ECONOMICS AND BUSINESS JOURNAL

Vol. 4 No. 5 (2026)
e-ISSN: 2963-7589
Economic and Business Journal | ECBIS
https://ecbis.net/index.php/go/index

Indonesian Stock Market Reaction to the Escalation of the 2026 Iran Conflict: Evidence from an Event Study of Energy Sector Firms

Nidrah[1], Rika Kurniawati[2], Mufidatul Azmi[3]
[1-3] Universitas Negeri Makassar
E-mail: [1]nidrah@unm.ac.id, [2]rika.kurniawati@unm.ac.id, [3]mufidatulazmi@unm.ac.id

Submitted: 12 May 2026	Revised: 22 May 2026	Accepted: 28 May 2026

Abstract

This study examines the reaction of the Indonesian capital market to the escalation of the Iran conflict in 2026 using an event study approach focusing on energy sector firms listed on the Indonesia Stock Exchange. Market reactions are measured using Average Abnormal Return (AAR) and Trading Volume Activity (TVA). The observation period includes an 11-day event window (t−5 to t+5) and a 100-day estimation period. Statistical tests employed include the Shapiro–Wilk normality test, one-sample t-test, paired sample t-test, and Wilcoxon Signed Rank Test.

The findings indicate that abnormal returns are only significant around the event date but do not differ significantly between pre- and post-event periods. In contrast, trading volume activity shows consistent and significant changes. These results suggest that geopolitical conflict information is more strongly reflected in trading behavior than in price adjustments. This study contributes to the literature by providing sector-specific evidence from an emerging market and highlighting behavioral market responses.

Keywords: *Event Study, Abnormal Return, Trading Volume Activity, Geopolitical Risk, Energy Sector*

1. INTRODUCTION

Global economic stability in recent years has increasingly been influenced by international geopolitical dynamics. Political tensions between countries, military conflicts, and geopolitical rivalries not only affect global political stability but also influence financial markets and global commodity markets (Chiaramonte et al., 2025). Geopolitical risk has become one of the key factors affecting energy market volatility and stock market performance across countries. In an increasingly integrated global economic system, changes in geopolitical conditions can rapidly generate economic uncertainty, which is subsequently reflected in movements in energy prices, exchange rates, and stock markets (Anwer & Ahmad, 2025).

One of the sectors most sensitive to geopolitical dynamics is the energy sector. This is due to the close relationship between geopolitical stability and the production and distribution of global energy resources, particularly oil and gas. Ratuela et al. (2025) demonstrate that increasing geopolitical risk is significantly associated with higher energy price volatility and the potential for shocks in global energy markets. This finding is supported by Zaza et al. (2025) who argue that energy markets are highly vulnerable to geopolitical conflicts due to their strong dependence on the stability of major energy-producing regions. Furthermore, rising geopolitical risk can intensify volatility transmission between energy markets and stock markets, particularly for firms operating in the energy sector.

The impact of geopolitical risk on stock markets has also been widely documented in empirical studies. Lamine & Zribi (2024) find that increasing geopolitical risk significantly affects stock returns and volatility across countries. Similarly, Chowdhury et al. (2025) show that geopolitical conflicts have heterogeneous impacts on global equity markets and significantly influence investor behavior. In addition, Smales (2021) identify volatility spillover effects between geopolitical risk and energy markets, ultimately influencing global financial market stability.

International conflicts have also been shown to have tangible effects on stock markets. Assaf et al. (2023) find that the Russia–Ukraine war caused significant changes in stock prices across various industry sectors. In the context of emerging markets, Zaremba et al. (2022) finds that geopolitical risk significantly affects stock returns, particularly in markets that are more vulnerable to external shocks. These findings are further supported by Putra et al. (2024), who state that increasing global geopolitical risk is significantly associated with movements in the Indonesian Composite Index (IHSG).

Despite the extensive evidence that geopolitical conflicts influence stock markets, most existing studies still focus on the Russia–Ukraine conflict or other geopolitical events occurring in Europe and the United States. In addition, many previous studies primarily emphasize general stock price movements without deeply examining the dynamics of specific industry sectors that are directly linked to global energy markets (Chowdhury et al., 2025). In fact, each sector exhibits different levels of sensitivity to geopolitical risk, particularly the energy sector, which is closely related to fluctuations in global energy commodity prices.

