

ANALYSIS OF PRE- AND POST-ANNOUNCEMENT DIFFERENCES IN MERGERS AND ACQUISITIONS ON ABNORMAL RETURNS AND TRADING VOLUME ACTIVITY (A Study of Companies Listed on the Indonesia Stock Exchange, 2020-2024)

Fanda Maulana^{1*}, Novita Mardiani²

^{1,2}Institut Teknologi dan Bisnis PGRI Dewantara Jombang

*Correspondence email: 2261146@itebisdewantara.ac.id

ABSTRACT

The announcement of mergers and acquisitions (M&A) is widely recognized as a significant corporate event that carries informational value capable of influencing investor behavior in capital markets. However, empirical evidence regarding the consistency of market reactions to M&A announcements remains mixed, particularly in the context of emerging markets during periods of heightened uncertainty. This study aims to analyze differences in abnormal returns and trading volume activity before and after M&A announcements among companies listed on the Indonesia Stock Exchange during the 2020–2024 period, a timeframe characterized by post-pandemic economic recovery and shifting corporate consolidation patterns. A quantitative event study approach was employed using a sample of 30 companies selected through purposive sampling. Abnormal returns were calculated using the market-adjusted model, while trading volume activity was measured as the ratio of traded shares to total shares outstanding. Hypothesis testing was conducted using the Wilcoxon Signed-Rank Test across two event windows of ± 5 days and ± 25 days, following the confirmation of non-normal data distribution through the Kolmogorov-Smirnov and Shapiro-Wilk tests. The results indicate that M&A announcements do not consistently generate significant differences in either abnormal returns or trading volume activity across both event windows, leading to the rejection of all four hypotheses. Sporadic significant reactions observed on isolated days suggest the presence of prior market anticipation or information leakage before the official announcement date. These findings support the semi-strong form of the Efficient Market Hypothesis and highlight the need for more transparent M&A disclosure practices to improve market efficiency on the Indonesia Stock Exchange.

Keywords: abnormal return, event study, Indonesia Stock Exchange, mergers and acquisitions, trading volume activity

1. INTRODUCTION

The 2020–2024 period represents a critical phase for Indonesia's business and capital market dynamics. The impact of the COVID-19 pandemic particularly in relation to large-scale social restrictions led to a significant decline in many global indices and had a negative impact on the business sector, including companies listed on the Indonesia Stock Exchange (Permatasari et al., 2021). In response to these conditions, many companies have opted for inorganic growth strategies through mergers and acquisitions (M&A) to expand their markets, create synergies, and maintain competitiveness (Rohim, 2025). Because M&A transactions are strategic decisions containing important information, their announcements have the potential to influence investor expectations, as reflected in abnormal returns and trading volume activity (TVA) (Larasati & Nuraya, 2018).

Although the number of merger and acquisition notifications recorded by the KPPU decreased from 323 transactions in 2023 to 155 transactions in 2024, the value and complexity of the transactions actually increased. Examples include the merger of PT XL Axiata Tbk and PT Smartfren Telecom Tbk, the acquisition of PT Remala Abadi Tbk by PT Sarana Menara Nusantara Tbk, and the acquisition of shares in PT Bank Nationalnobu Tbk by Hanwha Life Insurance. This phenomenon indicates a shift in post-pandemic corporate consolidation patterns, with a greater emphasis on strategic value rather than transaction frequency (Rohim, 2025).

According to signaling theory, announcements of mergers and acquisitions serve as signals from management to the market to reduce information asymmetry (Spence, 1973). Investors then respond to these signals through changes in stock prices and trading activity (Larasati & Wirama, 2018). However, the findings of previous studies remain mixed. Some studies have found significant differences in abnormal returns and TVA following M&A announcements (Adnyani & Gayatri, 2018), while others have shown no significant effect (Hasibuan & Saputra, 2019).

In addition to these inconsistent results, most previous studies used only a single event window, so few simultaneously compared short-term and longer-term market reactions (McWILLIAMS & SIEGEL, 1997). Meanwhile, post-pandemic regulatory changes and trading patterns have the potential to influence investor responses to M&A announcements (Rohim, 2025).

