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p-ISSN 1979-7567
e-ISSN 2614-4328

Analyzing Investor Reaction to PT Chandra Daya Investasi's Initial Public Offering through Abnormal Returns and Trading Volume Patterns in the Prajogo Pangestu Group

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Article Info

Article history:

Received, 16-11-2025
Revised, 02-12-2025
Accepted, 09-12-2025

Keywords:

Event Study, Abnormal Return, Trading Volume Activity, IPO, Prajogo Pangestu Group

ABSTRACT

This research investigates how the stock market responds to the Initial Public Offering of PT Chandra Daya Investasi Tbk (CDIA) and examines its influence on abnormal returns and trading volume activities of companies within the Prajogo Pangestu Group. The study applies an event-study approach to four affiliated issuers, namely BRPT, BREN, TPIA, and CUAN, using an 11-day event window around the IPO and a 60-day estimation period for return modeling. The analysis assesses whether CDIA's listing generated meaningful price or trading-volume reactions within the group. The findings show that the IPO did not lead to significant abnormal returns or notable changes in trading activity for the affiliated stocks. Only a minor anticipatory response appeared on T–4, while neither the event day nor the days following it exhibited a meaningful market reaction. Overall, the results suggest that the CDIA IPO was treated as a firm-specific event with limited information spillover to other companies in the group.

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Introduction

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e-ISSN 2614-4328

In Indonesia, economic activity is significantly strengthened by the role of the capital market, which facilitates long-term capital flows and acts as a mechanism for transmitting information to investors [1], [2], [3]. As an information-driven environment, the capital market prices new announcements rapidly, allowing investor expectations to shift in response to corporate actions [4], [5]. One of the most influential corporate actions is the Initial Public Offering (IPO), which serves not only as a means of raising external funding but also as a signal to the market regarding firm quality, governance credibility, and future performance prospects [6], [7], [8].

Recent developments show that Indonesia has become one of the most active emerging markets in Asia for IPOs, supported by stronger financial literacy and growing participation from digital retail investors [9], [10]. These conditions illustrate an increasingly information-sensitive market in which investor reactions to IPO announcements are expected to be more immediate and measurable. While existing studies have focused extensively on IPO underpricing, aftermarket behavior, and the determinants of initial performance [11], [12], empirical investigations on whether an IPO generates information spillover to affiliated companies remain limited, leaving a conceptual and empirical gap particularly relevant in an economy dominated by conglomerate structures.

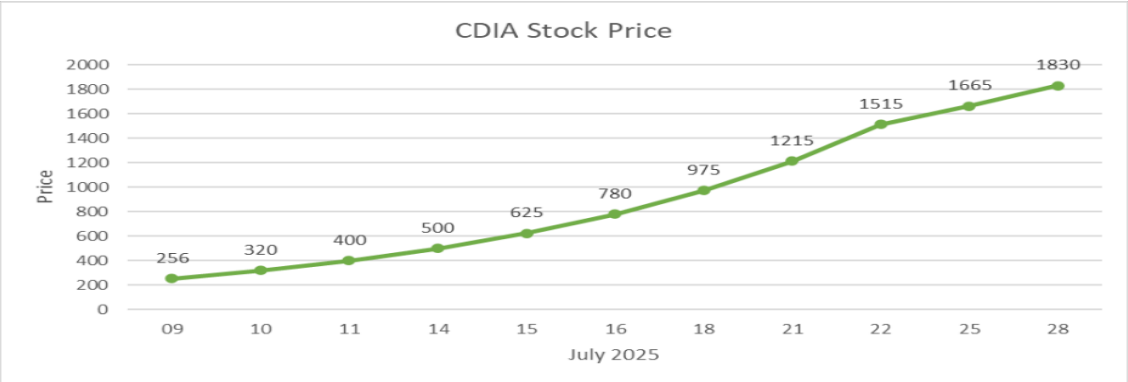

Figure 1. CDIA Stock Price Movement since IPO.