Moreover, studies examining capital market reactions in emerging markets to geopolitical conflicts remain relatively limited, particularly in the Indonesian context. Most existing research focuses on the impact of global conflicts on aggregate market indices, with limited attention given to firm-level reactions in the energy sector (Zhang et al., 2023). Therefore, this study seeks to fill this gap by analyzing the reaction of the Indonesian capital market to the escalation of the Iran conflict in 2026 using an event study approach. This approach is expected to provide a more comprehensive understanding of the sensitivity of the energy sector to global geopolitical risk.

Recent developments in early 2026 indicate that the escalation of conflict involving Iran has once again increased uncertainty in global markets. These tensions disrupted oil distribution routes in the Middle East, which is one of the world's primary energy supply hubs. The impact of this conflict was reflected in the surge in global oil prices, which approached USD 100 per barrel due to concerns over potential supply disruptions (Geman, 2026). In addition, the conflict also exerted pressure on stock markets, including in Indonesia. The Indonesian Composite Index (IHSG) experienced a decline of approximately 2.66% in early March 2026, driven by growing investor concerns regarding the impact of the conflict on global economic stability and energy markets (Trade, 2026).

From an industry perspective, the energy sector is one of the sectors most closely linked to global energy price dynamics. Fluctuations in global oil prices have a direct relationship with the performance of energy companies, which is reflected in their stock prices. Alsagr et al. (2026) show that global oil price volatility significantly affects sectoral performance in the Indonesian stock market. Furthermore, Wahyudi & Rahmawati (2025) find that stock prices of energy companies listed on the Indonesia Stock Exchange are highly influenced by changes in global energy market conditions. This indicates that the energy sector is highly sensitive to external shocks, including international geopolitical conflicts.

In capital market studies, investor reactions to specific events can be analyzed using the event study approach, which allows researchers to identify whether an event contains sufficient information to influence stock prices and trading activity around the event date (Biswas et al., 2024). Previous studies also indicate that the Indonesian capital market is relatively responsive to various economic and political events, both domestically and globally (Fitriyah & Mukminatin, 2025).

However, most prior studies have focused on the impact of the Russia–Ukraine conflict on geopolitical risk transmission and capital market reaction in the Indonesian capital market, particularly through event study, abnormal return, trading volume activity, and sectoral return connectedness approaches (Sari et al., 2024). Studies specifically examining the impact of the escalation of the Iran conflict on the Indonesian capital market, particularly in the energy sector, remain limited, although recent evidence in the ASEAN energy sector shows that the Iran–Israel conflict generated significant market reactions in abnormal returns (Ratuela et al., 2025). This limitation is important because the energy sector is highly sensitive to geopolitical risk due to its dependence on global energy supply stability, oil price uncertainty, and cross-market spillover between energy commodities and stock markets (Zhang et al., 2023). Therefore, there remains a research gap in understanding how the Indonesian capital market responds to geopolitical conflicts directly related to global energy markets, especially through a descriptive exploration of energy stock return characteristics rather than merely testing macroeconomic causality or event-based abnormal returns (Widoretno & Fitriyah, 2024).

This study offers novelty by examining the Indonesian energy sector's market reaction to the escalation of the Iran conflict in 2026 using both price-based and volume-based indicators. Unlike previous studies that mainly focus on the Russia–Ukraine conflict or aggregate market indices, this study provides firm-level evidence from Indonesian energy companies by combining abnormal return and trading volume activity within an event study framework.

Accordingly, this study is important as it provides empirical evidence on how the Indonesian capital market responds to geopolitical conflict escalation related to the energy sector. Understanding market reactions to international conflicts not only contributes to the academic literature on capital markets but also offers practical implications for investors, market analysts, and policymakers in understanding the sensitivity of domestic capital markets to global geopolitical risks.

Based on the above discussion, this study aims to analyze the reaction of the Indonesian capital market to the escalation of the Iran conflict in 2026 using an event study approach on energy sector companies listed on the Indonesia Stock Exchange. Market reactions are measured through changes in abnormal return and trading volume activity around the event date.

Based on the theoretical framework and previous empirical findings, the hypotheses of this study are formulated as follows:

H1: There is a significant abnormal return around the escalation of the Iran conflict in 2026.
H2: There is a significant difference in abnormal return before and after the event.
H3: There is a significant trading volume activity around the escalation of the Iran conflict in 2026.
H4: There is a significant difference in trading volume activity before and after the event.

