

Coronavirus Disease (COVID-19) and Malaysia Stock Market Performance

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Abstract

Purpose: This study aims to investigate the Malaysian stock market performance during and post-coronavirus disease (COVID-19).

Design/methodology/approach: The time frame of study is divided into two. During COVID-19, from 3rd December 2019 to 16th June 2021, and post-COVID-19, from 17th June 2021 to 30th December 2022. The daily data of the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMVKLCI) and 12 Sectorial Index in Bursa Malaysia that are Construction, Consumer Products and Services (CP&S), Energy, Financial Services, Health Care, Industrial Products and Services (IP&S), Plantation, Real Estate Investment Trust (REIT), Technology, Telecommunication and Media, Transportation and Logistics, and Utilities analyzed by employing descriptive analysis and paired sample t-tests.

Findings: The study discovered that in the short term, the pandemic negatively impacted the stock market and gradually improved from 2021 to 2022. The recovery from COVID-19 severely impacted most sectors, including Construction, CP&S, Energy, REIT, Health Care, Telecommunication and Media, and Utilities during and post-COVID-19. The sectors that recover quickly are Financial Services, IP&S, Plantation, Technology, and Transportation.

Research limitations/implications: Future researchers shall include the Property sector to improve the findings. This can offer a more comprehensive understanding of sectoral influences and enable a nuanced analysis of results.

Practical implications: This study provides valuable insights into the Malaysian stock market's performance during and after the COVID-19 pandemic, which can be useful for investors, policymakers, and researchers.

Originality/value: This study complements the eventual knowledge about the performance of the stock market during and after the COVID-19 pandemic, exclusively for Malaysia.

Keywords: Stock market performance, during COVID-19, post-COVID-19, FBMVKLCI, Sectorial Index

Introduction

The rapid spread of a new virus known as coronavirus (COVID-19), which the World Health Organization (WHO) classified to be a pandemic, stunned the world in late 2019. (AITakarli, 2020). The reports suggest that COVID-19 may have originated from animals like bats rather than a lab leak, as initially suspected (Berita Harian, 2021). Malaysia confirmed its first case of COVID-19 in January 2020 when a 41-year-old man tested positive, followed by an additional eight cases involving Chinese nationals. However, by April 2020, The Tablighi Jamaat's religious gathering in Kuala Lumpur, often known as the "Tabligh cluster," was

connected to Malaysia's largest COVID-19 cluster (Husain, 2020). As a result, Malaysia's Ministry of Health has started monitoring approximately 5,000 Malaysians who may have been exposed to the virus at that time.

As a result of the increase in COVID-19 cases, the administration declared phase 2 of the Movement Control Order (MCO), which has had significant effects on the economy of Malaysia, altering the entire country's supply and demand curve. COVID-19 also significantly impacted the stock market performance, as important stockholders of publicly traded companies dumped their holdings in the opening days of trading due to the unpredictability caused by COVID-19 and MCO (Star Media, 2020).

Stock markets encourage investment and drive economic growth, commerce, and wealth (Tan, 2020). The COVID-19 pandemic caused significant disruptions to both health and economic sectors worldwide (Mahendra Dev & Sengupta, 2020). The highly contagious nature of the disease led to restrictions on travel and indoor activities and even complete lockdowns in some countries, resulting in disruptions in production, supply chains, and market fluctuations. As a result, global stock markets experienced a significant downturn due to the uncertainty surrounding the pandemic's economic impact (Maital & Barzani, 2020). Global stock markets are plunging as the widespread uncertain economic impact of the pandemic is very alarming to investors.

The virus has affected every industry, but only the technology sector has managed to avoid significant losses due to exponential growth in using services like Zoom, WhatsApp, and Google Hangouts. However, before and during the lockdowns, the technology suffered losses related to material supply chain disruptions. The same successful technology launches might have pegged the technology sector's revenues at \$164 billion by 2025 (Jordan Rosenfeld, 2021). The pharmaceutical, utilities, and healthcare industries have shown resilience during the pandemic, while others have struggled. These differences in performance have created a gap in the market. Therefore, this study exclusively analyzes the COVID-19 and Malaysia stock market performance based on the Kuala Lumpur Composite Index (KLCI) and Sectorial Indices.

