Variable (Study of Companies Lists in the Jakarta Islamic Index 70)". This study aims to analyze how the influence of cases and deaths confirmation of COVID-19 on the stock liquidity with bid-ask spread and Amihud Illiquidity measurement and also firm characteristics as a control variable.

Quantitative research is a type of research that uses secondary data. The population of this study are companies listed on JII 70 on the Indonesia Stock Exchange during the period January 2021-December 2021. The purposive sampling method was used in the sample technique and obtained as many as 34 companies from a total population of 70 companies. In this study using data analysis, namely descriptive statistical analysis, classical assumption test, and multiple linear regression analysis.

The results of this study indicate that the variable cases and deaths confirmed by COVID-19 have no significant effect on the bid-ask spread which is calculated without control variables. However, confirmed cases of COVID-19 had a significant positive effect on Amihud's illiquidity and had no significant effect on the variable death of confirmed COVID-19 which was calculated without a control variable. Then the results of the analysis with control variables show that cases of confirmation of COVID-19 have a significant positive effect and deaths of confirmed COVID-19 have a significant negative effect on the bid-ask spread. Furthermore, cases of confirmation of COVID-19 did not have a significant effect, while deaths of confirmed COVID-19 had a significant positive effect on Amihud's illiquidity.

Keyword : COVID-19, stock liquidity, firm characteristics, bid-ask spread, Amihud