

Sensitivity Sector State-Owned Banking towards Signal Policy Fiscal: Event Study Change of Finance Minister on Himbara Banks Shares

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ABSTRACT

The capital market serves as an important indicator for capturing informational changes, including political events related to fiscal policy. The announcement of a new Minister of Finance is considered an information event that may influence investor perceptions due to the strategic role of this position in determining national economic direction and fiscal stability. This study aims to examine the capital market reaction to the announcement, focusing on state-owned bank stocks (Himbara Banks) listed on the Indonesia Stock Exchange. An event study method was employed with an eleven-day event window (T-5 to T+5). The analysis utilized One Sample T-Test to detect significant abnormal returns on each observation day and Paired Sample T-Test to compare mean abnormal returns before and after the event. The findings reveal significant abnormal returns on T-3, T+3, and T+5, indicating that the market responded noticeably to the political event. The reaction on T-3 suggests possible information leakage, while the reactions on T+3 and T+5 reflect delayed market assessment of the new fiscal policy's impact on state-owned banks. However, the Paired Sample T-Test indicates no significant difference between average abnormal returns before and after the announcement. These results suggest that the Indonesian capital market has not yet achieved semi-strong form efficiency.

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INTRODUCTION

The capital market plays an essential role as a mechanism that channels public funds into productive sectors and contributes to the formation of asset prices that reflect economic fundamentals, policy predictability, and investor optimism regarding a country's economic prospects (Miranti, 2024). Within the framework of market efficiency, (Fama, 1970) states that stock prices should fully reflect all publicly available information, implying that investors cannot consistently earn abnormal returns. However, this condition is not fully realized in developing countries such as Indonesia, where market responses to information are often delayed and influenced by sentiment, perception, and psychological factors.

One type of public information that has strong potential to influence capital market dynamics is political events. Changes in fiscal policy, cabinet reshuffles, and the appointment

of strategic economic officials are generally perceived as signals regarding future economic policy direction. The announcement of a new Minister of Finance is one of the most sensitive political events, as this position has direct authority over fiscal policy formulation, deficit management, debt strategy, and economic stimulus programs. Consequently, changes in the Minister of Finance have the potential to shift investor perceptions regarding macroeconomic stability and the short-term investment climate.

Previous studies indicate that the Indonesian capital market frequently reacts to political events. (Sutrisno, 2021) identified negative abnormal returns prior to elections and a positive rebound after election results were announced, illustrating a buy on rumor, sell on news pattern among investors. Likewise, (Permatasari et al., 2017) found that the announcement of election results during the 2004–2014 period generated significant, although temporary, market reactions, suggesting that the relevance of political information depends on economic conditions and the credibility of elected officials.

Other political events, including large-scale demonstrations and cabinet reshuffles, also trigger market reactions. (Zulfikar & Mayvita, 2017) found positive abnormal returns on Islamic stocks listed in the Jakarta Islamic Index (JII) during major demonstrations in Jakarta, although no statistically significant differences were observed before and after the event. Internationally, (Ramesh & Rajumesh, 2018) reported that major political events in Sri Lanka tended to produce negative abnormal returns due to increased perceptions of instability. Similarly, (Bouoiyour & Selmi, 2016) showed that political uncertainty heightened stock price volatility in the United States ahead of the 2016 presidential election. These findings demonstrate that political factors exert a systematic influence on investment expectations and decision-making.

In Indonesia, state-owned banks known as Himbara (Bank Mandiri, BRI, BNI, and BTN) hold a strategic position as government instruments in the distribution of credit programs, interest subsidies, and infrastructure financing (Tridewi, 2023). Their close linkage to fiscal policy makes Himbara stocks particularly sensitive to changes in economic leadership, especially the Minister of Finance. Shifts in fiscal direction resulting from changes in the Minister of Finance may affect liquidity, credit demand, and profitability prospects, thereby directly influencing the stock performance of Himbara banks.