Source: Indonesia Stock Exchange (2025)

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One of the most significant IPO events in Indonesia is the listing of PT Chandra Daya Investasi Tbk. (CDIA), a member of the Prajogo Pangestu Group. Conducted on July 9, 2025, this IPO achieved historic levels of demand, reflected by an oversubscription of 563 times and retail investor orders reaching Rp33.6 trillion [13]. Such extraordinary oversubscription is rarely observed and represents a strong market signal suggesting that investors perceived CDIA as a high-quality firm.

The market's strong response continued during CDIA's first trading days. The stock reached Upper Auto Rejection (ARA) with a 35 percent price increase supported by substantial buy orders and recorded four consecutive ARA sessions thereafter [14]. Excessive buy queues further pushed trading to the negotiated market at significantly higher prices. These dynamics reflect early market exuberance and align with literature documenting herding behavior surrounding IPO events [15].

According to Gumilar (2025), the strong market reception of the CDIA IPO reflects accumulated investor trust in the Prajogo Pangestu Group, whose prior listings have demonstrated reliable aftermarket performance [16]. This is consistent with Signalling Theory, which posits that investors rely on observable cues, such as oversubscription, first-day return, and issuer reputation, to update their beliefs when facing information asymmetry [17]. Thus, CDIA's IPO may act as a positive reputational signal that influences not only CDIA but also other firms within the same conglomerate [18].

Table 1. Shareholding Structure of Prajogo Pangestu Group

Company	Stock	Shares
PT Barito Pacific Tbk.	BRPT	71.36% Prajogo Pangestu
PT Petrindo Jaya Kreasi Tbk.	CUAN	84.0763% Prajogo Pangestu
PT Chandra Asri Pacific Tbk.	TPIA	34.63% BRPT 5.03% Prajogo Pangestu
PT Barito Renewables Energy Tbk.	BREN	64.666% BRPT 0.103% Prajogo Pangestu
PT Chandra Daya Investasi Tbk.	CDIA	60% TPIA

Source: Indonesia Stock Exchange (2025).

The ownership structure of the Prajogo Pangestu Group reinforces this potential information spillover. As shown in Table 1, BRPT controls BREN and TPIA; TPIA owns a portion of CDIA; and CUAN is directly held by Prajogo Pangestu. These inter-company ownership ties create shared reputational and economic linkages which may lead investors to evaluate affiliated firms collectively. Despite this theoretical possibility, empirical studies assessing IPO-induced spillover within Indonesian conglomerates remain scarce, strengthening the need to examine this phenomenon.

To analyze market reaction scientifically, this research employs abnormal return (AR) and trading volume activity (TVA) as primary indicators. AR measures deviations from expected returns and captures valuation changes induced by event-related information [4], [19]. TVA reflects investor activity and liquidity responses, indicating how intensely the market absorbs information [20], [21]. These two indicators form the cornerstone of event-study methodology and are widely used to assess market responses to unexpected events [22], [23], [24].

Although prior studies consistently demonstrate the effectiveness of event study in identifying market reactions to diverse events, including government economic policies [21]; political announcements [20], [23]; regulatory changes [25]; stock splits [26]; board-related announcements [27]; and global shocks such as the COVID-19 pandemic [28], there remains a notable absence of research applying this method to IPO events with the specific objective of detecting spillover effects on affiliated firms within a conglomerate. Existing IPO studies in Indonesia focus largely on underpricing and post-IPO performance, but do not address whether the informational signals embedded in an IPO propagate through interconnected ownership structures, representing a significant empirical and conceptual gap in the literature.

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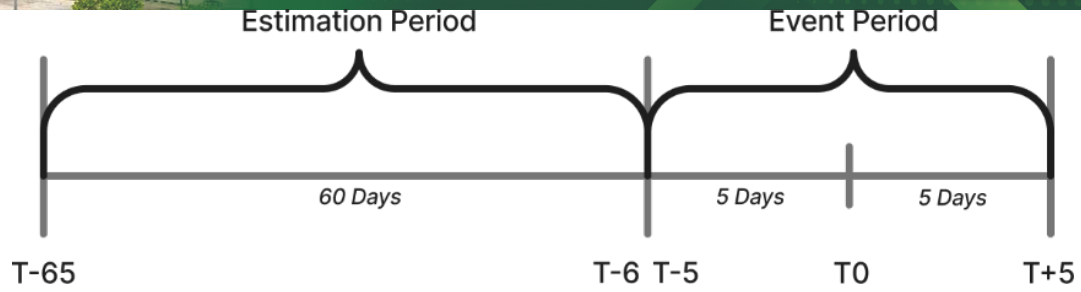

Figure 2. Research Period in the Event Study.
Source: Author research method (2025).

