

## **ABSTRACT**

*COVID-19 case gives an impact on all industrial sectors in Indonesia, one of which is the industrial automotive and component. Because the industry makes a large contribution to the state, the government issued a letter through the Coordinating Minister for the Economic Affairs to provide intensive PPnBM to increase people's purchasing power for the automotive and component industries.*

*This study aims to analyze whether there are differences in abnormal returns and trading volume activity on the intensive announcement of PPnBM, with a period of 5 days before and after the announcement of PPnBM by the Coordinating Minister for Economic Affairs and the Deputy Minister of Finance.*

*In this study, using the event study method with abnormal return and trading volume activity techniques. The data that used in this research is secondary data with time series data collection, this data used closed price and trading volume of industrial automotive and component that has been shared on 5 days before and after the announcement. The data were analyzed using abnormal returns, trading volume activity, and normality test using IBM SPSS.*

*The results of this study were there are no differences in abnormal returns and trading volume activity before and after the first announcement by the Coordinating Minister for Economic Affairs, and during the second announcement by the Deputy Minister of Finance.*

*The suggestion is given by the writer to the next researcher is to use different events, research objects, and event windows in order to produce more accurate results.*

*Keyword: abnormal return, trading volume activity, event study, automotive and component industry, PPnBM.*