2. RESEARCH METHOD

Research Design

This study employs a quantitative approach using the event study method to analyze capital market reactions to a specific event. The event study method is used to examine whether an event contains information that can influence stock prices and trading activity around the event date.

In this study, the analyzed event is the escalation of the Iran conflict in 2026, which is expected to affect global energy markets and trigger investor reactions in the capital market. Market reactions are measured using two main indicators: abnormal return and trading volume activity (TVA) for energy sector companies listed on the Indonesia Stock Exchange**.**

Research Period

The event date in this study is March 9, 2026 (t-0), which represents the escalation of the Iran conflict affecting global energy and financial markets. The selection of March 9, 2026 as the event date is based on the consideration that this date represents the first trading day on the Indonesia Stock Exchange after public information regarding the escalation of the Iran conflict and its impact on global oil prices became widely available. Since the information emerged during a non-trading period, March 9, 2026 was used as t0 to capture

Vol. 4 No. 5 (2026)
e-ISSN: 2963-7589
Economic and Business Journal | ECBIS
https://ecbis.net/index.php/go/index

the immediate reaction of Indonesian energy sector stocks to the geopolitical event. The research period consists of two main components: the estimation window and the event window. The estimation window is used to estimate the market model parameters in calculating expected returns. In this study, the estimation window covers 100 trading days prior to the event period, from t−106 to t−6. Meanwhile, the event window is used to observe market reactions to the event. The event window is set at 11 trading days, ranging from t−5 to t+5 around the event date.

The detailed event window period is presented as follows:

Table 1. Event Window Period

Period	Date
t−5	March 2, 2026
t−4	March 3, 2026
t−3	March 4, 2026
t−2	March 5, 2026
t−1	March 6, 2026
t-0	March 9, 2026
t+1	March 10, 2026
t+2	March 11, 2026
t+3	March 12, 2026
t+4	March 13, 2026
t+5	March 16, 2026

This period is used to observe changes in stock returns and trading activity before and after the event.

Data Sources and Types

This study uses secondary data in the form of daily stock prices and trading volumes of energy sector companies included in the research sample. The data consist of closing prices and trading volumes during the observation period.

In addition, the study uses the Indonesian Composite Index (IHSG) as a proxy for market return in calculating expected returns. The data are obtained from the Indonesia Stock Exchange (IDX), Yahoo Finance, and Investing.com.

Data Collection Technique

The data collection technique used in this study is documentation, which involves collecting historical stock price data, trading volume data of sample companies, and market index data from publicly available sources.

Population and Sample Selection

The population in this study consists of all energy sector companies listed on the Indonesia Stock Exchange in 2026.

The sampling technique used is purposive sampling, where samples are selected based on specific criteria relevant to the research objectives. The criteria are as follows:

1. Energy sector companies actively traded during the observation period
2. Companies that did not conduct corporate actions such as stock splits, rights issues, or mergers during the research period to avoid bias in stock price movements
3. Companies with complete daily stock price and trading volume data

Based on these criteria, the sample selection process is summarized as follows:

Table 2. Sample Selection Process

Description	**Number**
Population of energy sector companies	93
Less: inactive/suspended stocks	(30)
Less: companies conducting corporate actions	(25)
Less: incomplete data	(24)
Final sample	14 companies

Source: *Data Processed, 2026*

Thus, the final sample consists of 14 companies that meet all research criteria. The sample companies are listed below:

Table 3. Sample Companies

No	**Code**	**Company**
1	ADRO	Adaro Energy Indonesia Tbk
2	ADMR	Adaro Minerals Indonesia Tbk
3	AKRA	AKR Corporindo Tbk
4	BYAN	Bayan Resources Tbk
5	DSSA	Dian Swastatika Sentosa Tbk
6	ELSA	Elnusa Tbk
7	ENRG	Energi Mega Persada Tbk
8	HRUM	Harum Energy Tbk
9	INDY	Indika Energy Tbk
10	ITMG	Indo Tambangraya Megah Tbk
11	MEDC	Medco Energi Internasional Tbk
12	PGAS	Perusahaan Gas Negara Tbk
13	PTBA	Bukit Asam Tbk

No	Code	Company
14	TOBA	TBS Energi Utama Tbk

Source: *Data Processed, 2026*

Variable Measurement

The variables used in this study are measured using standard event study formulations widely applied in capital market research.

a. Actual Return (Stock Returns)

Actual return is calculated to measure the daily return of individual stocks during the observation period. The formula is expressed as follows:

$$Rit = (Pit - Pit\text{-}1) / Pit\text{-}1$$

Where:

Rit = actual return of the stock i on the day t.