Using an event-study framework, this research observes the behavior of AR and TVA across an 11-day event window (T–5 to T+5) and compares them with expected values derived from a 60-day estimation period [25], [26], [27], [28], [29]. This approach allows for a precise evaluation of whether the CDIA IPO generated statistically detectable differences before and after the event. The scientific relevance lies in determining whether the IPO carried enough informational content to influence affiliated stocks, an aspect not yet examined empirically despite strong theoretical justification.

Based on the theoretical foundations and empirical context, the central problem addressed in this study concerns whether CDIA's IPO produced meaningful reactions in the stock performance of BRPT, BREN, TPIA, and CUAN. The key issue is whether investors interpreted the IPO as a conglomerate-wide signal with potential spillover effects or merely as a company-specific event relevant only to CDIA. This problem emerges directly from the limited empirical evidence on cross-firm reactions to IPOs in Indonesia.

Accordingly, this study aims to analyze whether the CDIA IPO generated significant abnormal returns and changes in trading volume activity among its affiliated firms, and to evaluate whether these reactions reflect information spillover within the Prajogo Pangestu Group. The expected contribution of this research is to enrich the literature on IPOs and event studies by providing empirical evidence on information transmission mechanisms in Indonesian conglomerates, clarifying how signalling cues operate in emerging markets, and

offering insights that are relevant for investors, regulators, and scholars examining market behavior around major corporate events.

Method

A quantitative methodology is utilized in this study, employing an event study approach to evaluate market reactions to information-bearing events. According to Hakim and Sudaryo (2022), an event study examines whether an event announced to the public elicits a measurable response in stock prices or trading activity [4]. The method is appropriate because it has been empirically validated across diverse market contexts [20], [21], [23], [25], [26], [28], demonstrating its robustness in detecting short-term informational effects. In this research, the CDIA IPO is treated as a corporate event with potential spillover to affiliated companies, making the event study approach suitable for isolating and evaluating such reactions.

The event study framework is applied to examine whether the CDIA IPO influenced the AR and TVA of BRPT, BREN, TPIA, and CUAN, which are affiliated either directly or indirectly within the group's ownership structure. Abnormal return (AR) is employed to capture price-based reactions because AR isolates the portion of return that deviates from expected market-driven performance, offering a direct indicator of event-related valuation effects [19], [22]. The use of AR is empirically justified, as prior studies confirm its reliability in measuring market reactions to corporate and macroeconomic announcements [27]. Meanwhile, trading volume activity (TVA) measures liquidity responses and reflects changes in investor participation or attention. TVA is frequently used as a complementary indicator because volume adjustments often occur when new information is incorporated into the market, even when price reactions remain muted [21], [28].

To calculate abnormal return, this study uses the Single Index Model, which assumes that stock price movements are influenced by market index movements [30]. This model is selected because it provides better estimation accuracy than simpler mean-adjusted models by incorporating systematic market influences. Empirical evidence shows that Single Index–based expected returns reduce noise and improve explanatory power in short-window event

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studies [27], making the model appropriate for capturing the specific influence of CDIA's IPO.

Expected return is estimated using α (alpha) and β (beta) parameters obtained through linear regression between each stock's return and the IDX market return during the 60-day estimation period. This window length follows established empirical practice, as estimation periods of 30–120 days provide stable parameter calibration without contamination from event-related volatility [23], [25]. The 60-day duration thus balances robustness and responsiveness for the event-study setting.