Market reactions to political events, however, are not always consistent. (Sa'diyah & Widagdo, 2020) found no significant difference in average abnormal returns before and after political events, suggesting that much political information may have been anticipated by investors prior to official announcements. In addition, retail investor behavior in Indonesia remains strongly influenced by short-term sentiment, media coverage, and herd psychology (Dananjaya et al., 2025). This condition reinforces the semi-strong form of market inefficiency in Indonesia, in which public information is not immediately reflected in stock prices.

Although extensive research has examined market reactions to political events, a significant gap remains in the literature. Studies conducted within the last five years have primarily focused on elections, major legislative policies, and public demonstrations, yet none have specifically investigated how the Indonesian capital market responds to the announcement of a new Minister of Finance despite this event representing a direct shift in

fiscal authority with substantial implications for economic credibility and policy direction. Furthermore, prior studies generally analyze the market at an aggregate level, whereas sector-specific investigations particularly those focusing on Himbara banks, which have the highest fiscal exposure are still limited. This study therefore introduces novelty by examining market reactions to the appointment of the Minister of Finance and highlighting how these reactions manifest within state-owned banking stocks. The study also indirectly responds to recommendations within prior literature that emphasize the need for deeper examination of political events related to fiscal policy changes.

Based on this background, the present study aims to analyze the capital market reaction to the announcement of the new Minister of Finance by employing an event study approach. The analysis focuses on Himbara bank stocks to determine whether the event generated abnormal returns and how market behavior differed before and after the announcement. The findings are expected to contribute empirically to the literature on the relationship between fiscal political events and market behavior, as well as provide a more comprehensive understanding of the sensitivity of state-owned banks to changes in fiscal policy dynamics.

METHOD

Basic Research Framework

This research uses an approach quantitative with methods event study to measure market reaction to an event that is published to the public. According to (Campbell et al., 1997), event study used to observe the extent to which an event affects the value of a company through changes in share prices reflected in abnormal return. This approach is commonly used to assess semi-strong form market efficiency, as it tests the speed and accuracy of stock price reactions to public information (Campbell et al., 1997). The object of this research is the announcement of the new Minister of Finance which was officially announced by the President of the Republic of Indonesia. Market reaction was measured by comparing abnormal return Himbara Banks shares before and after the announcement date.

Events and Determination Period

- a. Incident Key (Event)
The events tested are: Official announcement of the change of Minister of Finance from Sri Mulyani Indrawati to Purbaya Yudhi Sadewa.
- b. Date Event (Event Date)
Event date ($t = 0$) set on September 8, 2025, is the official date for the announcement or inauguration of the new finance minister.
- c. Window Period Study
This research is divided into two main periods measured in trading days:

Table 1 Window Period Study

Period	Duration	Information
Estimation Window	100 days	From $t-100$ until $t-6$. Used to calculate return normal (expected) stock before the event.
Event Window	11 day	From $t-5$ until $t+5$. Used to measure market reaction before, during, and after the announcement.

Population and Sample Study

The research population includes all banking sector companies listed on the Indonesia Stock Exchange (IDX). Sample selection was carried out using purposive sampling, namely only selecting four state-owned banks (Himbara Banks) consisting of:

1. PT Bank Mandiri (Persero) Tbk (BMRI)
2. PT Bank Rakyat Indonesia (Persero) Tbk (BBRI)
3. PT Bank Negara Indonesia (Persero) Tbk (BBNI)
4. PT Bank Tabungan Negara (Persero) Tbk (BBTN)

These four issuers were selected based on the premise that Himbara Banks are closely linked to government fiscal policy, and therefore are likely to exhibit strong market reactions to changes in fiscal officials, such as the Minister of Finance. A similar approach was used in the study (Rachmawati & Wulandari, 2020) which examines the impact of economic officials' announcements on the shares of state-owned banking sector companies on the IDX.

Data Types and Sources

This research uses secondary data obtained from:

- a. Daily closing price (closing price) of shares of each Himbara Bank.
- b. Composite Stock Price Index (IHSG) data as market return.
- c. The official date for the announcement of the change of Minister of Finance,
- d. Data source: Yahoo Finance, the official website of the Indonesia Stock Exchange (www.idx.co.id), and official government press releases (www.setkab.go.id).