Literature Review

Stock Market and FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI)

Regulated by financial regulators and institutions like The Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA) in the United States (US) (U.S. Securities and Exchange Commission, 2021) and Bursa Malaysia in Malaysia (Bursa Malaysia, 2022), stock markets in free-market economies facilitate productive investments and economic growth through individual savings and investments (Saurabh, 2020). According to Wagner (2020), the stock market reflects investor expectations and plays a crucial role in market forecasting, particularly in complex situations like the COVID-19 pandemic. The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI), which includes the top 30 Malaysian companies, is the most popular stock index in that country. The FBMKLCI was introduced as an open-ended index with 83 businesses, calculated thrice daily. The FBMKLCI measures the overall health of the stock market. There are three goals of this index, which include (i) serving as a barometer of the Malaysian stock market's overall performance, (ii) showing how well the major industries of the Malaysian economy are doing through their listed companies, and (iii) to reflect the progress made by the Malaysian business

and economic sectors (San, 1996). Market capitalization weighting is used to generate the FBMKLCI from the prices of the 30 largest companies, and index variation is occasionally used to assess return (Murthy, 2017).

Sectorial Indices

In Bursa Malaysia, there are 13 Sectorial Indices which are Construction, Consumer Products and Services (CP&S), Energy, Financial Services, Health Care, Industrial Products and Services (IP&S), Plantation, Property, Real Estate Investment Trust (REIT), Technology, Telecommunication and Media, Transportation and Logistics, and Utilities. The impacts of COVID-19 on the manufacturing and Micro, Small and Medium Enterprises (MSMEs) sectors of the Indian economy have been investigated by Sahoo and Ashwani (2020). According to the studies, there will likely be a slowdown in industrial growth, a drop in exports, and a decrease in the net asset value of the MSMEs sector in 2020 and 2021. A Gross Domestic Product (GDP) drop could indicate a recession if the economy weakens. Nonetheless, both fiscal and monetary policy instruments can stimulate economic growth. Amalina and Mahussin (2021) state that the energy sector's return and the healthcare sector's profitability are drastically different during the pandemic than before. Every Bursa Malaysia sector index positively correlates with every other indicator during both eras, while the correlation during the COVID-19 epidemic is slightly stronger.

The Stock Market Performance During and Post-COVID-19

Shehzad et al. (2020) used the P-GARCH model to study the nonlinear return of the US, Italian, Japanese, and Chinese stock markets. The pandemic was predicted to lower S&P 500 stock index returns, but the Nasdaq Composite index was unaffected. Yilmazkuday (2020) examined how COVID-19 affected the S&P 500 index in the US using a Structural Vector Autoregression model. The S&P index dropped 0.02% daily, 0.06% weekly, and 0.08% monthly for every global COVID-19 death. The pandemic affected corporate operations differently across industries, affecting stock prices. Natural gas, food, healthcare, and software companies fared better than petroleum, real estate, entertainment, and hospitality companies in the S&P 1,500 sample (Mazur, Dang, & Vega, 2021). Various industries have been affected, including pharmaceuticals, tourism, airline, and manufacturing (Azman, 2020). The tourism industry suffered first, as China and Singapore accounted for more than 10 million of Malaysia's tourists during the first three quarters of 2019. The airline sector was severely impacted, leading to a drop of 25.49 million passengers and a loss of nearly US \$3.3 billion in revenue, affecting the jobs of roughly 169,700 people (IATA, 2020).

Albulescu (2020) examined COVID-19's impact on Chinese stock market volatility 40 days after global surveillance began. The researcher assessed COVID-19 severity by cases and mortality. The volatility of the Chinese stock market and COVID-19 cases were inversely associated. The COVID-19 cases outside of China have, however, heightened market volatility. Market volatility increased with a higher fatality ratio, inside or outside China. A 1% increase in the death rate outside of China often caused an 11% increase in financial market volatility. Recently, Lee, Jais, and Chan (2020) conducted research to determine how COVID-19 evidence affected the Malaysian stock market. This study shows the FBMKLCI's performance from 31st December 2019 to 17th April 2020. Since 2020, the FBMKLCI has fallen, reaching 1,219.71 on March 19, the second day of MCO. Subsequently, FBMKLCI made its way back up to the 1,400 mark. An event analysis was utilized by Liu et al. (2020) to analyze the effects of the COVID-19 pandemic on 21 stock indices. They demonstrated that investors' anxiety led to a decline in the stock indices' abnormal performance. In particular, the COVID-19 pandemic