The calculation of actual return is carried out to measure daily changes in stock prices, representing the percentage movement in closing prices from one trading session to the next:

$$R_{i,t} = \frac{P_{i,t} - P_{i,t-1}}{P_{i,t-1}} \quad (1)$$

Explanation:

$R_{i,t}$ = actual return of stock *i* on day *t*

$P_{i,t}$ = closing price on day *t*

$P_{i,t-1}$ = closing price on the previous day

Actual return is essential for determining observable investor reactions and forms the baseline for computing abnormal return, consistent with established event-study procedures [29]. To observe broader market movements, market return is calculated using the IHSG (IDX Composite Index):

$$R_{m,t} = \frac{IHSG_t - IHSG_{t-1}}{IHSG_{t-1}} \quad (2)$$

Explanation:

- $R_{m,t}$ = market return on day *t*
- $IHSG_t$ = IHSG index level on day *t*
- $IHSG_{t-1}$ = IHSG index level on the previous day

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Market return is included to control for systemic movements, ensuring that abnormal return reflects event-specific rather than market-wide effects [28]. Expected return is calculated using the regression equation:

$$R_{i,t} = \alpha_i + \beta_i R_{m,t} + e_t \quad (3)$$

Explanation:

α_i = intercept, representing returns not affected by the market

β_i = sensitivity of the stock to market movements

e_t = error term or unexplained return

Using the estimated parameters, the expected return during the event period is calculated as:

$$E(R_{i,t}) = \alpha_i + \beta_i R_{m,t} \quad (4)$$

Explanation:

$E(R_{i,t})$ = expected return of stock *i* on day *t*

After obtaining the expected return, the abnormal return is computed to identify the portion of a stock's return that deviates from normal market behavior. Abnormal return indicates the market's direct response to the event.

$$AR_{i,t} = R_{i,t} - E(R_{i,t}) \quad (5)$$

Explanation:

$AR_{i,t}$ = abnormal return

AR is a widely accepted measure of immediate investor reactions to new information [22]. The average abnormal return across sample firms is calculated using:

$$AAR_t = \frac{1}{N}\sum_{i=1}^{N} AR_{i,t} \quad (6)$$

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Explanation:

AAR_t = average abnormal return on day t

N = total number of sample stocks

AAR enhances interpretation by identifying whether the event generated a collective market response [23]. Trading Volume Activity (TVA) is measured as:

$$TVA_{i,t} = \frac{\text{Volume Traded}i,t}{\text{Shares Outstanding}i,t} \quad (7)$$

Explanation:

Numerator = number of shares traded on day t

Denominator = total shares outstanding

TVA is a sensitive indicator of investor attention and liquidity shifts [21]. Average Trading Volume Activity (ATVA) is calculated as:

$$ATVA_t = \frac{1}{N}\sum_{i=1}^{N} TVA_{i,t} \quad (8)$$

Explanation:

$ATVA_t$ = average trading volume activity on day t

ATVA helps determine whether trading intensity as a whole changed during the event, providing complementary insight alongside price-based reactions.

Data Collection Technique

This study uses secondary data, consisting of publicly available historical information published by the Indonesia Stock Exchange and supporting financial data platforms such as Yahoo Finance. The dataset consists of daily closing prices, trading volumes, outstanding share counts, and IDX index values required for computing market returns. Secondary data

are appropriate for this research because market reactions to events can be analyzed entirely through historical price and volume records.

The data collection technique applied is documentation, which involves accessing and compiling time-series data required to the calculate return, the expected return, the observed changes in abnormal return and the intensity of trading activity within the estimation and event periods. Data were collected for a 60-day estimation period prior to the event window and an 11-day event window (T−5 to T+5). IDX data were obtained for the same periods to support the computation of expected return using the Single Index Model.

The population in this research comprises all companies under the Prajogo Pangestu Group that are publicly traded in the IDX. The selection of sample firms followed a purposive sampling method, with the process anchored on the criteria listed afterward: (1) firms affiliated with Prajogo Pangestu, (2) stocks actively traded during the estimation and event windows, and (3) availability of complete historical price and volume data. Based on these criteria, four companies were selected as the sample, namely BRPT, BREN, TPIA, and CUAN, due to their ownership linkages with CDIA and the availability of reliable historical data suitable for event study analysis.