Given these conditions, this study aims to analyze differences in abnormal returns and trading volume activity before and after merger and acquisition announcements for companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period, using two event windows: 5 days and 25 days. This study is expected to enrich the discussion of signaling theory in the context of the post-pandemic Indonesian capital market (Spence, 1973) and provide information for investors and company management in decision-making regarding merger and acquisition activities (Hasibuan & Saputra, 2019).

Based on the background described above, the research questions of this study are formulated as follows:

1. Is there a significant difference in *abnormal returns* in the 5-day period before and after the announcement of mergers and acquisitions for companies listed on the Indonesia Stock Exchange during the 2020–2024 period?
2. Is there a significant difference in *abnormal returns* in the 25-day period before and after the announcement of mergers and acquisitions for companies listed on the Indonesia Stock Exchange during the 2020–2024 period?
3. Is there a significant difference in *trading volume activity* in the 5-day period before and after the announcement of mergers and acquisitions for companies listed on the Indonesia Stock Exchange during the 2020–2024 period?
4. Is there a significant difference in *trading volume activity* in the 25-day period before and after the announcement of mergers and acquisitions for companies listed on the Indonesia Stock Exchange during the 2020–2024 period?

2. LITERATURE REVIEW

This study is based on a review of various previous studies on market reactions to merger and acquisition announcements. Adnyani & Gayatri (2018) found significant abnormal returns around the announcement dates of mergers and acquisitions for companies listed on the Indonesia Stock Exchange (IDX). However, that study used only a short event window and was unable to explain market reaction patterns over a longer time period. Hasibuan & Saputra (2019) showed that although there were no significant differences in average abnormal returns, fluctuations still occurred on certain days within the event window. A limitation of this study is that it does not account for post-pandemic market conditions, which form the context of the current research.

At the international level, Khan et al. (2023) found significant stock price reactions accompanied by indications of investor overreaction. Although the study has a broad cross-country scope, the results may not necessarily align with the characteristics of emerging markets such as Indonesia. Mal & Gupta (2020) demonstrated a significant increase in liquidity on the announcement day of mergers and acquisitions in India's banking sector; however, the focus on a single sector limits the generalizability of the findings. Hajiyeva (2020) emphasizes that post-merger operational efficiency does not always increase firm value in the long run, while Bauer & Friesl (2024) offer a new perspective on M&A synergies but have not yet empirically tested it against capital market responses.

Based on this review, there are three main research gaps. First, most studies examine only abnormal returns or trading volume activity (TVA) separately and use a single event window. Second, many studies are conducted in developed countries or specific sectors, making them less representative of conditions in the Indonesian capital market. Third, previous studies

generally use pre-pandemic samples and thus do not reflect changes in M&A patterns during the 2020-2024 period. Therefore, this study examines abnormal returns and TVA simultaneously using two event windows: 5 days and 25 days.

The primary theoretical foundation of this study is Signaling Theory, introduced by Spence (1973). This theory explains that company management possesses more complete information than investors, so announcements of mergers and acquisitions serve as signals that can reduce information asymmetry. Investors then respond to these signals through changes in stock prices and trading activity.

Market responses are measured using abnormal returns and trading volume activity. According to (Jogiyanto, 2017), The discrepancy between the predicted and actual returns is known as an abnormal return. An abnormal return that is positive returns indicate that the market interprets the information as good news, while negative values indicate a less favorable response. The measurement is conducted using the event study method introduced by Fama et al. (1969) and widely used to assess the impact of an event on the capital market.

In addition to abnormal returns, this study uses trading volume activity (TVA) as a supporting indicator to measure the level of stock trading activity and investor responses to new information. The higher the TVA, the greater the investor participation in responding to merger and acquisition announcements.

Based on this theoretical framework, merger and acquisition announcements are expected to affect abnormal returns and trading volume activity in both the short and longer term. Therefore, this study proposes four hypotheses, namely: (H1) there is a difference in abnormal returns 5 days before and after the announcement of a merger or acquisition; (H2) there is a difference in abnormal returns 25 days before and after the announcement of a merger or acquisition; (H3) there is a difference in trading volume activity 5 days Prior to and following the announcement of a merger or acquisition; and (H4) there is a difference in trading volume activity 25 days Prior to and following the announcement of a merger or acquisition.