reduced Asian stock indices' anomalous returns more than others. However, Asian stock markets responded faster and improved during the pandemic. According to Nia (2020), short-term traders may use this epidemic to acquire cheap shares as the Indonesian stock market is predicted to plummet considerably. She advised Indonesian investment in banking and consumer products.

Method

This study aims to investigate the Malaysian stock market performance during and post-COVID-19. The time frame of the study is divided into two. During COVID-19, from 3rd December 2019 to 16th June 2021, and post-COVID-19, from 17th June 2021 to 30th December 2022. The stock market performance is represented by the daily data of the FBMKLCI and 12 Sectorial Index in Bursa Malaysia including Construction, Consumer Products and Services (CP&S), Energy, Financial Services, Health Care, Industrial Products and Services (IP&S), Plantation, Real Estate Investment Trust (REIT), Technology, Telecommunication and Media, Transportation and Logistics. These data were extracted from the Library KnowledgeCentre@Bursa.

The data were tested by using the Social Sciences Statistical Package (SPSS). Firstly, Descriptive analysis was used to investigate the stock market performance during and post-COVID-19. Secondly, to investigate the variation in stock market performance between COVID-19 and after, a Paired Sample t-test was used. Paired sample T-tests are used by researchers to compare the average results of the same group of persons on two different occasions or when there are matched pairs (Pallant, 2020). If the value is less than 0.05, there is a significant distinction between the two scores. In the T-test, Eta squared is the proportion of total variation pinned on a single or several main effects, errors, or interactions (Stephanie, 2016). As recommended by Cohen (1998) as cited in Pallant (2020), eta squared of .01 = small influence, .06 = moderate effect, and .14 = large effect.

Findings

Descriptive Analysis

The tables show the stock market performance during and post-COVID-19 represented by the FBMKLCI and 12 Bursa Malaysia Sectorial Index. The period during COVID-19 is labeled as number 1, covering from 3rd December 2019 to 16th June 2021, and post-COVID-19 is labeled as number 2, covering the period of 17th June 2021 to 30th December 2022.

Table 1: Descriptive Statistics for FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMKLCI)

Variable	Mean	Standard Deviation	Minimum	Maximum
FBMKLCI 1	1541.20	84.45	1219.72	1684.58
FBMKLCI 2	1516.58	55.57	1373.36	1607.29

FBMKLCI 1

The lowest index recorded on 19th March 2020, was 1219.72, and the highest index was 1684.58, recorded on 11th December 2020. The mean for FBMKLCI 1 was 1541.20, and a standard deviation of 84.45. It indicates that FBMKLCI 1 reached mostly between 1456.75 and 1625.65 during COVID-19.

FBMKLCI 2

The lowest index recorded on the 13th of October 2022, was 1373.36, and the highest index was 1607.29, recorded on the 8th of April 2022. The mean for FBMKLCI 1 was 1516.58, and a standard deviation of 55.57. It indicates that FBMKLCI 2 reached mostly between 1461.01 and 1572.15 during COVID-19.

Table 2: Descriptive Statistics for Construction

Variable	Mean	Standard Deviation	Minimum	Maximum
Construction 1	174.74	17.99	121.91	212.55
Construction 2	158.21	7.28	145.32	176.32

Construction 1

The lowest index recorded on the 19th of March 2020, was 121.91, and the highest index was 212.55, recorded on the 3rd of January 2020. The mean for Construction 1 was 174.74, and a standard deviation of 17.99. It indicates that Construction 1 reached mostly between 156.75 and 192.73 during COVID-19.

Construction 2

The lowest index recorded on the 17th of October 2022, was 145.32, and the highest index was 176.32, recorded on the 18th of June 2021. The mean for Construction 2 was 158.21, and a standard deviation of 7.28. It indicates that Construction 2 reached mostly between 150.93 and 165.49 post-COVID-19.

