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THE IMPACT OF GOLD AND OIL PRICES ON ASEAN'S FINANCIAL SUSTAINABILITY BEFORE AND DURING COVID-19 PANDEMIC

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ABSTRACT

This study investigates the impacts of gold and oil prices on ASEAN's financial sustainability before and during the COVID-19 pandemic. The financial sustainability of the ASEAN economics was measured using the performance in the stock market. Among the ASEAN countries, 8 countries produce oil meanwhile 5 countries produce gold. The study used panel data analysis to measure the impact of gold and oil prices on stock market performance. Since there are 3 countries in ASEAN that neither produces gold nor oil but only consumes them, other macroeconomic variables like gross domestic product, exchange rate and inflation rate were added in the analysis as the independent variables together with oil and gold prices. The study was also further distinguished into before the pandemic (2012 – 2019) and during the pandemic (2020 – 2021). The analysis revealed from the random effect regression that oil price and inflation rate influenced the stock performance before and during the pandemic. Both the variables moved in the same direction with stock performance. All other variables were found to be insignificant.

PROBLEM STATEMENT

It is common to find studies where researchers measure the impact of macroeconomic variables on financial sustainability by observing the performance of stock markets. Gold and oil are the two commodities which

their prices are likely to give negative impacts on stock price. Gold is a substitute to stock and both investments can be included for having a diversified portfolio. Investment in gold is considered as a safe haven because it can hedge against the risk of stock market decline. Gold can also hedge against inflation and therefore become a substitute to stock when inflation rises (Gokmenoglu and Fazlollahi, 2015). If gold price has positive impact on stock market, both investments can be complements to each other. Crude oil is an important source of energy and therefore its price affects the performance of economy of a country (Shabbir et al. 2019). Oil price surge possibly causes an increase in input price and a decrease in stock return and thus a fall in stock price. Higher oil price also leads to a rise in fuel price causing lesser ability to invest in the stock market and therefore a fall in stock price. However, there could be positive impact of oil price on stock market due to the increase in incomes of oil related companies.

The movement of stock price may be predicted based on the movements of gold and oil price however, lacking evidence makes the prediction undesirable. Investors may not be convinced by the movement patterns of stock price which may be predictable using gold and oil prices. Furthermore, such prediction has not been studied rigorously in the context of whole ASEAN economies and for the period before and during the COVID-19 pandemic. In addition, the decision on oil price subsidies in the ASEAN economies may partly depend on the negative impact of oil price on the stock markets therefore the evidence of research on this topic is essential. Without the findings, whether oil subsidies should be given to stabilize the decline in the stock markets are ambiguous.

PROBLEM STATEMENT

In the ASEAN region, there are altogether nine stock exchanges, including Cambodia Stock Exchange, Jakarta Stock Ex-change, Kuala Lumpur Stock Exchange, Laos Securities Exchange, Philippines Stock Ex-change, Stock Exchange of Thailand, Singapore Exchange, Vietnam Hanoi Stock Ex-change, and Vietnam Ho Chi Minh Stock Exchange. If the index prices are predictable using gold and oil prices, this will indicate that the stock markets are informational inefficient hence abnormal returns are possibly earned. Furthermore, stock markets in the ASEAN region are integrated therefore capital mobility across the stock markets is supported. Studying all the ASEAN stock markets can identify the index prices that are predictable using gold and oil prices, hence ease the investment decision on capital transfer from one stock exchange to another in the ASEAN region. This study is also important to capture the predictable patterns of the index prices that exist before and during the COVID-19 pandemic. In addition, the oil subsidies decision may partly depend on the negative impact of oil price on the stock market, thus the findings are useful to policy makers.

RESEARCH OBJECTIVES

The overall objective of the study was to determine whether gold and oil prices influences the financial sustainability of the ASEAN economics before and during the pandemic. The specific objectives of the study were as follows:

a. To determine whether oil and gold prices influences the stock prices before and during the pandemic.
b. To estimate whether controllable variables like gross domestic product, exchange rate and inflation rate influences stock prices before and during the pandemic.