Observation period (event window) is set during 11 days, namely five days before (T-5), announcement day (T₀), and five days after (T+5). This time window is chosen to capture market reactions before and after the event, while minimizing the influence of other external factors that may occur outside of this time frame (Brown & Warner, 1985).

Definition Operations and Measurement Variables

- a. Calculation of Daily Stock Returns

Returns are calculated to determine the level of profit or loss an investor receives from daily stock price changes. The formula used refers to (Hartono, 2015):

$$R_{i,t} = \frac{P_{i,t} - P_{i,t-1}}{P_{i,t-1}}$$

Where $P_{i,t}$ is the closing price of the stock i on the day t .

- b. Calculation Return Normal ($E(R_i, t)$)

The author uses Market Model to predict return normal, because this model considers market risk systematically and is commonly used in event study (Campbell et al., 1997).

$$E(R_{i,t}) = \alpha_i + \beta_i (R_{m,t})$$

Where:

$E(R_{i,t})$ = Return normal stock i on the day t .

$R_{m,t}$ = Return market (IHSG) on the day t .

$\alpha_i + \beta_i$ = Parameters estimated using simple linear regression over the Estimation Window (100 days).

c. Calculation Abnormal Return (AR_{i,t})

Abnormal return is the difference between actual the return obtained and expected returns estimated using a market model (Hartono, 2015):

$$AR_{i,t} = R_{i,t} - E(R_{i,t})$$

d. Average Calculation Abnormal Return (AAR_t)

The average abnormal return is calculated to assess the collective market reaction to a specific event on each day within the observation window. The calculation formula is as follows (Brown & Warner, 1985):

$$AAR_t = \frac{1}{N} \sum_{i=1}^N AR_{i,t}$$

e. Calculation Cumulative Abnormal Return (CAR)

Cumulative Abnormal Return (CAR) is used to measure the total impact of events on investor wealth during a specific event window. (Campbell et al., 1997). CAR is calculated by summing the abnormal returns from several days around the event:

$$CAR(t_1, t_2) = \sum_{t=t_1}^{t_2} AAR_t$$

Statistical Test

To test the significance abnormal return, two methods are used:

- a. One Sample T-Test: tests whether average abnormal return (AAR) significantly different from zero on each observation day (Ghozali, 2018).
- b. Paired Sample T-Test: tests whether there is a difference in the average abnormal return before and after the announcement (Hatmanti & Sudibyo, 2017).

Before conducting a parametric test, it must first be carried out normality test Kolmogorov–Smirnov. If the data is not normally distributed, then a non-parametric test is used. Wilcoxon Signed Rank Test as an alternative.

Testing Hypothesis

1. H1: There is abnormal return significant surrounding the announcement of the new Minister of Finance.
2. H2: There is a difference abnormal return before and after the announcement of the new Minister of Finance.

The decision-making criteria are based on the significance value ($\alpha = 0.05$):

If Sig. < 0.05 → the hypothesis is accepted (there is a significant market reaction).

If Sig. > 0.05 → the hypothesis is rejected (there is no significant market reaction).

RESULTS AND DISCUSSION

Normality Test

Normality test is used to determine whether abnormal return data during the event period is normally distributed, as a basis for selecting subsequent statistical tests. Based on the results of the Kolmogorov–Smirnov test, the following results were obtained:

Table 2. Normality Test Results Kolmogorov-Smirnov

Data	Sig.	Conclusion
T-5	0.061	Normal
T-4	0.337	Normal
T-3	0.660	Normal
T-2	0.649	Normal
T-1	0.479	Normal
T0	0.229	Normal
T+1	0.035	Not Normal
T+2	0.840	Normal
T+3	0.815	Normal
T+4	0.677	Normal
T+5	0.709	Normal
AAR Before	0.596	Normal
AAR After	0.353	Normal

Kolmogorov-Smirnov test, most of the AR data during the event period were normally distributed (Sig. Value > 0.05). However, it was found that AR on day T+1 had a significant value (Sig. = 0.035), which means the data was not normally distributed because the Sig. value < 0.05. This finding is crucial in determining the subsequent testing methodology. Therefore, in accordance with statistical criteria, testing for most of the normal event period was carried out using the One Sample T- Test while testing specifically for day T+1 was carried out using the Wilcoxon Signed Rank Test. This approach ensures the validity of the statistical inferences used to test the market reaction hypothesis.