3. METHODS

In order to examine market responses to merger and acquisition announcements among companies listed on the Indonesia Stock Exchange (IDX) between 2020 and 2024, this study uses a quantitative approach utilizing the event study method. (MacKinlay, 1997). This method is used to measure An event's effect on stock prices

and trading activity through abnormal returns and trading volume activity (TVA) ((McWILLIAMS & SIEGEL, 1997). The independent variable in the research is the announcement of mergers and acquisitions, while the dependent variables include abnormal returns (Y1) and trading volume activity (Y2). The analysis was conducted over two event windows: ± 5 days and ± 25 days from The date of announcement, which was defined as the event date (t_0) (Rohim, 2025).

The study population consists of all companies that conducted mergers and acquisitions and were listed on the IDX during the 2020–2024 period. Using target population based on the criteria that companies must remain listed on the IDX, have conducted a merger or acquisition, and possess complete data, 30 companies were selected as the research sample.

The Composite Stock Price Index (IHSG), daily closing stock prices, stock trading volume, and the official announcement dates of mergers and acquisitions are examples of secondary data. Data were obtained from the IDX's official website, companies' financial reports, and supporting platforms such as Yahoo Finance, Investing.com, Stockbit, and Pluang. Data collection was conducted through a documentary study by identifying companies that had undergone mergers and acquisitions and downloading the data required for analysis.

Abnormal returns were calculated using the market-adjusted model (Jogiyanto, 2017). Stock returns were calculated using the formula $R_{it} = (P_t - P_{t-1}) / P_{t-1}$, while market returns were calculated using changes in the IHSG, namely $R_{mt} = (IHSG_t - IHSG_{t-1}) / IHSG_{t-1}$. Abnormal returns are derived from the distinction between market and stock returns ($AR_{it} = R_{it} - R_{mt}$) (Jogiyanto, 2017). Trading volume activity is calculated using the proportion of outstanding shares to traded volume, namely $TVA_{it} = V_{it} / S_{it}$ (Jogiyanto, 2017).

Data analysis begins with descriptive statistics to describe the minimum, maximum, mean, and standard deviation of each variable (Rohim, 2025). Next, a normality test is conducted using the Kolmogorov-Smirnov test. If the data are normally distributed (sig. > 0.05), hypothesis testing is performed using a Paired Sample T-Test. However, if the data are not normally distributed (sig. < 0.05), the Wilcoxon Signed-Rank Test is used as a nonparametric alternative (McWILLIAMS & SIEGEL, 1997). All data analysis was performed using SPSS with a significance level of 5% ($\alpha = 0.05$).

4. RESULTS AND DISCUSSION

Descriptive Statistics

A descriptive statistical analysis was conducted on Abnormal Returns (AR) and Trading Volume Activity (TVA) for 30 sample companies that engaged in mergers and acquisitions and were listed on the Indonesia Stock Exchange during the 2020-2024 period, with an observation period spanning 5 days before to 5 days after the announcement date. The results of the analysis are presented in Table 4.1 and Table 4.2.

Table 4.1 Descriptive Statistics for Abnormal Returns (± 5 -Day Window)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
H_min1	30	-.254111166	.0772661937	-.0321714572	.0724935353
H_min2	30	-2.48447205E-001	5.670896285E-002	-1.24210662E-002	6.690409930E-002
H_min3	30	-.172507046	.0624693882	-.0040014304	.044681527

Descriptive Statistics					
H_min4	30	-.25508744	.111875808100	.00568169418	.0579346338
H_min5	30	-2.62093608E-001	6.02688293E-002	4.63401862E-003	5.69855373E-002
H_plus1	30	-.104240866	.171407166	.0158535186	.0481250093
H_plus2	30	-.114007061	.0757101589	-.00269082632	.0367235034
H_plus3	30	-.0589647697	.087768066	.0150837817	.030474211
H_plus4	30	-.0236852478	.0637109496	.005281025	.0171229746
H_plus5	30	-.0826741903	.0736518241	-.00500449567	.0404288635
Valid N (listwise)	30				

Table 4.2 Descriptive Statistics for Trading Volume Activity (± 5 -Day Window)