LITERATURE REVIEW

It is common to find studies looking at the macroeconomic variables' impacts on the stock markets. For examples, interest rate, foreign currency reserve, and exchange rate were found affecting the stock markets of SAARC countries (Ullah et al., 2017). It was found that official reserves, consumer prices,

and credit aggregates had impacts on the Kuala Lumpur Stock Exchange (Ibrahim, 2002). Exchange rate, interest rate, and money supply were proven giving impacts on the Karachi Stock Exchange (Khan and Khan, 2018).

Researchers also interested on the impacts of commodities' prices on the stock markets. The impacts of gold and oil prices on the stock markets had been recently studied by Baur and McDermott (2010) for the stock markets of the United States, major European countries, BRIC countries, Japan, Canada and Australia; Mohd Hussin et al. (2013) for Malaysia; Ciner (2001), Mensi et al. (2013) and Gokmenoglua and Fazlollahi (2015) for S&P 500; Shabbir et al. (2019) for Pakistan; Alshammari et al. (2020) for Kuwait; Asaad (2021) for Iraq; Marwanti and Robiyanto (2021) for Indonesia; Alamgir and Amin (2021) for South Asia; Hashmi et al. (2022) for China; Robiyanto (2018) and Arisandhi and Robiyanto (2022) for ASEAN-5 countries. So far, little attention has been given to the im-pacts of gold and oil prices in the context of whole ASEAN economies. Basically, a study of all the ASEAN stock markets gives an entire perspective of the stock markets in the ASEAN region.

Baur and McDermott (2010) showed evidence indicating gold is a safe haven for the stock markets in the United States and the major European countries, but not in BRIC countries, Japan, Canada, and Australia.

Mohd Hussin et al. (2013) indicated there was no cointegration relationship between oil price and gold price with Islamic stock index price in Malaysia. However, there was a bilateral causality between oil price and Islamic stock index price in the short run.

Ciner (2001) applied nonlinear causality test and found out that oil price affected stock returns of the S&P 500. The study highlighted the use of nonlinear approach to the analysis instead of linear approach. Mensi et al. (2013) used VAR-GARCH model approach to study the linkages between commodities' prices and S&P 500. The study showed the gold and oil prices were influenced by the S&P 500. Gokmenoglu and Fazlol-lahi (2015) utilized the ARDL model and Granger causality test for analysis. The study found all variables including oil price, gold price, oil price volatility, and gold price volatility had long-run impacts on the S&P 500. Gold price and oil price also had short-run impacts on the stock index price. However, in the short run, the impacts of the volatilities of gold and oil prices were insignificant.

Shabbir et al. (2019) used ARDL method which provided findings that both oil price and gold price had positive and significant relationships with stock index price of the Pakistan stock market. In contrast, Alshammari et al. (2020) used the wavelet method to analyse the daily data of ex-change rate, gold price, and oil price with stock index price for the Kuwait stock market. It was found exchange rate had positive relationship with the stock index price in all frequencies, oil price had positive relationship with stock index price in lower frequencies, and gold price had short-run negative relationship with stock index price during the crisis period.

Asaad (2021) analysed the ISX Index of the Iraq Stock Exchange with gold price, oil price, and exchange rate using correlation matrix, cointegration test, and Granger causality test. The cointegration test and Granger causality test results were insignificant therefore cannot establish long-run and short-run relationships. The correlation matrix showed mixed results. For the full sample period, there were positive correlations between oil price and exchange rate with the stock index price and there was a negative correlation between gold price with the stock index price. For the pre-COVID period, there was a positive correlation between gold price with the stock index price and there were negative correlations between oil price and exchange rate with the stock index price. For the period during-COVID, there was a positive correlation between oil price with the stock index price and there were negative correlations between gold price and exchange rate with the stock index price.

The findings of Marwanti and Robiyanto (2021) indicated that the volatilities of oil and gold prices did not affect stock returns in the Indonesia stock market for both the period before and during the COVID-19 pandemic. Alamgir and Amin (2021) applied a nonlinear ARDL model approach to analyse the nexus between oil price and the stock markets of South Asia. The study found a positive impact of oil price on the stock markets. Meanwhile Hashmi et al. (2022) used VAR-DCC-GARCH model approach to study the impact of crude oil price on the stock index price and sectors' prices for China. The results showed the impact was significant and positive. The levels of influence of crude oil price across sectors were found to be different.