Analytical Procedures

The analytical procedure in this study is carried out in two phases: descriptive analysis and verification analysis. The descriptive phase aims to illustrate the patterns of the abnormal returns and the trading volume activity throughout the event window (T−5 to T+5), presenting summary measures such as minimum, maximum, mean, and standard deviation. This stage helps identify initial patterns in stock price and trading activity before further hypothesis testing is conducted.

The verification analysis evaluates whether the market responded significantly to the CDIA IPO. The analysis first applies the Shapiro–Wilk test to assess normality, as the dataset contains fewer than 50 observations. The normality results determine whether parametric or non-parametric tests are appropriate for subsequent hypothesis testing.

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Hypothesis testing is divided into two stages. The first stage evaluates whether the AR and the TVA for each day within the event window show a statistically significant deviation from zero. Depending on whether the data meet normality assumptions, the analysis employs either the one-sample t-test or Wilcoxon signed rank test. The second hypothesis test evaluates differences in average abnormal returns and trading volume activity between the pre-event period (T−5 to T−1) and the post-event period (T+1 to T+5). For normally distributed data, the paired sample t-test is used, whereas the Wilcoxon signed rank test is applied when the data do not satisfy normality requirements.

All statistical analyses are conducted at a significance level of $\alpha = 0.05$. This analytical approach allows the study to determine whether investors reacted significantly to CDIA's IPO, as evidenced by measurable deviations in the abnormal returns or fluctuations in trading volumes of the group's affiliated shares.

Results and Discussion

Descriptive Analysis

Descriptive analysis was conducted to provide an overview of the behavior of the AR and the TVA for the Prajogo Pangestu Group stocks during the event window. Based on the calculations for the four sample issuers (BRPT, BREN, TPIA, and CUAN), the values of the AAR (average abnormal return) and the ATVA (average trading volume activity) show considerable fluctuations from T–5 to T+5. The complete data for AAR and ATVA are presented in Table 2.

Table 2. Descriptive Statistics of AR and TVA

Event Window	N	Abnormal Return		Trading Volume Activity	
		Mean	Std. Dev.	Mean	Std. Dev.
T-5	4	-0.027112	0.034031	0.000754	0.001209
T-4	4	-0.024258	0.011606	0.000332	0.000555
T-3	4	-0.009024	0.010549	0.000281	0.000446
T-2	4	0.016547	0.026682	0.000582	0.000932

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T-1	4	0.024716	0.016296	0.000945	0.001515
T0	4	-0.004091	0.019687	0.000654	0.000958
T+1	4	-0.005507	0.028466	0.001111	0.001789
T+2	4	-0.007532	0.015476	0.000545	0.000803
T+3	4	0.110151	0.070009	0.002475	0.003225
T+4	4	-0.027029	0.050604	0.002765	0.002737
T+5	4	-0.021411	0.015686	0.001922	0.002400
Average Before	4	-0.003826	0.006314	0.000579	0.000931
Average After	4	0.009734	0.026096	0.001764	0.001646

Source: Statistical output processed by the authors (2025)

From the perspective of the abnormal returns, most AAR values on the after and before the event tend to remain in the negative range, indicating that the actual returns of the stocks were lower than the expected returns calculated using the Single Index Model. However, there is one day that shows a significant spike, namely on T+3, where AAR reached 0.110151, or approximately 11%. This indicates a relatively strong market reaction three days after the CDIA IPO took place.

Meanwhile, in terms of ATVA, the movement of trading volume shows a pattern that tends to increase from day to day. ATVA, which was relatively low on T–5 (0.000754), gradually increased to reach its highest values on T+4 (0.002765) and T+5 (0.001922). This indicates that trading activity in the affiliated stocks became more intensive following the IPO, although the absolute values remain low because ATVA is calculated relative to the number of shares outstanding for each company.

Normality Test

The Shapiro–Wilk method was used to determine whether the AR and TVA data follow a normal distribution. The complete results are shown in Table 3.