Table 3: Descriptive Statistics for Consumer Products and Services (CP&S)

Variable	Mean	Standard Deviation	Minimum	Maximum
CP&S 1	591.30	40.21	466.27	659.41
CP&S 2	580.37	17.54	541.79	619.98

CP&S 1

The lowest index recorded on the 19th of March 2020, was 466.27, and the highest index was 659.41, recorded on the 27th of December 2019. The mean for CP&S 1 was 591.30 and a standard deviation of 40.21. It indicates that CP&S 1 reached mostly between 551.09 and 631.51 during COVID-19.

CP&S 2

The lowest index recorded on the 13th of October 2022, was 541.79, and the highest index was 619.98, recorded on the 18th of October 2021. The mean for CP&S 2 was 580.37, and a standard deviation of 17.55. It indicates that CP&S 2 reached mostly between 562.82 and 597.91 post-COVID-19.

Table 4: Descriptive Statistics for Energy

Variable	Mean	Standard Deviation	Minimum	Maximum
Energy 1	873.80	173.75	513.75	1291.25
Energy 2	737.91	52.19	604.64	864.15

Energy 1

The lowest index recorded on the 19th of March 2020, was 513.75, and the highest index was 1291.25, recorded on the 6th of January 2020. The mean for Energy 1 was 873.80, and a standard deviation of 173.75. It indicates that Energy 1 reached mostly between 700.05 and 1047.54 during COVID-19.

Energy 2

The lowest index recorded on the 15th of July 2022, was 604.64, and the highest index was 864.15, recorded on the 23rd of May 2022. The mean for Energy 2 was 737.91, and a standard deviation of 52.19. It indicates that Energy 2 reached mostly between 685.71 and 790.10 post-COVID-19.

Table 5: Descriptive Statistics for Financial Services

Variable	Mean	Standard Deviation	Minimum	Maximum
Financial 1	13990.87	1257.78	10885.45	16046.13
Financial 2	15958.43	649.96	14668.55	16926.80

Financial 1

The lowest index recorded on the 19th of March 2020, was 10885.45, and the highest index was 16046.13, recorded on the 11th of December 2020. The mean for Financial 1 was 13990.87 and a standard deviation of 1257.78. It indicates that Financial 1 reached mostly between 12733.09 and 15248.66 during COVID-19.

Financial 2

The lowest index for the year, recorded on the 2nd of August 2021, was 14668.55, and the highest index was 16926.80, recorded on the 29th of April 2022. The mean for Financial 2 was 15958.43, and a standard deviation of 649.96. It indicates that Financial 2 reached mostly between 15308.46 and 16608.39 post-COVID-19.

Table 6: Descriptive Statistics for Health Care

Variable	Mean	Standard Deviation	Minimum	Maximum
Health Care 1	2778.83	1063.65	1142.40	4456.09
Health Care 2	2096.07	435.92	1456.24	3068.87

Health Care 1

The lowest index recorded on the 19th of March 2020, was 1142.40, and the highest index was 4456.09, recorded on the 5th of August 2020. The mean for Health Care 1 was 2778.83, and a standard deviation of 1063.65. It indicates that Health Care 1 reached mostly between 1715.18 and 3842.49 during COVID-19.

Health Care 2

The lowest index recorded on the 3rd of October 2022, was 1456.24, and the highest index was 3068.87, recorded on the 18th of June 2021. The mean for Health Care 2 was 2096.07, and a standard deviation of 435.92. It indicates that Health Care 2 reached mostly between 1660.15 and 2532.00 post-COVID-19.

Table 7: Descriptive Statistics for Industrial Products and Services (IP&S)

Variable	Mean	Standard Deviation	Minimum	Maximum
IP&S 1	154.10	26.71	92.52	200.54
IP&S 2	192.51	12.52	166.71	216.55

IP&S 1

The lowest index recorded on the 19th of March 2020, was 92.52, and the highest index was 200.54, recorded on the 7th of May 2021. The mean for IP&S 1 was 154.10, and a standard deviation of 26.71. It indicates that IP&S 1 reached mostly between 127.39 and 180.81 during COVID-19.