Sample T- Test Results

The One Sample T-Test was used to determine whether there was a significant abnormal return on each observation day around the announcement of the change of Minister of Finance.

Table 3 Results of One Sample T-Test t

Day	Sig. Value	Information
T-5	0.172	There is no significant AR
T-4	0.372	There is no significant AR
T-3	0.003	There is a significant AR
T-2	0.936	There is no significant AR
T-1	0.429	There is no significant AR
T0	0.128	There is no significant AR
T+2	0.163	There is no significant AR
T+3	0.036	There is a significant AR
T+4	0.249	There is no significant AR
T+5	0.023	There is a significant AR

Based on the results of the One Sample T- Test There were significant abnormal returns (Sig. < 0.05) on three days of observation:

- a. Day T-3 (Sig. = 0.003): A significant reaction that occurred three days before the official announcement indicates an information leak or strong market anticipation. In the Indonesian political context, information leaks regarding cabinet reshuffles or high-ranking official appointments frequently occur and are responded to by institutional investors before the official news is released. This suggests the market is acting on anticipated signals.
- b. Day T+3 (Sig. = 0.036): A significant reaction three days after the event indicates that the market needs time to process and deeply analyze the fiscal policy signals brought by the new Minister of Finance, especially its implications for the Himbara Bank which is sensitive to state policy.
- c. Day T+5 (Sig. = 0.023): A significant reaction that occurs five days after the event may reflect market interpretation of the news, analysis, or speculation that developed after the announcement. This sustained market reaction tends to reject the semi-strong form of the Efficient Market Hypothesis (EMH), where the reaction should have been completed by the day of the event (Fama, 1970).

Wilcoxon Test Results Signed Rank Test

Table 4 Wilcoxon Test Results Signed Rank Test

Day	Sig. Value.	Information
T+1	0.715	There is no significant AR

Based on the results of One- Sample Wilcoxon Signed Rank The T+1 day test also showed insignificant results (Asymp. Sig. = 0.715). Based on the results of the One Sample T- Test and Wilcoxon Signed Rank Test, there are significant abnormal returns on days T-3, T+3, and T+5, while on the other days, the significance value is above 0.05 and therefore insignificant. This could occur if the changeover information was fully anticipated or leaked beforehand (as indicated by T-3), or if the market is neutral on the appointed figure and chooses to wait for policy clarity. (Campbell et al., 1997) However, the overall significance at T-3, T+3, and T+5 indicates that the market responded to the Minister of Finance's change, but not significantly on the day itself.

Paired Test Results Sample T- Test

Paired Test Sample T- Test is used to compare the average abnormal returns before and after the announcement of the change of Minister of Finance.

Table 5 Paired Test Results Sample T- Test

AAR before - after	
Asymp. Sig. (2-tailed)	0.200

Paired Test A Sample T- Test was used to compare the average Abnormal Return (AAR) before and after the announcement of the change in the Minister of Finance. The hypothesis tested was the difference in the average AR between the two periods.

- a. The significance value (Sig. 2-tailed) obtained was 0.200.
- b. Since 0.200 is greater than 0.05, H0 is accepted.

Interpretation: Acceptance of H0 means that there is no significant difference between the average abnormal returns before and after the announcement of the change of Minister of Finance. In other words, the average overall market reaction in the pre -event period (T-5

to T-1) is not statistically different from the average market reaction in the post-event period (T+1 to T+5).