Pit = closing price of the stock i on the day t.

Pit-1 = closing price of the stock i on the day t-1.

b. Market Return

Market return is calculated based on the change in the Indonesian Composite Index (IHSG), which is used as a proxy for overall market performance. The formula is as follows:

$$Rmt = (IHSGt - IHSGt\text{-}1) / IHSGt\text{-}1$$

Where:

Rmt = market return on day t.

IHSGt = IHSG index value on day t.

IHSGt-1= IHSG index value on day t-1.

c. Expected Return (Market Model)

Expected return is estimated using the market model, which assumes a linear relationship between stock returns and market returns. The formula is:

$$E(Rit) = \alpha i + \beta i\ Rmt$$

Where:

E(Rit) = expected return of stock i on the day t.

Rmt = Return market (IHSG) on the day t.

αi = intercept of stock i

βi = sensitivity of stock i to market return

d. Abnormal Return (ARit)

Abnormal return is the difference between actual return and expected return. It reflects the market reaction to an event.

$$AR_{it} = R_{it} - E(R_{it})$$

Where:

ARit = abnormal return of stock i on day t
Rit = actual return of stock i on day t
E(Rit) = expected return of stock i on day t

e. Average Abnormal Return (AAR)

Average abnormal return is calculated to determine the average market reaction across all sample companies on a given day.

$$AAR_t = (1/N)\ \Sigma\ AR_{it}$$

Where:

AARt = average abnormal return on day t
ARit = abnormal return of stock i on day t
N = number of sample companies

f. Cumulative Abnormal Return (CAR)

Cumulative abnormal return represents the total abnormal return over the event window period.

$$CAR = \Sigma\ AAR_t$$

Where:

CAR = cumulative abnormal return during the event window
AARt = average abnormal return on day t

g. Trading Volume Activity (TVA)

Trading Volume Activity (TVA) is used to measure trading intensity by comparing trading volume to the number of shares outstanding.

$$TVA_{it} = Volume_{it} / Shares\ Outstanding_{it}$$

Where:

TVA_{it} = trading volume activity of stock i on day t
$Volume_{it}$ = number of shares traded for stock i on day t
Shares $outstanding_{it}$ = total outstanding shares of stock i

Statistical Analysis

a. One-Sample t-Test

The one-sample t-test is used to determine whether the average abnormal return significantly differs from zero.

b. Paired Sample t-Test

The paired sample t-test is used to examine differences in abnormal returns before and after the event when the data are normally distributed.

c. Wilcoxon Signed Rank Test

The Wilcoxon Signed Rank Test is used as a non-parametric alternative when the data are not normally distributed.

3. RESULTS AND DISCUSSION

Results

1. Normality Test

The normality test was conducted using the Shapiro–Wilk test to determine whether the data follow a normal distribution, which is essential for selecting the appropriate statistical method (parametric or non-parametric).

a. AAR (Abnormal Return)

Table 4. Shapiro–Wilk Normality Test for AAR

Period	Sig.	Conclusion
t-5	0.269	Normal
t-4	0.361	Normal
t-3	0.834	Normal
t-2	0.463	Normal
t-1	0.029	Not Normal
t-0	0.859	Normal
t+1	0.747	Normal
t+2	0.183	Normal
t+3	0.959	Normal
t+4	0.342	Normal
t+5	0.756	Normal
AAR-before	0.799	Normal
AAR-after	0.177	Normal

Source: *Data Processed, 2026*

The results indicate that most event window periods (t−5 to t+5) have significance values greater than 0.05, suggesting that the data are normally distributed. However, at period t−1 (Sig. = 0.029), the data are not normally distributed. Furthermore, AAR before the event (Sig. = 0.799) and AAR after the event (Sig. = 0.177) are both normally distributed. Overall, the AAR data satisfy the normality assumption, allowing the use of parametric tests.

b. TVA (Trading Volume Activity)

Table 5. Shapiro–Wilk Normality Test for TVA

Period	Sig.	Conclusion
t-5	0.001	Not Normal
t-4	0.001	Not Normal
t-3	0.001	Not Normal
t-2	0.020	Not Normal
t-1	0.001	Not Normal
t-0	0.001	Not Normal
t+1	0.001	Not Normal
t+2	0.001	Not Normal
t+3	0.005	Not Normal
t+4	0.001	Not Normal
t+5	0.001	Not Normal
ATVA_before	0.001	Not Normal
ATVA_after	0.001	Not Normal

Source: *Data Processed, 2026*

In contrast to AAR, all TVA periods show significance values below 0.05, indicating that the data are not normally distributed. This suggests that trading activity exhibits high variability and asymmetry across the observation period. Therefore, non-parametric tests, specifically the Wilcoxon Signed Rank Test, are applied in the TVA analysis.

