

ABSTRACT

This study aims to analyze on how the financial performance of e-commerce that listed on the Indonesia Stock Exchange (IDX) before and after the enactment of the Minister of Trade Regulation No. 31 of 2023 about Business Licensing, Advertising, Guidance, and Supervision of Business Actors in Trading through Electronic Systems since September 26, 2023 by setting the limits on the terms used in regulation. The policy was issued to protect local business from unfair competition due to imported products that are cheaper than local products, which could lead to predatory pricing sold through e-commerce platform in Indonesia. Additionally, it also aims to reduce dumping that committed by foreign traders against buyers in Indonesia through e-commerce. This study uses financial ratio analysis to analyze the changes that occur in the financial performance of e-commerce operating in Indonesia. The financial data covers the period before and after the policy implementation with a focus on data for profitability, liquidity, solvency, and asset ratios of e-commerce companies listed on the IDX. The results of this study indicate a significant change in the company's solvency ratio but not in the profitability, liquidity, and asset ratios. This research is expected to provide insights for industry players and the government in Indonesia on the policy of prohibiting cross-border trade in goods valued below 100 USD.

Keyword: *Financial Performance, Profitability Ratio, Liquidity Ratio, Solvency Ratio, Asset Ratio, Cross-Border Trade, E-Commerce, Minister of Trade Regulation No. 31 of 2023*