

Descriptive Analysis of Health Sector Stock Investors During the Covid-19 Pandemic

*Nurul Hidayah

Applied Bachelor of Business Management Study Program
Sriwijaya State Polytechnic
Palembang, Indonesia
nurulhidayahpga@gmail.com

Marieska Lupikawaty

Applied Bachelor of Business Management Study Program
Sriwijaya State Polytechnic
Palembang, Indonesia
*marieska@polsri.ac.id

Abstract—The health sector stock or **IDXHEALTH** is one of the stock sectors that experienced a significant strengthening during the **COVID-19** pandemic. This article aims to analyze stock investors in the health sector itself. The analytical method used is descriptive demographic analysis method. In this study using primary data and data collection techniques using a questionnaire. The sampling technique is a purposive sampling technique with 100 respondents who are South Sumatra investors who currently or have owned shares in the health sector during the pandemic period from January to Desember 2020. From these results, 9 demographics were found which were then analyzed. Result showed that **KLBF** as a favorite investor stock during the covid-19 pandemic because have the largest market capitalization and the largest asset among other.

Keywords—Stock Investors, Health Sector Stocks, Covid-19 Pandemic

I. INTRODUCTION

Investors in investing their funds hope to get a return. Returns are the only way that bodes well for financial investor to distinguish the different speculative options and the different returns of these venture options [1]. The purpose of return to meet growing financial. Return on investment is measured from the return received in a certain period, usually one year. Investors donate part of their assets for the future and when the opportunity comes, investors can get a return according to the procedures they do so that the results can be in accordance with what they generally expect, be it lower or higher. The profile of each individual is grouped into three, namely traditionalist, moderate, and strong.

In the midst of the pandemic, the number of stock investors in South Sumatra recorded a significant growth of up to 211.4% throughout 2020 compared to

the previous year. Based on information submitted by the **IDX** delegation from Palembang [2], throughout 2020 there were 12,598 Single Financial IDs (**SIDs**). This growth rate has increased compared to 2019 which was only 5,959 new **SIDs**. The value of transactions made by South Sumatra investors also penetrated in 2020 reaching Rp 51 trillion. That figure skyrocketed 264.28% compared to before the **COVID-19** pandemic, which was only Rp. 14 trillion. The total stock investors until December 2020 in South Sumatra reached 33,412 **SID**. The achievement of this number of stock investors is inseparable from the conditions of the covid pandemic that hit. The pandemic causes limitations in activities including business activities.

On July 21, 2020, President Joko Widodo announced the development of a Covid-19 vaccine [3]. The declaration provided a bright spot for the progress of the capital market and the joint stock value index. The following is a chart of the composite stock price index during the **COVID-19** pandemic in Indonesia and a chart of the stock price index after the announcement of vaccine development for the period January 2020 to December 2020

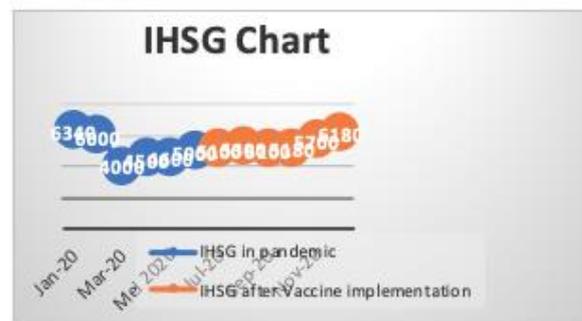


Figure 1 IHSI Chart
Source: IPOT App

The health sector itself has a role in reform in the health sector because health services definitely require the availability of a drug. In the health and pharmaceutical business prospects began to be attractive in the future. Several factors that can encourage healthcare stocks are: public awareness of the importance of their health, and the level of community income which tends to increase. So health and pharmacy is a necessity now that is still needed by every society. Many pharmaceutical companies are established in Indonesia, both foreign companies and national companies

The following is a chart of health sector stock prices during the COVID-19 pandemic throughout 2020