IP&S 2

The lowest index recorded on the 13th of July 2022, was 166.71, and the highest index was 216.55, recorded on the 21st of April 2022. The mean for IP&S 2 was 192.51, and a standard deviation of 12.52. It indicates that IP&S 2 reached mostly between 179.98 and 205.03 post-COVID-19.

Table 8: Descriptive Statistics for Plantation

Variable	Mean	Standard Deviation	Minimum	Maximum
Plantation 1	6986.55	407.21	5532.03	7849.64
Plantation 2	6999.89	671.09	6009.24	8847.59

Plantation 1

The lowest index recorded on the 19th of March 2020, was 5532.03, and the highest index was 7849.64, recorded on the 30th of December 2019. The mean for Plantation 1 was 6986.55, and a standard deviation of 407.21. It indicates that Plantation 1 reached mostly between 6579.34 and 7393.77 during COVID-19.

Plantation 2

The lowest index recorded on the 2nd of August 2021, was 6009.24, and the highest index was 8847.59, recorded on the 25th of April 2022. The mean for Plantation 2 was 6999.89, and a standard deviation of 671.09. It indicates that Plantation 2 reached mostly between 6328.80 and 7670.98 post-COVID-19.

Table 9: Descriptive Statistics for Real Estate Investment Trust (REIT)

Variable	Mean	Standard Deviation	Minimum	Maximum
REIT 1	862.83	55.80	780.16	980.38
REIT 2	791.94	20.27	748.88	829.31

REIT 1

The lowest index recorded on the 19th of March 2020, was 780.16, and the highest index was 980.38, recorded on the 3rd of December 2019. The mean for REIT 1 was 862.83, and a standard deviation of 55.80. It indicates that REIT 1 reached mostly between 807.03 and 918.62 during COVID-19.

REIT 2

The lowest index recorded on the 8th of March 2022, was 748.88, and the highest index was 829.31, recorded on the 18th of October 2021. The mean for REIT 2 was 791.94, and a standard deviation of 20.27. It indicates that REIT 2 reached mostly between 771.67 and 812.20 post-COVID-19.

Table 10: Descriptive Statistics for Technology

Variable	Mean	Standard Deviation	Minimum	Maximum
Technology 1	57.12	19.28	23.81	90.86
Technology 2	76.84	14.10	56.23	100.86

Technology 1

The lowest index recorded on the 19th of March 2020, was 23.81, and the highest index was 90.86, recorded on the 25th of February 2021. The mean for Technology 1 was 57.12 and a standard deviation of 19.28. It indicates that Technology 1 reached mostly between 37.84 and 76.40 during COVID-19.

Technology 2

The lowest index recorded on the 13th of October 2022, was 56.23, and the highest index was 100.86, recorded on the 2nd of November 2021. The mean for Technology 2 was 76.84, and a standard deviation of 14.10. It indicates that Technology 2 reached mostly between 62.74 and 90.93 post-COVID-19.

Table 11: Descriptive Statistics for Telecommunication and Media

Variable	Mean	Standard Deviation	Minimum	Maximum
Telecommunication 1	640.32	57.21	483.54	747.72
Telecommunication 2	622.51	47.76	540.29	732.18

Telecommunication 1

The lowest index recorded on the 19th of March 2020, was 483.54, and the highest index was 747.72, recorded on the 9th of April 2021. The mean for Telecommunication 1 was 640.32, and a standard deviation of 57.21. It indicates that Telecommunication 1 reached mostly between 583.10 and 697.53 during COVID-19.

Telecommunication 2

The lowest index recorded on the 13th of January 2022, was 540.29, and the highest index was 732.18, recorded on the 22nd of June 2021. The mean Telecommunication 2 was 622.51, and a standard deviation of 47.76. It indicates that Telecommunication 2 reached mostly between 574.76 and 670.27 post-COVID-19.