Table 3. Normality Test Result

Event Window	N	Abnormal Return		Trading Volume Activity	
		Sig.	Description	Sig.	Description
T-5	4	0.129	Normal	0.003	Not Normal
T-4	4	0.991	Normal	0.005	Not Normal

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T-3	4	0.010	Not Normal	0.006	Not Normal
T-2	4	0.969	Normal	0.002	Not Normal
T-1	4	0.120	Normal	0.005	Not Normal
T0	4	0.268	Normal	0.015	Not Normal
T+1	4	0.581	Normal	0.008	Not Normal
T+2	4	0.805	Normal	0.008	Not Normal
T+3	4	0.124	Normal	0.008	Not Normal
T+4	4	0.039	Not Normal	0.564	Normal
T+5	4	0.248	Normal	0.202	Normal
Average Before	4	0.343	Normal	0.003	Not Normal
Average After	4	0.867	Normal	0.391	Normal

Source: Statistical output processed by the authors (2025)

For abnormal return, most data points fall under the normal category (Sig. > 0.05), except for T–3 (Sig. 0.010) and T+4 (Sig. 0.039), which do not follow a normal distribution. However, the Average Before and Average After values have Sig. 0.343 and 0.867, respectively, indicating normal distribution. For TVA, the results show that almost all daily values do not follow a normal distribution (Sig. < 0.05), except for T+4 (Sig. 0.564) and Average After (Sig. 0.391). Consequently, most hypothesis tests involving TVA use the non-parametric Wilcoxon Signed Rank Test. These differing distribution characteristics directly influence the selection of statistical methods used for hypothesis testing in subsequent stages.

Hypothesis Test 1 (Daily Significance Testing)

Hypothesis Test 1 aims to determine whether there were significant AR and TVA on each day within the event window. The results, shown in Table 4, reveal different patterns between the two variables.

Table 4. Daily Significance Testing of AR and TVA

Event Window	N	Abnormal Return		Trading Volume Activity	
		Sig.	Conclusion	Sig.	Conclusion
T-5	4	0.209	>0.05	0.068	>0.05
T-4	4	0.025	<0.05 (Significant)	0.068	>0.05
T-3	4	0.068	>0.05	0.068	>0.05

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T-2	4	0.303	>0.05	0.068	>0.05
T-1	4	0.056	>0.05	0.068	>0.05
T0	4	0.706	>0.05	0.068	>0.05
T+1	4	0.725	>0.05	0.068	>0.05
T+2	4	0.402	>0.05	0.068	>0.05
T+3	4	0.051	>0.05	0.068	>0.05
T+4	4	0.273	>0.05	0.137	>0.05
T+5	4	0.072	>0.05	0.208	>0.05

Source: Statistical output processed by the authors (2025)

Based on the results of the one-sample t-test/Wilcoxon (Table 4), only T–4 (Sig. 0.025) shows a significant abnormal return (< 0.05). This suggests the presence of a market reaction before the event, possibly due to speculation or early responses from market participants ahead of the IPO. On all other days, including the event day (T0), the significance values exceed 0.05, indicating no significant abnormal return. It can therefore be concluded that the CDIA IPO did not produce significant daily market reactions on abnormal return across the event window. For TVA, all significance values exceed 0.05 (with many days showing 0.068), as shown in Table 4, indicating no significant differences from zero on any day. Although the ATVA graph shows a gradual increase in trading activity, these increases are not statistically significant. This finding indicates that trading activity for the Prajogo Pangestu Group stocks did not exhibit significant daily reactions to the CDIA IPO.

Hypothesis Test 2 (Differences Before and After the Event)

This test evaluates whether there are significant differences in the AR and the TVA between the pre-event window covering T–5 to T–1 and the post-event window spanning T+1 to T+5. The complete results are presented in Table 5.

Table 5. Differences in AR and TVA Before and After the CDIA IPO

Abnormal Return		**Trading Volume Activity**	
Sig. (2-tailed)	**Conclusion**	**Sig. (2-tailed)**	**Conclusion**
0.325	No difference	0.068	No difference

Source: Statistical output processed by the authors (2025).

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The paired sample t-test produces a significance value of 0.325, which exceeds the 0.05 threshold, indicating that the abnormal returns before and after the CDIA IPO are not statistically different. Thus, on average, the event did not significantly affect the returns of affiliated stocks. For TVA, the Wilcoxon signed rank test yields a significance value of 0.068, which is above the 0.05 threshold, indicating that trading volume activity did not differ meaningfully between the periods before and after the IPO. These results are consistent with Hypothesis Test 1, confirming that there were no significant aggregate or daily market reactions in Prajogo Pangestu Group stocks due to the CDIA IPO.

