

ABSTRACT

This research aims to analyze and determine the financial performance and abnormal returns of infrastructure sector companies before and after the establishment of the SWF Indonesia institution. The research methodology used is a combined research method (mix method) with a concurrent embedded strategy approach model packaged with a descriptive and comparative approach. Hypothesis testing was then carried out using the paired sample t-test. The results of this research show that all proxy variables for the financial performance of infrastructure sector companies after the establishment of the Indonesian SWF institution were lower or the same as before the establishment of the Indonesian SWF institution (decreased performance). This is because the Indonesian SWF institution's plan to invest in toll road assets belonging to infrastructure sector companies has not been realized. Meanwhile, the abnormal return variable proxied by AAR after the establishment of the Indonesian SWF institution shows higher returns than before the establishment of the Indonesian SWF institution. This indicates that the event of the establishment of the Indonesian SWF institution had information content and was responded positively by the market.

Keyword:

Financial Performance; Abnormal return; and Sovereign Wealth Funds (SWF).