Discussion

There is Abnormal Return in the Surroundings Announcement of the Minister of Finance

Based on the results of the One Sample T- Test, significant abnormal returns were obtained on several days surrounding the announcement of the change of Minister of Finance, namely on days T-3, T+3, and T+5. These results indicate that the shares of state-owned banks (Himbara Banks) which include Bank Mandiri, BRI, BNI, and BTN, responded to the political event significantly, although not directly on the announcement day (T₀). This phenomenon indicates the dynamics of investor reactions to political information that is considered to have information. high content on the direction of national fiscal policy.

A significant reaction on day T-3 indicates the possibility of information Leakage or market anticipation before the official announcement. In the Indonesian political context, rumors of cabinet reshuffles often circulate in the mass media and market rumors several days in advance, allowing both institutional and experienced investors to react early. (Hatmanti & Sudiby, 2017) found similar results in a study of cabinet announcements during President Joko Widodo's administration, where significant abnormal returns occurred two days before the official announcement. They concluded that the market's early reaction was a form of anticipatory action. behavior due to investor perceptions of potential changes in the direction of economic policy.

In addition, the phenomenon of information leakage in the Indonesian capital market has also been studied in research. (Musyarrofah, 2016) which examined the 2015 cabinet reshuffle. The results showed that some investors made transactions based on expectations or rumors circulating before the announcement. This suggests that the Indonesian capital market is not yet fully efficient in processing public information due to asymmetric information. information between large market players and retail investors.

Furthermore, the significant reactions on days T+3 and T+5 indicate that investors need time to fully digest the impact of fiscal policy and the economic direction the new Finance Minister might take. In financial literature, the phenomenon of delayed market reactions to information events is known as delayed market adjustment (Campbell et al., 1997). This delayed reaction may be caused by initial uncertainty followed by a rational evaluation of the potential of the new policy.

The state-owned banking sector is highly sensitive to changes in fiscal and monetary policy due to its strategic function in credit distribution, infrastructure project financing, and government program implementation. (Kasmir, 2019) Therefore, when a change occurs in the top fiscal official, such as the Minister of Finance, investors will reassess the profit prospects and business risks of Himbara Banks. The positive reaction at T+3 and T+5 may reflect investor optimism about the new Minister of Finance's ability to maintain fiscal stability and support the state-owned banking sector.

From the perspective of efficient market theory (Efficient Market Hypothesis) proposed by (Fama, 1970) the reaction pattern that did not occur immediately on the announcement date indicates that the Indonesian capital market is not yet fully efficient in the semi-strong

form. In a semi-strong efficient market, all public information, including government policy announcements, should be immediately reflected in stock prices on the day of the announcement. However, in reality, the market reaction that only emerged after several days indicates that investors' information processing is not instantaneous. This is in line with the view (Hartono, 2015) which states that investor behavior in Indonesia tends to still be influenced by psychological factors, short-term expectations, and informal information such as social media rumors and online news.

Delayed phenomenon reaction has also been discussed in research (Supramono et al., 2017) who examined market reactions to the announcement of a cabinet reshuffle in Indonesia. They found that the political impact on the capital market is sector-specific and tends to be stronger in sectors directly related to fiscal policy, such as banking and infrastructure. Therefore, the findings of this study, which show significant abnormal returns in the days following the announcement, strengthen evidence that the state-owned banking sector is one of the most sensitive sectors to changes in fiscal policy.

This finding is also consistent with the results of international research. (Bouoiyour & Selmi, 2016) found that the United States stock market experienced significant increases in volatility during periods of political uncertainty, such as leading up to the announcement of presidential election results. A similar phenomenon occurred in Sri Lanka, where (Ramesh & Rajumesh, 2018) found negative abnormal returns on days surrounding major political announcements, indicating that political uncertainty increases market risk perceptions. In the Indonesian context, the alternating positive and negative reactions to Himbara shares may reflect a combination of investor optimism about the new Finance Minister and concerns about potential changes in fiscal policy direction.