Discussion

Before interpreting the results in detail, the graphical patterns of AAR–CAAR and ATVA–CATVA presented in Figures 3 and 4 provide an initial overview of how the market responded to the CDIA IPO. Overall, the patterns indicate that the event did not trigger substantial price or liquidity adjustments among the affiliated firms, even though CDIA itself experienced extraordinary attention during its listing period.

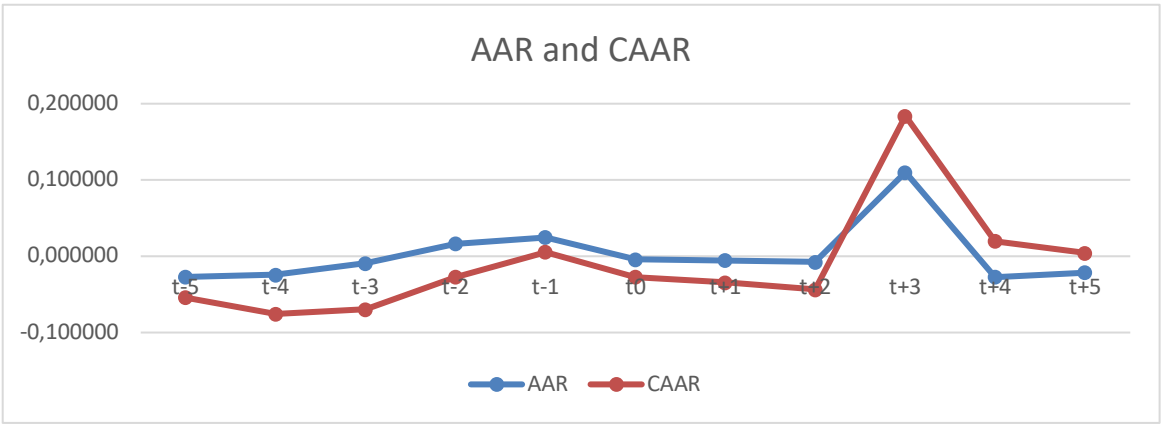

Figure 3. AAR and CAAR During the Event Window

Source: Data processed by the authors (2025).

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The AAR curve in Figure 3 shows fluctuations around zero throughout the event window, with only one statistically significant reaction occurring on T–4. This anticipatory movement may reflect limited speculative positioning by certain investors ahead of the IPO, particularly given the unusually high visibility of the event. However, the absence of significant abnormal returns on the event day (T0) and the subsequent days suggests that the IPO did not introduce new information that investors deemed relevant to the valuation of BRPT, BREN, TPIA, or CUAN. The CAAR trend reinforces this conclusion, as it does not exhibit a strong cumulative upward or downward pattern that would indicate a systematic revision of market expectations.

Viewed through the lens of Signalling Theory, these findings imply that the positive signals associated with CDIA's IPO, such as extreme oversubscription, multiple ARA events, and media coverage, were interpreted by the market as specific to CDIA rather than representative of broader improvements in the Prajogo Pangestu Group. Signalling Theory posits that investors respond to observable cues when such cues help reduce information asymmetry; however, the theory also assumes that investors must perceive the signal as relevant to the firms being evaluated. In this case, although the IPO conveyed strong signals of CDIA's quality and investor appeal, the market appears not to have extended these signals to affiliated companies. This indicates that investors may have perceived CDIA's listing success as a standalone achievement rather than evidence of enhanced prospects for the group as a whole.

The limited spillover effect observed in the AR results can also be understood in relation to the structure and diversity of the conglomerate. While BRPT, BREN, TPIA, and CUAN share ownership linkages with CDIA, they operate in different subsectors with distinct financial and operational characteristics. Such heterogeneity may cause investors to treat each firm independently, reducing the perceived transferability of information from CDIA's IPO to the rest of the group. In conglomerates where spillover is strong, corporate events often affect shared resources, group-wide strategies, or consolidated cash flows. The absence of such interdependencies in this case likely contributed to the market's classification of the IPO as a company-specific event.