Table 12: Descriptive Statistics for Transportation and Logistics

Variable	Mean	Standard Deviation	Minimum	Maximum
Transportation 1	722.09	81.82	480.71	902.16
Transportation 2	846.95	36.01	772.88	936.01

Transportation 1

The lowest index recorded on the 19th of March 2020, was 480.71, and the highest index was 902.16, recorded on the 15th of June 2021. The mean for Transportation 1 was 722.09, and a standard deviation of 81.82. It indicates that Transportation 1 reached mostly between 640.27 and 803.91 during COVID-19.

Transportation 2

The lowest index recorded on the 13th of July 2022, was 772.88, and the highest index was 936.01, recorded on the 13th of January 2021. The mean for Transportation 2 was 846.95, and a standard deviation of 36.01. It indicates that Transportation 2 reached mostly between 810.94 and 882.96 post-COVID-19.

Table 13: Descriptive Statistics for Utilities

Variable	Mean	Standard Deviation	Minimum	Maximum
Utilities 1	946.68	37.42	752.78	1010.10
Utilities 2	866.07	31.00	804.80	936.26

Utilities 1

The lowest index recorded on the 19th of March 2020, was 752.78, and the highest index was 1010.10, recorded on the 10th of January 2020. The mean for Utilities 1 was 946.68, and a standard deviation of 37.42. It indicates that Utilities 1 reached mostly between 909.26 and 984.10 during COVID-19.

Utilities 2

The lowest index recorded on the 17th of October 2022, was 804.80, and the highest index was 936.26, recorded on the 18th of June 2021. The mean for Utilities 2 was 1010.10 and a standard deviation of 31.00. It indicates that Utilities 2 reached mostly between 979.10 and 1041.10 post-COVID-19.

Paired Sample T-test

The table shows the difference in the stock market performance during and post-COVID-19 based on a paired sample t-test.

Table 14: Results for Paired Sample T-test

Pair	Mean	95% Confidence Interval		t	Sig	Eta squared
		Lower	Upper			
FBMKLCI 1 - FBMKLCI 2	24.62	12.29	36.94	3.93	0.000	.04
Construction 1 - Construction 2	16.53	14.54	18.52	16.36	0.000	.42
CP&S 1 - CP&S 2	10.93	6.02	15.85	4.37	0.000	.05
Energy 1 - Energy 2	135.89	116.98	154.79	14.13	0.000	.35
Financial 1 - Financial 2	- 1967.55	-2112.27	-1822.84	-26.73	0.000	.65
Health Care 1 - Health Care 2	682.76	538.56	826.96	9.31	0.000	.19

IP&S 1 - IP&S 2	-38.41	-42.24	-34.58	-19.72	0.000	0.5
Plantation 1 - Plantation 2	-13.34	-91.89	65.21	-0.33	0.739	.0002
REIT 1 - REIT 2	70.89	65.71	76.07	26.93	0.000	0.66
Technology 1 - Technology 2	-19.72	-23.02	-16.42	-11.74	0.000	.27
Telecommunication 1 -	17.80	9.04	26.57	3.994	0.000	.04
Telecommunication 2						
Transportation 1 - Transportation 2	-124.86	-135.93	-113.79	-22.18	0.000	.57
Utilities 1 - Utilities 2	80.61	75.26	85.97	29.62	0.000	.70

There was a significant decrease in FBMKLCI from Time 1 ($M = 1541.20$, $SD = 84.45$) to Time 2 ($M = 1516.58$, $SD = 55.57$), $t(377) = 3.93$, $p < .001$ (two-tailed). With a 95% confidence interval of 12.29 to 36.94, the mean decrease in FBMKLCI was 24.62. The small effect size (.04) was revealed by the eta squared.

There was a significant decrease in Construction from Time 1 ($M = 174.74$, $SD = 17.99$) to Time 2 ($M = 158.21$, $SD = 7.28$), $t(377) = 16.36$, $p < .001$ (two-tailed). With a 95% confidence interval of 14.54 to 18.52, the mean decrease in Construction was 16.53. The large effect size (.42) was revealed by the eta squared.

There was a significant decrease in CP&S from Time 1 ($M = 591.30$, $SD = 40.21$) to Time 2 ($M = 580.37$, $SD = 17.55$), $t(377) = 4.37$, $p < .001$ (two-tailed). With a 95% confidence interval of 6.02 to 15.85, the mean decrease in CP&S was 10.93. The small effect size (.05) was revealed by the eta squared.