2. One Sample t-test

a. AAR (Abnormal Return)

Table 6. One-Sample t-Test Results for AAR

Period	Sig.	Conclusion
t-5	0.015	Significant
t-3	0.004	Significant
t-1	0.030	Significant
t-0	0.024	Significant

others	>0.05	Not Significant

Source: *Data Processed, 2026*

The results show that significant abnormal returns occur at t−5, t−3, t−1, and t-0, indicating that the market reacts prior to and at the event date. However, no significant abnormal returns are observed after the event, suggesting that the market quickly absorbs and adjusts to the available information.

b. TVA (Trading Volume Activity)

Table 7. One-Sample Test Results for TVA

Period	Sig.	Conclusion
t-5 to t+5	0.001	Significant

Source: *Data Processed, 2026*

The results indicate that trading volume activity is statistically significant across all periods within the event window. This finding suggests that investor trading behavior intensifies consistently during the observation period, reflecting heightened market attention and information processing.

3. Paired T-Test

Table 8. Paired t-test Results

Indicator	Test	Sig. (2-tailed)	Conclusion
AAR	Paired t-test	0.155	Not Significant
ATVA	Wilcoxon Signed Rank Test	0.004	Significant

Source: *Data Processed, 2026*

The paired test results indicate that abnormal return (AAR) does not exhibit a significant difference between the pre-event and post-event periods, as evidenced by a significance value of 0.155 (> 0.05). This suggests that the escalation of the Iran conflict in 2026 does not lead to a substantial change in stock returns. In contrast, trading volume activity (TVA) shows a significant difference before and after the event, with a significance value of 0.004 (< 0.05), indicating that investor trading behavior changes significantly in response to the geopolitical event.

Discussions

The findings of this study reveal that the distributional characteristics differ between abnormal return (AAR) and trading volume activity (TVA). Based on the Shapiro–Wilk test, most AAR observations are normally distributed, except for period t−1, indicating that stock returns are relatively stable and follow a near-normal distribution pattern. This is consistent with financial theory, which suggests that returns are generally more stationary than prices.

However, the deviation from normality at t−1 suggests the presence of potential information leakage prior to the event (Siganos et al., 2024).

In contrast, all TVA observations are not normally distributed. This indicates that trading activity exhibits high variability and asymmetry, reflecting spikes in transaction intensity at specific periods. Empirically, trading volume is widely known to follow a right-skewed distribution and is highly sensitive to changes in market sentiment (Karpoff, 1987). This finding reinforces the notion that volume-based indicators often capture behavioral responses more strongly than price-based indicators (Toe & Ouedraogo, 2022).

The one-sample test results further show that abnormal returns are only significant at specific periods (t−5, t−3, t−1, and t-0), while post-event periods do not exhibit statistical significance. Conversely, TVA is significant across all observation periods. Additionally, the difference test indicates that AAR does not differ significantly before and after the event, whereas TVA shows a statistically significant difference.

From a theoretical perspective, geopolitical risk has been widely recognized as a key determinant of financial market dynamics. Caldara & Iacoviell (2022) demonstrate that geopolitical risk significantly affects stock market volatility and global economic uncertainty. This is further supported by (Zaremba et al., 2022) who find that geopolitical risk directly influences stock returns, particularly in emerging markets that are more sensitive to external shocks. In this context, the findings suggest that the Indonesian capital market reaction to the 2026 Iran conflict escalation is asymmetric between price-based and volume-based indicators (Zhang et al., 2023).

From the distributional perspective, the general normality of AAR implies that stock returns remain relatively stable and are not subject to extreme distortions, except at t−1. The non-normality at this period indicates early market reactions prior to the official event date, which can be associated with anticipatory trading behavior or information leakage. Within the event study framework, this phenomenon is common when market participants anticipate or partially access information before the event occurs (MacKinley, 1997). This finding aligns with He (2023) and Augustin & Subrahmanyam (2020), who show that geopolitical risk can trigger adjustments in investor expectations even before the actual occurrence of an event.