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
H_min1	30	2.13496025E-006	4.67560486E-002	2.55984212E-003	8.55597691E-003
H_min2	30	6.970304E-007	3.66299346E-002	2.32926328E-003	6.876921121E-003
H_min3	30	4.48439139E-007	1.45624025E-001	6.0225413301E-003	2.6464341E-002
H_min4	30	5.50800247E-007	7.29770284E-002	2.93571887E-003	1.32473138E-002
H_min5	30	5.36177231E-007	1.09843178E-001	4.36880575E-003	1.99597328E-002
H_plus1	30	4.28941785E-007	2.4375526E-002	1.61435882E-003	4.438003331E-003
H_plus2	30	1.15034388E-006	8.428072411E-003	1.17964515E-003	2.02255734E-003
H_plus3	30	5.45925908E-007	8.08419758E-003	9.55432188E-004	1.6668217E-003
H_plus4	30	3.41203693E-008	7.87911223E-003	9.75814539E-004	1.8087955E-003
H_plus5	30	2.29093908E-007	3.03729862E-002	2.09188423E-003	5.70095241E-003
Valid N (listwise)	30				

Prior to the merger and acquisition announcement, market sentiment appeared to be negative and continued to deteriorate as the announcement date approached. This indicated uncertainty among investors regarding the impact of the transaction that was about to be announced. Interestingly, once the official announcement was made, the market actually responded positively in the very short term particularly on the first and third days following the announcement although this response was short-lived and inconsistent. This pattern suggests

that the market does react to M&A news, but the reaction is temporary and does not develop into a stable trend.

In contrast to abnormal returns, trading volume activity showed the opposite pattern. Trading intensity was higher before the announcement than afterward, and continued to decline consistently after the announcement date. This suggests that some market participants had already taken positions early on, before the M&A information was officially released. This aligns with the possibility of market anticipation prior to the announcement date, as will be further tested through hypothesis testing.

Normality Test

Normality tests were conducted to determine whether the Abnormal Return and Trading Volume Activity data are normally distributed, as a basis for selecting the appropriate statistical test. The tests used the Kolmogorov-Smirnov and Shapiro-Wilk tests with a sample size of 30 companies ($n = 30$). The data are considered to be normally distributed if the significance level is > 0.05 .

Table 4.3 Summary of Normality Test Results

Variabel	Periode	Kolmogorov-Smirnov (Sig.)	Shapiro-Wilk (Sig.)	Keterangan
Abnormal Return	Before (25 days to 1 day before)	0,000 – 0,200	0,000 – 0,826	Some Are Abnormal
Abnormal Return	After (1 day to 25 days after)	0,000 – 0,200	0,000 – 0,775	Some Are Abnormal
Trading Volume Activity	Before (25 days to 1 day before)	0,000	0,000	Abnormal
Trading Volume Activity	After (1 day to 25 days after)	0,000	0,000	Abnormal

The results of the normality test confirm that the data distribution in this study does not fully meet the assumption of normality, particularly for the Trading Volume Activity variable, which is not normally distributed at all. This condition reflects the heterogeneity of investor behavior across the sample companies which is reasonable given the differences in scale, sector, and the diverse contexts of M&A transactions during the 2020-2024 period. Therefore, hypothesis testing was conducted using the nonparametric Wilcoxon Signed-Rank Test as a substitute for the Paired Sample T-Test, as it is more appropriate for the characteristics of this data.

Hypothesis Testing

Hypothesis testing was performed using the Wilcoxon Signed-Rank Test because the data were not normally distributed, as determined by the Kolmogorov-Smirnov and Shapiro-Wilk

tests. The decision criterion was that if Asymp. Sig. (2-tailed) < 0.05, then there was a significant difference.

Abnormal Return

Table 4.4 Summary of Results from the Wilcoxon Signed-Rank Test for Abnormal Returns

Event Window	Significant Days (Sig. < 0,05)	Number of Significant Days	Conclusion
±5 Day	H±1 (Sig. = 0,047)	1 of 5	H1 Rejected
±25 Day	H±1 (0,047), H±7 (0,016), H±9 (0,000), H±15 (0,001)	4 of 25	H2 Rejected

The most significant finding from testing these hypotheses lies not in what happened, but rather in what consistently did not happen. Although some days within the observation window showed significant differences, these reactions were sporadic and did not form a systematic pattern; thus, H1 and H2 were rejected. This implies that M&A announcements do not reliably generate abnormal returns for investors on the Indonesia Stock Exchange throughout the 2020-2024 period, consistent with Rohim's (2025) conclusion that M&A does not have a significant impact on market reactions.