There was a significant decrease in Energy from Time 1 ($M = 873.80$, $SD = 173.75$) to Time 2 ($M = 737.91$, $SD = 52.19$), $t(377) = 14.13$, $p < .001$ (two-tailed). With a 95% confidence interval of 116.98 to 154.79, the mean decrease in Energy was 135.89. The large effect size (.65) was revealed by the eta squared.

There was a significant increase in Financial from Time 1 ($M = 13990.87$, $SD = 1257.78$) to Time 2 ($M = 15958.43$, $SD = 649.96$), $t(377) = 26.73$, $p < .001$ (two-tailed). With a 95% confidence interval of -2112.27 to -1822.84, the mean increase in Financial was 1967.55. The large effect size (.65) was revealed by the eta squared.

There was a significant decrease in Health Care from Time 1 ($M = 2778.83$, $SD = 1063.65$) to Time 2 ($M = 2096.07$, $SD = 435.92$), $t(377) = 9.31$, $p < .001$ (two-tailed). With a 95% confidence interval of 538.56 to 826.96, the mean decrease in Health Care was 682.76. The large effect size (.19) was revealed by the eta squared.

There was a significant increase in IP&S from Time 1 ($M = 154.10$, $SD = 26.71$) to Time 2 ($M = 192.51$, $SD = 12.52$), $t(377) = 19.72$, $p < .001$ (two-tailed). With a 95% confidence interval

of -42.24 to -34.58, the mean increase in IP&S was 38.41. The large effect size (.50) was revealed by the eta squared.

There was an insignificant increase in Plantation from Time 1 ($M = 6986.55$, $SD = 407.21$) to Time 2 ($M = 6999.89$, $SD = 671.09$), $t(377) = 0.33$, $p > 0.001$ (two-tailed). With a 95% confidence interval of -91.89 to 65.21, the mean increase in Plantation was 13.34. The small effect size (.0002) was revealed by the eta squared.

There was a significant decrease in REIT from Time 1 ($M = 862.83$, $SD = 55.80$) to Time 2 ($M = 791.94$, $SD = 20.27$), $t(377) = 26.93$, $p < 0.001$ (two-tailed). With a 95% confidence interval of 65.71 to 76.07, the mean decrease in REIT was 70.89. The large effect size (.66) was revealed by the eta squared.

There was a significant increase in Technology from Time 1 ($M = 57.12$, $SD = 19.28$) to Time 2 ($M = 76.84$, $SD = 14.10$), $t(377) = 11.74$, $P < .001$ (two-tailed). With a 95% confidence interval of -23.02 to -16.42, the mean increase in Technology was 19.72. The large effect size (.27) was revealed by the eta squared.

There was a significant decrease in Telecommunication from Time 1 ($M = 640.32$, $SD = 57.21$) to Time 2 ($M = 622.51$, $SD = 47.76$), $t(377) = 3.994$, $P < .001$ (two-tailed). With a 95% confidence interval of 9.04 to 26.57, the mean decrease in Telecommunication was 17.80. The small effect size (.04) was revealed by the eta squared.

There was a significant increase in Transportation from Time 1 ($M = 722.09$, $SD = 81.82$) to Time 2 ($M = 846.95$, $SD = 36.01$), $t(377) = 22.18$, $P < .001$ (two-tailed). With a 95% confidence interval of -135.93 to -113.79, the mean increase in Transportation was 124.86. The large effect size (.57) was revealed by the eta squared.

There was a significant decrease in Utilities from Time 1 ($M = 946.68$, $SD = 37.42$) to Time 2 ($M = 866.07$, $SD = 31.00$), $t(377) = 29.62$, $p < .001$ (two-tailed). With a 95% confidence interval of 75.26 to 85.97, the mean decrease in Utilities was 80.61. The large effect size (.70) was revealed by the eta squared.