The significantly increased trading activity observed in this study suggests that investors tend to respond to information primarily through changes in trading behavior rather than immediate price adjustments. This is consistent with Antonakakis et al. (2017), who find that geopolitical risk intensifies interactions across financial markets, including trading volume dynamics. Similarly, Böyükaslan et al. (2024) demonstrate that energy markets and stock markets are interconnected through risk transmission mechanisms driven by geopolitical uncertainty.

The absence of significant abnormal returns in the post-event period indicates that the market is able to rapidly internalize information related to geopolitical conflict. Under the

Efficient Market Hypothesis (Fama, 1970), publicly available information is quickly incorporated into stock prices, preventing prolonged abnormal returns. This finding is also consistent with Le et al. (2024), who show that the effects of economic and geopolitical uncertainty on stock returns tend to be temporary.

On the other hand, TVA remains significant both individually and collectively across periods. This indicates that investors actively adjust their positions in response to the event, even when price changes are limited. Trading volume reflects the intensity of investor decision-making and is often more sensitive than price in capturing new information (Bajzik, 2021).

The divergence between AAR and TVA results can be explained by the disagreement hypothesis, where investors interpret the same information differently (Cookson & Niessner, 2020). In this case, some investors may perceive geopolitical tensions as an opportunity particularly for energy sector gains due to rising commodity prices while others adopt a more cautious stance due to global uncertainty. This divergence leads to increased trading volume without substantial price movement. This finding is consistent with (He, 2023), who show that geopolitical risk increases the dispersion of investor beliefs.

Overall, these findings indicate that the Indonesian capital market demonstrates a relatively strong level of resilience to geopolitical shocks. While trading activity increases significantly, stock prices do not exhibit substantial aggregate changes. This suggests that the market is capable of absorbing new information efficiently without triggering excessive price volatility. These findings contribute to the growing literature on geopolitical risk by providing firm-level evidence from an emerging market context, particularly in a sector directly linked to global energy dynamics.

4. CONCLUSION

This study concludes that the reaction of the Indonesian capital market to the escalation of the Iran conflict in 2026 is not significantly reflected in abnormal returns but is significantly captured in trading volume activity. The absence of significant abnormal returns indicates that the market efficiently incorporates information related to geopolitical events into stock prices. Meanwhile, the significant changes in trading volume reflect heightened investor activity driven by uncertainty and differing interpretations of the event.

These findings highlight the importance of incorporating both price-based and volume-based indicators in analyzing market reactions. While price adjustments may appear limited, trading activity provides deeper insights into investor behavior under conditions of geopolitical uncertainty.

Implications and Recommendations

For Investors

Investors are encouraged to consider not only price movements but also trading volume indicators when responding to geopolitical events. Increased trading activity may serve as an early signal of changing market sentiment, even when price adjustments are not immediately visible. Therefore, adaptive and multi-dimensional investment strategies are essential in navigating global uncertainty.

For Future Research

Future studies are recommended to incorporate additional variables such as volatility (ASRV), bid–ask spread, or liquidity measures to capture market reactions more comprehensively. In addition, expanding the analysis beyond the energy sector and including multiple geopolitical events or longer event windows may provide more robust findings. Combining event study methodology with advanced econometric models such as GARCH or VAR is also suggested to capture both short-term and long-term dynamics.

For Policymakers

Regulators are expected to enhance market transparency and maintain financial stability during periods of global uncertainty. Policies aimed at strengthening investor confidence are crucial, particularly during geopolitical crises. Furthermore, monitoring trading activity is important to prevent excessive speculation or potential market overreaction.