This finding aligns with research conducted by (Anjas Sari & Nurazi, 2025) a study examining market reactions to the 2024 presidential election in Indonesia. The study showed that stocks with political connections, including state-owned enterprises, tend to generate higher abnormal returns during political periods compared to stocks of private companies. This is due to investors' perception that companies with strong ties to the government have the potential to benefit more from newly implemented economic and fiscal policies. In the context of this study, Himbara Banks is included in the category of stocks with strong political connections, given that these banks are under the direct supervision of the Ministry of State-Owned Enterprises and have close relationship with the policies of the Ministry of Finance.

The results of this study also have relevance to information theory. Asymmetry in capital markets. When information about new fiscal policies isn't fully transparent or understood by all market participants, large investors with better access to information can respond more quickly, while retail investors only adjust their portfolios a few days later (Ghozali, 2018). This may explain why abnormal returns appear not only before but also after official announcements.

Overall, the test results support hypothesis H1, which states that there are significant abnormal returns on specific days surrounding the announcement of the new Minister of Finance. This reaction confirms that the market views changes in fiscal leadership as important information that impacts risk perceptions and the performance prospects of state-

owned bank stocks. Thus, this study provides empirical evidence that the Indonesian capital market still exhibits characteristics of a reaction that is not entirely efficient and is influenced by political factors and investor expectations regarding government policies.

Differences Abnormal Return Before and after Announcement of the Minister of Finance

Paired test results The Sample T-Test showed a significance value of 0.200 (>0.05), indicating no significant difference between the average abnormal returns before and after the announcement of the change in Minister of Finance. Therefore, statistically, it can be concluded that although there was a significant reaction on certain days around the announcement date, the aggregate average abnormal returns of Himbara Banks shares before and after the event were relatively similar.

These results indicate that the market generally does not view the change in Finance Minister as having a fundamental impact on the performance prospects of the state-owned banking sector. In the Indonesian economic context, the state-owned banking sector plays a highly strategic role in supporting the implementation of fiscal policy and government programs. Therefore, a change in Finance Minister is unlikely to immediately alter policy direction for Himbara Banks, as their core business activities are policy-driven and based on government programs such as the distribution of People's Business Credit (KUR), infrastructure financing, and interest subsidy programs.

This phenomenon is in line with the findings (Musyarrofah, 2016) who examined the market reaction to the cabinet reshuffle on August 12, 2015. He found that the market reaction was short-term and did not significantly change the average abnormal return of LQ-45 stocks. Investors, particularly institutional investors, were deemed to have mature expectations regarding the possibility of changes in cabinet structure, so the official announcement only confirmed previously anticipated information. This reflects what is referred to in the financial literature as the anticipation phenomenon. Information, namely a condition where the market has predicted a certain political event before the announcement is made, so that the post-event impact is minimal (Campbell et al., 1997).

The absence of significant differences can also be explained through the perspective of semi-strong form efficient market theory. Within this theoretical (Fama, 1970) framework stock prices reflect all public information, including government policies and announcements from economic officials. Because the market obtains and interprets political information quickly, changes in leadership at the ministerial level do not necessarily trigger a large price reaction after the announcement. In other words, the market perceives that the change in Finance Minister does not bring new information which is strong enough to change investor expectations regarding the fundamental performance of Himbara Banks.

From an investor behavioral perspective, this relatively calm reaction also reflects the maturity of the Indonesian capital market in responding to political events. (Hartono, 2015) Investor behavior in Indonesia is becoming more rational, with the increasing participation of financial institutions such as pension funds, insurance companies, and investment managers, who tend to base their decisions on fundamental analysis, not just short-term political news. Therefore, despite short-term volatility around the announcement date, investors do not view this event as a factor that changes the intrinsic value of Himbara Banks shares.

The results of this study also support the view (Anjas Sari & Nurazi, 2025) who found that major political events such as the 2024 presidential election only had a temporary effect on stocks with strong political connections, including state-owned enterprises. They explained that the Indonesian capital market tends to react to political symbols or figures only in the short term, while in the medium to long term, stock prices again reflect the company's performance and prospects. Therefore, the absence of significant differences before and after the Minister of Finance's announcement may indicate that investors perceive the new figure to remain within an economic policy framework consistent with the previous administration.