This finding can be explained by the semi-strong form of the Efficient Market Hypothesis, which states that stock prices already reflect all publicly available information including M&A plans before an official announcement is made, so the announcement itself no longer presents an informational surprise capable of consistently driving abnormal returns (Fama et al., 1969). In the context of the post-pandemic period, which is fraught with uncertainty, investors also tend to be more cautious and do not immediately interpret M&A announcements as definitive signals; rather, they wait for clarity regarding the actual impact of the transaction on the company's performance. This aligns with the findings of Hasibuan & Saputra (2019), which showed no significant difference in average abnormal returns, although fluctuations still occurred on certain days within the event window.

The emergence of several significant days particularly around one day before and after the announcement (H±1) provides important evidence that some market participants likely obtained or anticipated M&A information prior to the official announcement date. Such information leaks cause price reactions to occur earlier, so that by the time the official announcement is released, its significant impact has consistently dissipated by the following days.

Trading Volume Activity

Table 4.5 Summary of Results from the Wilcoxon Signed-Rank Test

Trading Volume Activity

Event Window	Hari Signifikan (Sig. < 0,05)	Jumlah Hari Signifikan	Kesimpulan
±5 Hari	-	0 dari 5	H3 Ditolak
±25 Hari	-	0 dari 25	H4 Ditolak

The fact that not a single day showed a significant difference in trading volume activity whether within a ± 5 -day or ± 25 -day window is a strong and consistent finding, leading to the rejection of H3 and H4. This indicates that M&A announcements do not trigger a meaningful change in the intensity of investor trading on the IDX, consistent with Adnyani & Gayatri (2018), who also found no significant differences in the trading volume activity of acquiring companies.

The absence of this TVA reaction can be attributed to the characteristics of the Indonesian capital market, which remains dominated by retail investors with a short-term investment orientation. Retail investors generally lack the analytical capacity to assess the long-term impact of M&A transactions, so such announcements do not immediately prompt adjustments in their trading volume. On the other hand, institutional investors, who possess better analytical capabilities, likely anticipated these transactions long before the official announcement, so there was no significant surge in trading volume at the time of the announcement.

This finding differs from the results of Larasati & Wirama (2018), who found that the average TVA following a merger announcement was significantly higher than before. This discrepancy is most likely influenced by differences in the study periods and market conditions, as the 2020–2024 period was marked by higher uncertainty due to the impact of the pandemic, prompting investors to adopt a wait-and-see approach rather than actively trading.

Discussion

Differences in Abnormal Returns Before and After Merger and Acquisition Announcements

The test results show that there are no consistently significant differences in Abnormal Returns in either the ± 5 -day or ± 25 -day event windows. Although there were several days that showed significant differences namely, $H \pm 1$, $H \pm 7$, $H \pm 9$, and $H \pm 15$ these reactions were sporadic and did not form a systematic pattern throughout the observation period. Thus, H1 and H2 are rejected.

The rejection of these hypotheses indicates that merger and acquisition announcements do not consistently generate Abnormal Returns for investors on the Indonesia Stock Exchange

during the 2020–2024 period. This finding is consistent with Rohim (2025), who concluded that mergers and acquisitions do not have a significant effect on market reactions. This situation can be explained by the semi-strong form of the Efficient Market Hypothesis, in which stock prices already reflect all publicly available information including information regarding merger and acquisition plans so that official announcements no longer generate information surprises capable of consistently driving Abnormal Returns.

Additionally, market conditions during the 2020-2024 period played a role. This period was marked by post-COVID-19 pandemic uncertainty, which led to high market volatility and more cautious investor behavior. Under such conditions, investors tended not to immediately respond to M&A announcements as definitive positive or negative signals but instead waited for further clarity regarding the actual impact of such transactions on company performance. This aligns with the findings of Hasibuan & Saputra (2019), who found that there was no significant difference in average Abnormal Returns between the periods before and after the announcement, although fluctuations occurred on certain days within the event window.

