CHAPTER IV

CLOSING

4.1. Conclusion

The results of this event study suggest that the Indonesia 2024 Presidential Election Result Announcement had a positive impact on nickel mining issuers listed on the Indonesian Stock Exchange.

1. For abnormal returns, both Paired Sample T-test and Wilcoxon Signed Rank Test indicated no significant overall difference, implying that the election result did not have a lasting or consistent influence on stock prices across the event window. However, a more granular analysis of daily abnormal returns revealed short-term fluctuations, with significant effects observed on Day 1, Day 7, and Day 10. These spikes suggest that investor sentiment was temporarily swayed by evolving perceptions of the new administration's stance on the mining industry, but the market quickly returned to a state of equilibrium during the intervening days.
2. The trading volume activity (TVA) experienced a more immediate and pronounced response. The Wilcoxon test revealed a significant change in TVA, suggesting that the announcement triggered increased trading behaviour—likely due to heightened uncertainty or speculative interest. Daily TVA analysis showed that trading volumes were significantly elevated during the first five days, reflecting strong investor reaction to the political developments. After Day 5, however, the

significance faded, indicating that the market had begun to absorb the news and adjust accordingly.

While the price impact (abnormal return) of the election was short-lived and inconsistent, the volume impact (TVA) was more immediate and robust, capturing the intensity of market attention in the days following the announcement. These findings underscore how political events can influence not just stock prices but also trading behaviours, particularly in sectors sensitive to regulatory and policy shifts like mining.

4.2. Suggestion

Based on the conclusions obtained from this study, several suggestions can be put forward for further research and for related stakeholders:

1. While this study focused on the market reaction to the 2024 Indonesian Presidential Election Result Announcement, it is important for investors to consider that stock market behaviour is not solely driven by political events. Future research and investment decisions should also integrate broader macroeconomic factors such as inflation rates, exchange rate movements, interest rates, and global commodity price trends. These elements often have a significant and interrelated impact on investor sentiment and market performance. Thus, a more holistic approach to market forecasting is recommended.
2. This study was limited to the nickel mining subsector, mainly due to the relevance of the winning presidential candidate's emphasis on downstream industry development in this sector. However, the mining sector in Indonesia is very diverse,

including other major commodities such as coal, gold, tin, and copper. To increase the generalizability of the findings, future research is encouraged to cover a wider range of mining subsectors. A wider sample will allow researchers to capture more comprehensive insights into how different segments of the mining industry react to political developments.

3. The observation period in this study is limited to 10 trading days before and after the event (D-10 to D+10), which mainly captures short-term market reactions. To better understand the long-term market implications of political events, it is suggested that future research expand the event window to a longer time frame, such as D-30 to D+30 or even longer. A longer observation period may reveal delayed investor reactions, policy implementation effects, or market corrections that are not immediately visible in the short term.

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