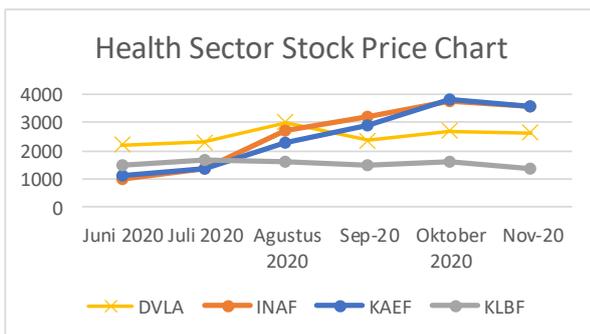


Figure 2. Health Sector Stock Price Chart
Source: IPOT App

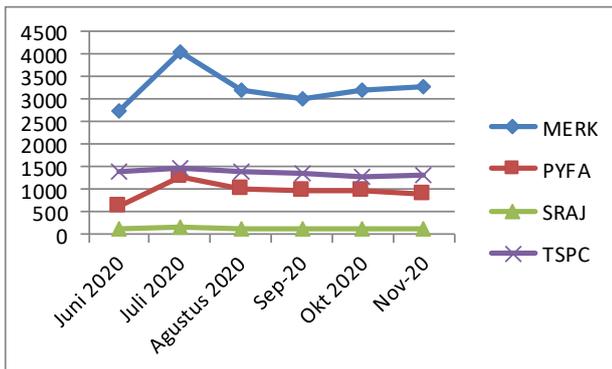


Figure 3. Health Sector Stock Shares experienced
Source: IPOT App

This research was conducted because the health sector shares experienced a very significant strengthening during the pandemic. This is certainly due to the increasing public awareness of their own health conditions which has an impact on increasing demand for drugs, supplements, vitamins, and so on. Not only that, vaccine distribution is considered capable of increasing the value of pharmaceutical issuers because it is a new source of income for

companies [3]. This research itself was conducted to analyze stock investors in the health sector itself during the period 2020 until now

II. LITERATURE REVIEW

2.1 Capital market

The capital market is an action that is identified with public contributions and protection exchanges, public organizations, as well as foundations and vocations are identified with protection. The Capital Market provides different options from banking investments although there are other speculative options, such as saving in a bank, buying gold, protection, land and buildings, etc. The capital market operates as a contact between the owner of the fund and the organization or government of the foundation through the exchange of long-term instruments such as securities, shares, and others.

In Indonesia, until now only the Indonesia Stock Exchange (IDX) has been designated as the capital market in Indonesia. BEI has an office on Jalan Sudirman, Jakarta. IDX also opened branches in several major cities in Indonesia. The IDX representative office in South Sumatra is located on Jalan Jenderal Sudirman, Palembang and already has investment galleries spread across various campus in South Sumatra.

2.2 Share

Shares are one of the capital market products which are securities that show ownership of a company so that shareholders have claim rights to dividends or other distributions made by the company to other shareholders [5].

The purpose of stock investment is to get capital gains and dividends [6]. The increase in capital in the true sense can be characterized as profit in the form of cash obtained from property offerings or from speculation. The increase in capital can also be said to be the contrast between the price tag and the cost of selling the stock. Dividends can be interpreted as company profits that are distributed to shareholders according to the percentage of each share ownership. Research results from [7] reveal that it is natural for investors to expect large returns from their investments.

There are two types of shares that are commonly traded in the capital market, namely common stock or also called common stock and preferred stock or preferred stock [8].

1. Common stock

Ordinary shares are shares that do not have special rights. Dividends obtained by the public will be

obtained as long as the company makes a profit and the company's policy is to give dividends either partially or completely. Shareholders also have voting rights in the GMS in accordance with the number of shares owned.

2. Preferred Stock

Preferred shares are shares issued with the right to receive dividends and/or share of wealth when the company goes into liquidation. Preferred stock is also called mixed stock because it has the characteristics of a combination of common stock and bonds that can provide fixed income for a certain period of time. Owners of preferred stock also have more rights in terms of dividends.

2.3 IDXHEALTH

Shares in the health sector during the pandemic experienced a very significant strengthening, this is certainly due to the increasing public awareness of their own health condition.

There are 8 health sector stocks (IDXHEALTH) that are included in ISSI (Indonesian Sharia Stock Index) in the last 10 years for the period December 2010 – May 2021, namely DVLA (Darya Varia Laboratoria), INAF (Indofarma), KAEP (Kimia Farma), KLBF (Kalbe Farma), BRAND (Merck), PYFA (Pyridam Farma), SRAJ (Sejahteraya Anugrahjaya), and TSPC (Tempo Scan Pacific).