Furthermore, the relatively neutral market reaction also reflects a high level of confidence in the stability of Indonesia's fiscal policy. The Minister of Finance, despite holding a strategic role in managing the state budget, typically operates within the macro policy framework established by the President and the Council of Ministers. This means that individual changes are not always followed by drastic policy changes (Rachmawati & Wulandari, 2020). Therefore, investors believe that the fiscal policy direction will remain unchanged and does not pose a significant risk to the state-owned banking sector.

Similar results were also found by (Supramono et al., 2017) In their research on market reactions to cabinet reshuffles, they noted that political influences on capital markets tend to be sectoral. especially in sectors directly related to fiscal policy and infrastructure However, this does not always have a significant impact on overall market performance. In the context of Himbara Banks, close ties to government policy actually create a perception of stability because these institutions are perceived as having explicit state support.

From an investment psychology perspective, there is no significant difference between before and after the announcement, also explained by the confirmation phenomenon bias. Investors tend to interpret political events according to their initial beliefs about the stability of the national economy. Since most market participants likely anticipated that the change in Finance Minister would not result in major changes, market reaction was limited. (Bouoiyour & Selmi, 2016).

Apart from behavioral factors, the information absorption mechanism in the Indonesian capital market also plays a role. (Ghozali, 2018) explains that investors in emerging markets often face limitations in accessing and interpreting economic information quickly and accurately. This condition can lead to markets responding moderately to major events, especially if the information provided is ambiguous or does not pose significant surprises.

From a practical perspective, the results of this study provide an important message for investors and policymakers. For investors, the lack of significant differences in abnormal returns suggests that investment strategies based on short-term reactions to political events are not always effective, especially for stocks strongly linked to government policies. Instead, investment decisions should be oriented toward long-term fundamental analysis, including bank profitability, liquidity, and operational efficiency.

For policymakers, these results underscore the importance of maintaining fiscal policy consistency and transparent public communication. When the replacement of a high-ranking official, such as the Minister of Finance, is carried out through a planned and communicative mechanism, the market will view the process as part of policy continuity, not a source of new

uncertainty. (Ramesh & Rajumesh, 2018) He noted that one indicator of political stability in emerging markets is minimal capital market volatility during periods of government transition, which indicates investor confidence in solid fiscal governance.

Thus, the results of this study indicate that the second hypothesis (H2) is rejected. There was no significant difference between the average abnormal returns before and after the Minister of Finance's announcement, indicating that the market perceived the event as not posing substantial risks or new opportunities to the fundamental performance of Himbara Banks. This limited market reaction reinforces the conclusion that the Indonesian capital market is semi-strong and politically stable, where changes in economic officials are not always followed by significant changes in perceived company value.

CONCLUSION

Based on the results of the analysis using the approach event study on the shares of Himbara Banks (Bank Mandiri, BRI, BNI, and BTN), the results of the test One Sample T- Test shows that there is abnormal return significant on certain days around the announcement of the new Minister of Finance, namely on the T-3, T+3, and T+5 data indicate that the capital market responded significantly to the political information. The reaction at T-3 indicates anticipation or information leaks before the official announcement, while the T+3 and T+5 reactions indicate a market delay in assessing the impact of the new Finance Minister's potential fiscal policies. Based on the test results Paired Sample T- Test shows that there is no significant difference between the average abnormal return before and after the announcement (Sig. = 0.200 > 0.05). Thus, the market reaction to this event was temporary and did not cause significant changes to the aggregate performance of Bank Himbara shares. The results of this study indicate that The Indonesian capital market is not yet fully efficient in the semi-strong form, as stated by Fama (1970). Public information is not immediately reflected in stock prices on the day of the announcement, but requires time for investors to digest the policy implications for the state-owned banking sector practical, research This show that incident political fiscal own information content that can influence investor behavior, especially in sectors that have relatedness direct with policy government. Investors are advised for notice dynamics political economy national Because can cause opportunity abnormal return term short Share government, results This show importance communication policy transparent fiscal For guard stability and perception positive in the capital market.

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