Discussion and Conclusion

According to the descriptive analysis, the study discovered that stock market performance as represented by FBMKLCI and 12 Sectorial Index of Bursa Malaysia was negatively impacted on 19th March 2020, the second day of the 14-day MCO, but gradually recovered from 2021 to 2022. This finding agrees with previous research by Lee, Jais, and Chan (2020) and Shehzad et al. (2020). The standard deviation that measures absolute risk in investment during COVID-19 is relatively higher for all sectors except Plantation, compared to post-COVID-19. Total risks may have fallen due to economic recovery, Government stimulus, lower interest rates, and improved market sentiment. The minimum index post-COVID-19 is also higher than the results obtained during COVID-19, which signifies that the stock market has been consistently performing well over time, and there has been a minimal decline in the market value.

The Malaysian stock market's performance is measured against the FBMKLCI. Based on this study, it is found that FBMKLCI's market risk has decreased, and its minimum index has increased from the first to the second period, which generally indicates a positive sign for the health of the Malaysian economy. The study also discovered that the Sectorial Index decreased,

which may have led to investors selling their shares during the period due to high market volatility and concerns about potential losses, which aligns with the findings of Liu et al. (2020). In October 2022, Malaysia experienced a small COVID-19 wave, which decreased the performance of Construction, Consumer Products and Services (CP&S), Energy, Real Estate Investment Trust (REIT), Health Care, Telecommunication and Media, and Utilities. This corresponds to Albuiescu's (2020) and Yilmazkuday's (2020) findings, which found that market volatility increases with the fatality ratio, leading to investor uncertainty about future performance and stock selloffs, reducing stock prices. Nonetheless, the maximum index during COVID-19 is higher than post-COVID-19, which indicates that even during COVID-19, the stock market may have achieved high performance. Financial Services, Industrial Products and Services (IP&S), Plantation, Technology, and Transportation, on the other hand, have a higher maximum index post-COVID-19 than during COVID-19, indicating that these sectors are recovering quickly after the pandemic due to increased demand, and changes in consumer behavior, and government support.

The difference in the stock market performance during and after COVID-19 was examined by using the paired sample t-test. The COVID-19 pandemic impacted most sectors of the Malaysian stock market during and after the disaster. The findings are consistent with Sahoo and Ashwani's (2020) prediction that COVID-19 will likely slow industrial expansion. However, monetary and fiscal policy can aid in boosting economic growth. According to Liu et al.'s (2020) assertion, investors' fear caused a decline in the stock indices' unusual performance. This was evident in FBMKLCI and sectors such as Construction, CP&S, Energy, Health Care, REIT, Telecommunications and Media, and Utilities, which experienced moderate to slight declines following COVID-19. However, the Asian stock market, including Malaysia, responded quicker and better, especially in the Financial Service, IP&S, Technology, and Transportation sectors, which steadily increased from during COVID-19 to post-COVID-19. Construction, Energy, Financial Services, IP&S, REIT, Technology, Transportation, and Utilities have large effect sizes indicating that the finding has practical significance where the effect is significant enough in reality. Overall, there is a difference in the performance of the Malaysian stock market during and post-COVID-19. However, it recovered gradually and undoubtedly due to a combination of factors such as a diversified economy, strong fundamentals, an effective response to the pandemic, and a focus on domestic consumption.

Nonetheless, the Asian stock market responded quicker and better during COVID-19. The study suggests that policymakers can use monetary and fiscal policies to boost economic growth and stabilize the stock market during and after crises. Furthermore, the identified market trends influence investor investment decisions. Based on this study, it can be seen that investors may invest in the company listed on the Bursa Malaysia as it was affected by the disaster however responded faster and better to COVID-19, particularly in the Financial Services, IP&S, Plantation, Technology, and Transportation. sectors, which. Overall, the study contributes to understanding the Malaysian stock market's performance during and after the COVID-19 pandemic and provides valuable insights for investors, policymakers, and researchers.

This study provides valuable insights into the Malaysian stock market's performance during and after the COVID-19 pandemic, which can be useful for investors, policymakers, and researchers. By understanding how various industries will evolve over the next few months and years, businesses can make well-informed long-term investments and develop pandemic-aware strategic plans. Future researchers shall include the Property sector to improve the

findings. This can offer a more comprehensive understanding of sectoral influences and enable a nuanced analysis of results.

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