The following is a summary of the shares of the Health sector (IDXHEALTH) that have entered ISSI in the last 10 years for the period December 2010 – May 2021

Table 1. Shares of the Health Sector (IDXHEALTH) that entered ISSI in the last 10 years for the period December 2010-May 2021

No.	Stock code	Market Cap	Assets	Stock price
1	DVLA	2.67 T	1.91 T	2380
2	INAF	8.68 T	1.49 T	2800
3	KAEP	15.66 T	17.69 T	2820
4	KLBF	71.48 T	22.45 T	1525
5	BRAND	1.42 T	931.75 B	3180
6	PYFA	484.25 B	218.61 B	905
7	SRAJ	2.62 T	4.28 T	218
8	TSPC	6.59 T	8.90 T	1465

Source: www.idx.co.id, 2021

2.4 Covid-19 pandemic

The COVID-19 pandemic is a significant event as it affects different regions of the world and this infection has caused significant changes in the capital business sector. The daily increase in the number of confirmed cases and deaths due to the Coronavirus greatly affects the stock returns of all organizations in China [8]. Ashraf [9] states that there is an inverse relationship between an increase in the number of confirmed cases and stock returns. The pessimistic

sentiment of investors causes a decline in stock returns. Since the first case of avian influenza was discovered, more and more cases of contamination and transmission have been accounted for and these cases have weakened the value of the organization's stock [8].

III. METHODOLOGY

3.1 Data source

In this study using primary data. According to Yusi and Idris [10] primary data is data collected and processed by an organization or individual directly from the object.

3.2 Data collection technique

In this study, the authors collect data using a questionnaire and the respondents in this study are South Sumatran investors, the period January until December 2020. The population are 33.412 investor have SID with an active SRE.

3.3 Sampling technique

In this study, the authors used a purposive sampling technique who have or currently have a stock portfolio in the health sector. Based on the calculation using the Slovin formula, the sample in this study was 100 respondents

3.4 Data analysis technique

In this study, the authors used descriptive demographic and usage analysis methods to determine the demographic characteristics of respondents who invested in health sector stocks during the COVID-19 pandemic

IV. RESULTS AND DISCUSSION

Table 2 Characteristics of Respondents by Gender

Information	Amount	Percentage
Man	50	50%
Woman	50	50%
Total	100	100%

Source: Primary Data Processed 2021

South Sumatra investors who invest in health sector stocks during the pandemic are known to be 50 respondents (50%) male and 50 female respondents (50%)

Table 3 Characteristics of Respondents by Age

Information	Amount	Percentage
17-25 Years	61	61%
26-35 Years	29	29%
36-45 Years	9	9%

46-55 Years	1	1%
>55 Years	0	0
Total	100	100%

Source: Primary Data Processed 2021

South Sumatra investors who invest in health sector stocks during the pandemic are known to be dominated by 61 respondents aged 17-25 years and no respondents aged >55 years.

Table 4 Characteristics of Respondents Based on Education

Information	Amount	Percentage
Elementary/Junior High	1	1%
High School/Equivalent	30	30%
Diploma/D3	18	18%
Bachelor degree	49	49%
Masters/Masters/S2	2	2%
Total	100	100%

Source: Primary Data Processed 2021

South Sumatra investors are dominated by respondents who have the latest educational background Bachelor/S1 as many as 49 respondents (49%), and high school/equivalent as many as 30 respondents (30%)

Table 5 Characteristics of Respondents by Occupation

Information	Amount	Percentage
civil servant	10	10%
Private sector employee	41	41%
entrepreneur	12	12%
Housewife	3	3%
Etc	34	34%
Total	100	100%

Source: Primary Data Processed 2021

South Sumatra investors who invested in health sector stocks during the pandemic, it is known that most of the respondents were private employees as many as 41 respondents (41%), others as many as 34 respondents (34%), entrepreneurs as many as 12 respondents (12%), civil servants as many as 10 respondents (10%), and housewives as many as 3 respondents (3%).

Table 6. Characteristics of Respondents Based on Monthly Income

Information	Amount	Percentage
<Rp 1,000,000	15	15%
IDR 1,000,000-IDR 1,999,000	19	19%
IDR 2,000,000-Rp 2,999,000	34	34%
IDR 3,000,000-Rp 4,999,000	26	26%
>Rp 5,000,000	6	6%
Total	100	100%

Source: Primary Data Processed 2021

South Sumatra investors who invested in health sector stocks during the pandemic are known to be dominated by investors with incomes ranging from Rp. 2,000,000 to Rp. 2,999,999, namely 34 respondents (34%).

Table 7 Characteristics of Respondents Based on Reasons for Investing in Health Sector Stocks

Information	Amount	Percentage
The health sector is relatively stable	23	23%
The health industry is needed during the covid-19 pandemic	58	58%
Follow along	4	4%
Stock returns	13	13%
Etc	2	2%
Total	100	100%

Source: Primary Data Processed 2021

Investors have different reasons for choosing a stock. The majority of South Sumatra investors chose shares in the health sector during the pandemic because the health industry was needed during the COVID-19 pandemic, namely 58 respondents, only 4 people participated.