The sporadic emergence of several significant days, particularly on $H \pm 1$, indicates the presence of information leakage or market anticipation prior to the official announcement. This suggests that some market participants had already obtained or anticipated M&A information before the announcement date, causing price reactions to occur earlier and leaving no consistent residual effects on subsequent days.

Differences in Trading Volume Activity Before and After Merger and Acquisition Announcements

The test results show that there were no significant differences in trading volume activity across the entire observation period, whether in the ± 5 -day or ± 25 -day event windows. None of the 25 pairs of observation days yielded significant values, so H3 and H4 were rejected.

The rejection of these two hypotheses indicates that merger and acquisition announcements do not trigger significant changes in investor trading intensity on the IDX. This finding is consistent with Adnyani & Gayatri (2018), who also found no significant differences in trading volume activity for acquiring companies. The absence of a TVA reaction indicates that investors do not engage in more active buying or selling in response to M&A announcements, which may mean that such announcements are not considered sufficiently material new information to alter their trading decisions.

This situation may also be linked to the characteristics of investors in the Indonesian capital market, which is still largely dominated by retail investors with short-term investment horizons. Retail investors tend to lack the analytical capacity to assess the long-term impact of M&A transactions, so they do not immediately adjust their trading volume based solely on such announcements. On the other hand, institutional investors, who are better equipped to analyze

the impact of M&A, likely anticipated these transactions long before the official announcement, so there was no significant spike in trading volume at the time of the announcement.

This finding of a completely insignificant TVA contrasts with the results of Larasati & Wirama (2018), who found that the average TVA following a merger announcement was significantly higher than before. This discrepancy is likely due to differences in the study periods and market conditions, as the 2020–2024 period was marked by higher uncertainty due to the pandemic's impact, leading investors to adopt a “wait-and-see” stance rather than actively trading.

Implications of the Findings

Overall, the absence of a significant and consistent reaction in terms of both abnormal returns and trading volume to M&A announcements on the IDX during 2020–2024 has several important implications. For investors, these results indicate that trading strategies based solely on M&A announcements have not been shown to generate consistent abnormal returns; therefore, consideration of other fundamental factors remains necessary in investment decision-making. For company management, these findings signal that the market does not automatically view M&A as value creation; therefore, more transparent communication regarding the synergies and long-term benefits of M&A transactions becomes increasingly important in line with the principles of signaling theory proposed by Spence (1973). For capital market regulators, these findings can serve as input to encourage improvements in the quality and timeliness of M&A disclosures so that the market can respond more efficiently.

5. CONCLUSION AND LIMITATION

Conclusion

This study concludes that merger and acquisition announcements by companies listed on the Indonesia Stock Exchange during the 2020–2024 period do not consistently generate significant differences in either abnormal returns or trading volume activity, as evidenced by the rejection of all four hypotheses across both the ± 5 -day and ± 25 -day event windows. Although sporadic significant reactions were observed on a limited number of days particularly around $H \pm 1$, $H \pm 7$, $H \pm 9$, and $H \pm 15$ for abnormal returns, these patterns were insufficient to confirm systematic market responses, suggesting that the IDX exhibits characteristics consistent with the semi-strong form of the Efficient Market Hypothesis, whereby stock prices have already incorporated publicly available M&A information prior to the official announcement date. The absence of a significant trading volume reaction further reflects the dominance of retail investors with limited analytical capacity and the tendency of institutional investors to anticipate transactions well before the announcement, both of which are amplified by the elevated market uncertainty of the post-pandemic period. These findings underscore the importance of transparent M&A communication by company management and the need for

investors to consider broader fundamental factors beyond announcement signals when making investment decisions.

Limitation

This study has several limitations that should be acknowledged. First, the sample is restricted to 30 companies that met the purposive sampling criteria, which may limit the generalizability of the findings to the broader population of M&A transactions on the IDX. Second, the use of the market-adjusted model to calculate abnormal returns does not account for firm-specific risk factors, which may reduce measurement precision compared to more sophisticated models such as the market model. Third, the study does not distinguish between types of M&A transactions (horizontal, vertical, or conglomerate) or between acquirer and target companies, which may obscure heterogeneous market reactions across different transaction characteristics. Fourth, the presence of confounding events during the observation window, such as dividend announcements or earnings releases, was not fully controlled for, which could influence the measured abnormal returns and TVA. For future research, it is recommended to expand the sample size, incorporate transaction-type classifications, apply risk-adjusted return models, and include a confounding event filter to produce more robust and nuanced findings regarding capital market reactions to M&A activities in Indonesia.