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p-ISSN 1979-7567
e-ISSN 2614-4328

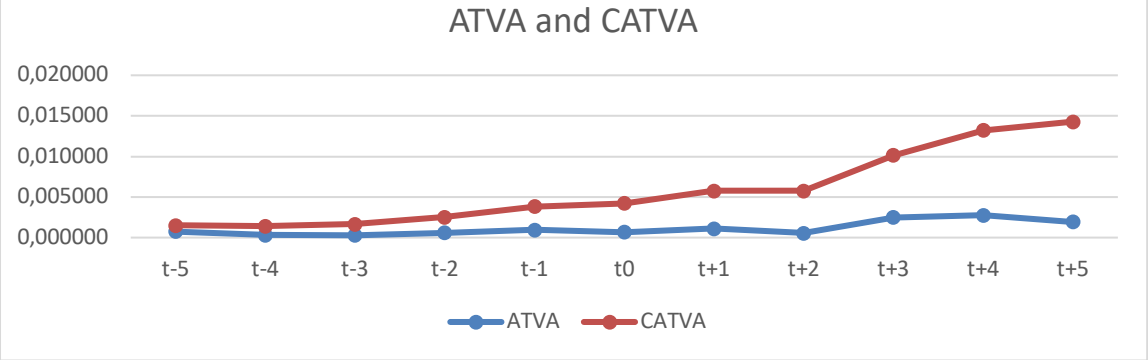

Figure 4. ATVA and CATVA During the Event Window

Source: Data processed by the authors (2025).

The trading volume results in Figure 4 further support this interpretation. Although ATVA and CATVA increase slightly after the IPO, the statistical tests show that these changes are not significant. The modest increase in CATVA may be attributed to routine fluctuations in liquidity rather than to the IPO itself. From the theoretical standpoint of investor attention and information assimilation, significant liquidity changes would be expected if investors believed that CDIA's IPO carried implications for the entire group. The muted volume response therefore reinforces the conclusion that investors did not adjust their trading behavior based on CDIA's listing.

Taken together, the patterns in AR, CAAR, ATVA, and CATVA provide consistent evidence that the CDIA IPO did not contain sufficient informational content to influence affiliated stocks within the Prajogo Pangestu Group. The market's reaction suggests that although the IPO was highly successful and generated strong initial excitement, investors regarded it as an isolated event rather than a signal with broader implications. This finding aligns with the broader logic of Signalling Theory: signals must not only be strong but also perceived as relevant to produce spillover effects. In this case, the relevance was evidently limited to CDIA itself.

Overall, the empirical results indicate that the CDIA IPO functioned primarily as a firm-specific event without measurable spillover effects on affiliated companies. This outcome contributes to an important understanding of the boundaries of signalling within conglomerate structures in emerging markets. It shows that even highly publicized corporate events do not automatically influence the valuation or liquidity of related firms unless investors perceive clear strategic, financial, or operational linkages that justify revising expectations across the group.

Conclusion

The findings of this study indicate that the Initial Public Offering (IPO) of PT Chandra Daya Investasi Tbk. (CDIA), despite being one of the most significant and highly oversubscribed IPO events in the history of the Indonesian capital market, did not generate a statistically significant market reaction for the affiliated stocks within the Prajogo Pangestu Group. The analysis of Average Abnormal Return (AAR) and Average Trading Volume Activity (ATVA) during the event window shows that neither abnormal returns nor trading volumes exhibited meaningful changes on the event day or in the periods before and after the IPO, with the exception of a single anticipatory reaction on T–4. These results suggest that the CDIA IPO functioned as a company-specific event rather than an information spillover event, and that investors did not significantly adjust their valuation or trading behavior for BRPT, BREN, TPIA, and CUAN in response to CDIA's listing. Overall, the study concludes that the IPO did not carry sufficient informational value to influence the broader group's stock performance in the short term.

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https://ejournal.um-sorongac.id/index.php/sentralisasi
p-ISSN 1979-7567
e-ISSN 2614-4328

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