REFERENCES

Alsagr, N., Yudaruddin, R., Ekşi, İ. H., & Hacıevliyagil, N. (2026). Geopolitical Conflict, Military Capability, and Energy Market Stability: Evidence From The Israel–Hamas Conflict. *Energy Policy*, *215*(April). https://doi.org/10.1016/j.enpol.2026.115333

Antonakakis, N., Chatziantoniou, I., & Filis, G. (2017). Oil Shocks and Stock Markets: Dynamic Connectedness Under The Prism Of Recent Geopolitical And Economic Unrest. *International Review of Financial Analysis*, *50*, 1–26. https://doi.org/10.1016/j.irfa.2017.01.004

Anwer, Z., & Ahmad, F. (2025). Does Geopolitical Risk Matter for Asean5 Economies? Evidence on Conventional and Islamic Compliant Indices. *Journal of Islamic Monetary Economics and Finance*, *11*(2), 307–330. https://doi.org/10.21098/jimf.v11i2.2469

Assaf, R., Gupta, D., & Kumar, R. (2023). The Price of War: Effect of The Russia-Ukraine War on The Global Financial Market. *Journal of Economic Asymmetries*, *28*(April), e00328. https://doi.org/10.1016/j.jeca.2023.e00328

Augustin, P., & Subrahmanyam, M. G. (2020). Informed Options Trading Before Corporate Events. *Annual Review of Financial Economics*, *12*, 327–355. https://doi.org/10.1146/annurev-financial-012820-033052

Bajzik, J. (2021). Trading Volume and Stock Returns: A Meta-Analysis. *International Review of Financial Analysis*, *78*(October), 101923. https://doi.org/10.1016/j.irfa.2021.101923

Biswas, P., Jain, P., & Maitra, D. (2024). Are Shocks in The Stock Markets Driven By Commodity Markets? Evidence From Russia-Ukraine War. *Journal of Commodity Markets*, *34*(May 2023), 100387. https://doi.org/10.1016/j.jcomm.2024.100387

Böyükaslan, A., Demirer, R., Ergüney, E. B., & Gursoy, S. (2024). Geopolitical Risks and The Energy-Stock Market Nexus: Evidence from Turkiye. *Borsa Istanbul Review*, *24*(1), 73–83. https://doi.org/10.1016/j.bir.2023.10.012

Caldara, D., & Iacoviell, M. (2022). Measuring Geopolitical Risk. In *American Economic Review* (Vol. 112, Number 4). https://doi.org/10.1257/aer.20191823

Chiaramonte, L., Mecchia, F., Paltrinieri, A., & Sclip, A. (2025). Geopolitical Risk and Energy Markets: Past, Present, and Future. *Journal of Economic Surveys*, *39*(5), 2233–2253. https://doi.org/10.1111/joes.12697

Chowdhury, M. A. F., Kabir Hassan, M., Abdullah, M., & Hossain, M. M. (2025). Geopolitical Risk Transmission Dynamics to Commodity, Stock, and Energy Markets.

Quantitative Finance and Economics, *9*(1), 76–99. https://doi.org/10.3934/QFE.2025003

Cookson, J. A., & Niessner, M. (2020). Why Don't We Agree? Evidence from a Social Network of Investors. *Journal of Finance*, *75*(1), 173–228. https://doi.org/10.1111/jofi.12852

Fama, E. F. (1970). Efficient Capital Markets: A Review of Theory and Empirical Work. *The Journal of Finance*, *25*(2), 383–417. https://doi.org/10.1111/j.1540-6261.1970.tb00518.x

Fitriyah, F., & Mukminatin, Z. N. (2025). Return Connectedness of Sectoral Stock Indices on The Indonesian Stock Exchange During Russian-Ukraine Conflict. *Journal of Accounting and Investment*, *26*(1), 155–172. https://doi.org/10.18196/jai.v26i1.22406

Geman, B. (2026, May 22). Oil tops $100 per barrel as Iran war escalates. *Axios*. https://www.axios.com/2026/03/08/iran-war-oil-market-barrel-cost

He, Z. (2023). Geopolitical Risks and Investor Sentiment: Causality and TVP-VAR Analysis. *North American Journal of Economics and Finance*, *67*(May), 101947. https://doi.org/10.1016/j.najef.2023.101947

Karpoff, J. M. (1987). The Relation Between Price Changes and Trading Volume: A Survey. *Journal of Financial and Quantitative Analysis*, *22*(1), 109–126. https://doi.org/10.2307/2330874

Lamine, A., & Zribi, S. (2024). Do Geopolitical Risks Affect Stock Market Returns and Volatilities: an Analysis Based on The TVP-VAR Model. *European Journal of Government and Economics*, *13*(2), 240–261. https://doi.org/10.17979/ejge.2024.13.2.10168

Le, T. D. Q., Nguyen, D. T., Ho, T. H., & Ngo, T. (2024). Government Intervention and Stock Price Returns During Covid-19 Pandemic: Evidence From An Emerging Market. *Cogent Business and Management*, *11*(1). https://doi.org/10.1080/23311975.2024.2376042

MacKinley, C. A. (1997). Event Study Methology. In *Journal of Ecnonomic Literature* (Vol. 35, pp. 13–39).