6. REFERENCES

- Adnyani, I. P., & Gayatri, G. (2018). Analisis Reaksi Pasar Terhadap Pengumuman Merger dan Akuisisi Pada Perusahaan Akuisitor yang Terdaftar di BEI. *E-Jurnal Akuntansi Universitas Udayana*, 23(3), 1870–1899.
- Bauer, F., & Friesl, M. (2024). Synergy Evaluation in Mergers and Acquisitions: An Attention-Based View. *Journal of Management Studies*, 61(1), 37–68. <https://doi.org/10.1111/joms.12804>
- Fama, E. F., Fisher, L., Jensen, M. C., & Roll, R. (1969). The Adjustment of Stock Prices to New Information. *International Economic Review*, 10(1), 1. <https://doi.org/10.2307/2525569>
- Hajiyeva, A. (2020). THE IMPACT OF MERGERS AND ACQUISITIONS ON THE OPERATIONAL PERFORMANCE OF COMPANIES IN EMERGING CAPITAL MARKETS. *Review of Socio-Economic Perspectives*, 5(4), 11–23.
- Jogiyanto, H. (2017). *Teori portofolio dan analisis investasi* (11th ed.).
- Hasibuan, A. B., & Saputra, F. (2019). PENGARUH MERGER DAN AKUISISI TERHADAP HARGA SAHAM PERUSAHAAN PENGAKUISISI YANG TERDAFTAR DI BURSA EFEK INDONESIA PERIODE TAHUN 2012-2016. *Jurnal Kajian Pendidikan Ekonomi Dan Ilmu Ekonomi*, 3(2).

- Khan, M. A. H., Uddin, B., & Hossain, J. (2023). Changing Share Price after Announcement of the Merger and Acquisitions by Acquiring Firms Is Significant or Insignificant? *Journal of Financial Risk Management*, 12(04), 425–438. <https://doi.org/10.4236/jfrm.2023.124022>
- Larasati, P., & Wirama, D. G. (2018). Respon Pasar Terhadap Pengumuman Akuisisi pada Perusahaan Pengakuisisi yang Terdaftar di BEI Tahun 2013-2017. *E-Jurnal Akuntansi*, 507. <https://doi.org/10.24843/EJA.2018.v24.i01.p19>
- Larasati, Y., & Nuraya, A. S. (2018). Analisis Perbedaan Abnormal Return Sebelum dan. *Jurnal Ekonomi, Manajemen Dan Perbankan*, 4(2).
- Mal, P., & Gupta, K. (2020). MAR_MergersandAcquisitions. *MANAGEMENT & Accounting Review*, 19(1). <https://doi.org/10.24191/mar.v19i1.1028>
- McWILLIAMS, A., & SIEGEL, D. (1997). EVENT STUDIES IN MANAGEMENT RESEARCH: THEORETICAL AND EMPIRICAL ISSUES. *Academy of Management Journal*, 40(3), 626–657. <https://doi.org/10.2307/257056>
- Permatasari, M. D., Meilawati, S., Bukhori, A., & Luckieta, M. (2021). ANALISIS PERBANDINGAN HARGA SAHAM DAN VOLUME PERDAGANGAN SEBELUM DAN SELAMA PANDEMI COVID-19. *Jurnal Akuntansi Bisnis Pelita Bangsa*, 6(02), 99–116. <https://doi.org/10.37366/akubis.v6i02.271>
- Rohim, A. (2025). *Reaksi Pasar terhadap Pengumuman Merger dan Akuisisi, Bukti Empiris dari Perusahaan Tercatat di BEI* (1st ed.). PT Literasi Nusantara Abadi Grub.
- Spence, M. (1973). Job Market Signaling. *The Quarterly Journal of Economics*, 87(3), 355. <https://doi.org/10.2307/1882010>