Table 8 Characteristics of Respondents Based on Length of Investing in Health Sector Stocks

Information	Amount	Percentage
<1 Year	50	50%
1-2 Years	30	30%
3-4 Years	19	19%
5 years	0	0%
>5 Years	1	1%
Total	100	100%

Source: Primary Data Processed 2021

The majority of respondents have invested in health sector stocks for <1 year as many as 50 respondents and only 1 has >5 years

Table 9 Characteristics of Respondents Based on How Many Times Purchased Health Sector Shares

Information	Amount	Percentage
1 time	20	20%
2 times	24	24%
3 times	40	40%
4 times	6	6%
>4 times	10	10%
Total	100	100%

Source: Primary Data Processed 2021

Most of the respondents have bought shares in the health sector 3 times as many as 40 respondents (40%), 2 times as many as 24 respondents (24%), 1 time as many as 20 respondents (20%), >4 times as many as 10 respondents (10%), and 4 times as many as 6 respondents (6%).

Table 10 Characteristics of Respondents Based on Current or Ever Owned Health Sector Shares

Information	Amount	Percentage
KLBF	43	43%
KAEF	25	25%
INAF	22	22%
PYFA	10	10%
Etc	0	0%
Total	100	100%

Source: Primary Data Processed 2021

It is known that most of the respondents invested in KLBF shares, namely 43 respondents (43%), KAEF 25 respondents (25%), INAF 22

respondents (22%), PYFA 10 respondents (10%), and none of the respondents had ever owned sector shares. other health.

V. CONCLUSION

Based on the background, problem formulation, and descriptive demographic analysis that has been carried out, it can be concluded that the number of South Sumatra investors who invested in health sector stocks during the 2020 pandemic period until now, both men and women are the same. The age group is dominated by the age of 17-25 years, this is because at that age they are aware of the importance of investing. The last education of most investors is Bachelor/S1. Income in a month is in the range of Rp 2,000,000-Rp 2,999,999. The majority of investors reasoned that the health industry was needed during the COVID-19 pandemic, this was because the public had high awareness of the importance of health in the midst of this pandemic. The majority of investors buy shares in the health sector 3 (three) times in 1 (one) year this is because many shares in the health sector experienced a significant increase during the pandemic. And the most purchased shares are KLBF shares (Kalbe Farma) this is because Kalbe shares do not fluctuate too much during the pandemic so the risk of loss is smaller. And also Kalbe shares have the largest market capitalization and have the largest asset among the other 7 stocks. This shows that investors perform fundamental and technical analysis first before investing.

REFERENCES

- [1] Jensen, GR, & Jones, CP (2020). Investments : analysis and management
- [2] Indonesia stock exchange. (2021). Health sector stocks that have entered ISSI for the last 10 years for the period December 2010-May 2021. www.idx.co.id. (Accessed On: June 25, 2021).
- [3] Situmorang, Ria Theresia. (2020). Marketbusiness.com. The progress of the Covid-19 vaccine is promising, health sector stocks are the choice. <https://market.bisnis.com/read/20201114/189/1317592/progres-vaksin-covid-19-menunjukkan-saham-sektor-kesehatan-jadi-elektroan>. (Accessed on: June 25, 2021).
- [4] Ramadhani Anendy Putri. (2020). Factors Affecting Investment Decisions on Stock Investors in Surabaya. *Journal of Management Science* Volume 8 Number 1
- [5] Hermuningsih Sri. (2012). Introduction to the Indonesian Capital Market. Yogyakarta: UPP STIM YKPN.
- [6] Brigham, Eugene F and Houston, Joel F. (2006). *Fundamentals of Financial Management*, Edition 10. Jakarta: Salemba Empat.
- [7] Yulia. (2016). Analysis of the Effect of Liquidity Ratios on Stock Returns (Study on LQ 45 Index Companies Listed on the Indonesia Stock Exchange). *Journal of the Informatics Equator*, 4(2), 192-204
- [8] Al-Awadhi, AM et al. (2020). Death and contagious infectious diseases: Impact of the COVID-19 virus on stock market returns. *Journal of Behavioral and Experimental Finance*. Elsevier, 27, p. 100326. doi: 10.1016/j.jbef.2020.100326.
- [9] Ashraf, BN (2020). Stock markets reaction to COVID-19: Cases or fatalities? *Research in International Business and Finance*. Elsevier, 54, p. 101249. doi: 10.1016/j.ribaf.2020.101249.
- [10] Yusi, Syahirman Idris, Umiyati. (2016). *Research Methodology For Economics, Business, and Social Affairs* (First Printing). Palembang: UPT. Publishers and Printing