Putra, D. A., Fitralisma, G., & Fata, M. A. (2024). Jurnal Riset Manajemen, Bisnis, Akuntansi dan Ekonomi. *Jurnal Riset Manajemen, Bisnis, Akuntansi Dan Ekonomi*, *2*(1), 14–15.

Ratuela, H. S. P., Saerang, I. S., Rumokoy, L. J., & Ratulangi, U. S. (2025). Keywords: Abnormal Return, Trading Volume. *Jurnal Ilmiah Manajemen Bisnis dan Inovasi Universitas Sam Ratulangi (JMBI UNSRAT)*, *12*(2), 681–693.

Sari, M. M., Dewi, S. N., Sari, A., & Janiman, J. (2024). The Impact of Russia's Invasion of Ukraine On Capital Market Reaction In Energy Sector Companies Listed On The Idx. *Journal of Social Science (JoSS)*, *3*(1), 1144–1153. https://doi.org/10.57185/joss.v3i1.253

Siganos, A., Synapis, A., & Tsalavoutas, I. (2024). Information Leakage Prior To Market Switches and The Importance Of Nominated Advisers. *British Accounting Review*, *56*(6), 101461. https://doi.org/10.1016/j.bar.2024.101461

Smales, L. A. (2021). Geopolitical Risk and Volatility Spillovers in Oil And Stock Markets. *Quarterly Review of Economics and Finance*, *80*, 358–366. https://doi.org/10.1016/j.qref.2021.03.008

Toe, D. L. tan, & Ouedraogo, S. (2022). Dynamic Relationship Between Trading Volume, Returns and Returns Volatility: An Empirical Investigation on The Main African's Stock Markets. *Journal of Asset Management*, *23*(5), 429–444. https://doi.org/10.1057/s41260-022-00274-0

Trade, M. (2026, May 22). IHSG Melemah Akibat Konflik AS-Iran: Strategi Investasi Saham 2026. *Maybank Trade*. https://www.maybanktrade.co.id/berita/ihsg-melemah-akibat-konflik-as-iran-strategi-investasi-saham-2026/

Tri Wahyudi, S., & Rahmawati, A. (2025). Examining The Link Between World Oil Price Volatility and Sectoral Stock Performance In Indonesia. *Cogent Economics and Finance*, *13*(1). https://doi.org/10.1080/23322039.2025.2535484

Widoretno, A. A., & Fitriyah, N. N. A. (2024). Event Study: The Impact of The Russia-Ukraine Invasion On Stock Prices And Abnormal Returns. *Jurnal Akuntansi Bisnis*, *17*(1), 39. https://doi.org/10.30813/jab.v17i1.4584

Zaremba, A., Cakici, N., Demir, E., & Long, H. (2022). When Bad News Is Good News: Geopolitical Risk and The Cross-Section Of Emerging Market Stock Returns. *Journal of Financial Stability*, *58*(December 2021), 100964. https://doi.org/10.1016/j.jfs.2021.100964

Zaza, A. M. S. U., Banoet, R. Y., & Dima, E. T. Y. (2025). Dampak Ketengangan Geopolitik terhadap Investasi Asing Langsung (FDI) di Indonesia. *Scientific Journal of Reflection : Economic, Accounting, Management and Business*, *8*(3), 949–958. https://doi.org/10.37481/sjr.v8i3.1175

Zhang, B., Liu, Z., Wang, Z., & Zhang, S. (2023). The Impact of Geopolitical Risk On Energy Security: Evidence from a GMM panel VAR approach. *Resources Policy*, *86*(PB), 104222. https://doi.org/10.1016/j.resourpol.2023.104222

Zhang, C., Liu, X., Li, X., & Tang, C. (2023). GJR-GARCH-MIDAS Model Based Analyse Geopolitical Risk and Energy Price Volatility. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.4326097

Zhang, Y., He, J., He, M., & Li, S. (2023). Geopolitical Risk and Stock Market Volatility: A Global Perspective. *Finance Research Letters*, *53*(December 2022), 103620. https://doi.org/10.1016/j.frl.2022.103620