Robiyanto (2018) applied the DCC-GARCH model to analyse the correlation between oil price and stock index prices of the ASEAN-5 stock markets. The study showed during oil market turbulent, the correlation between oil price and stock index prices could change from positive to negative for some ASEAN-5 countries. Arisandhi and Robiyanto (2022) studied the correlations between gold price and exchange rate with the stock index prices of ASEAN-5. During the COVID-19 pandemic period, there existed positive correlation between gold price with stock index price, and negative correlation between exchange rate and stock index price. Hence it indicated that foreign exchange investment was an alternative to the stock market investment.

METHODOLOGY

A panel data structure that involved ASEAN countries were chosen for this analysis. The time frame covers from 2012 to 2021. The time frame was further distinguished into before the pandemic which ranges from 2012 to 2019 and during the pandemic from 2020 to 2021. The panel data set was cleaned for missing observation, outliers and the presence of irrelevant variables. The dependent variable in this study was the respective ASEAN countries stock price meanwhile the independent variables were gold price, oil price, gross domestic product, exchange rate and the inflation rate. Gross domestic product, exchange rate and inflation were included as control variables since there are countries that do not produce either gold or oil but are consumers of the commodities. All the variables were converted into log.

Further check was also conducted to identify the existence of endogeneity in a regression. Endogeneity was acknowledged using the fixed effect modelling and the random effect modelling. Fixed effect modelling and the random effect modelling were specified based on the research objectives of the studies. Later the model used E-view to perform hypothesis testing, inference and interpretation. In this study, out of the 10 ASEAN countries, Vietnam, Malaysia, Indonesia, Brunei, Thailand, Myanmar, and Philippines produces oil. Meanwhile countries like Laos, Cambodia, and Singapore have zero oil production. In addition, the production of gold was only found in Indonesia, Philippines, Laos, Malaysia, and Vietnam.

Three types of regression were conducted using panel data. First was the Pooled OLS. In this regression the individual characteristics and the time were stressed. It focuses on the dependencies on the individuum. Unfortunately, serial correlation might exist in the analysis between the independent variables and the unobserved independent variables. Second is the Fixed Effect Model. This model determines the individual effect of the unobserved independent variables while holding the independent variables fixed or constant. The Random Effect Model determines the individual effect of unobserved, independent variables as random variables over time. They opt between Pooled OLS and Fixed Effect or both, dependencies within and between individuals.

To choose between the models, the basic assumptions need to be fulfilled. The assumptions are (1) Linearity. (2).

Endogeneity. (3a). Homoskedasticity. (3b). No-autocorrelation. (4). Independent variables are not stochastic. (5). Multicollinearity. If either assumption (2) or (3) or both are violated, then the Fixed Effect and the Random Effect Model can be used. Choosing between the Fixed Effect and the Random Effect can take place using Hausman Test. Hausman Test is a test for endogeneity. The null hypothesis of this test is that the covariance between independent variables and the alpha is zero. If the null hypothesis is accepted, then we accept the Random Effect Model. Otherwise, the Fixed Effect Model will be accepted. The homoskedasticity was tested using the Breusch-Pagan test. If the probability value is less than 0.05, this indicates that there is heteroskedasticity. Thus assumption 2 is violated. The non-autocorrelation was tested using the Durbin Watson test. The value of the Durbin Watson would be between 0 to 4. If it is between 0 to 2, there is positive autocorrelation. If the value is between 2 to 4, there is negative autocorrelation. If it is 2 there is no autocorrelation.

FINDINGS

Pooled OLS before the pandemic

Table 1 shows the results from the Pooled OLS regression. The results revealed that oil price (p=0.4880) and gold price (p=0.9593) did not influence stock price before the pandemic in ASEAN countries. The only variables that influenced stock performance before the pandemic were gross domestic product (p=0.000), exchange rate (0.000) and inflation rate (p=0.0048) at 5% significance level. The sign of the estimated coefficient of -0.028520 for gross domestic product was not in line with the theory. When gross domestic product increases, purchasing power increases and savings in financial instruments for stock will increase. This improves stock performance and increases the demand for stocks resulting in an increase in the price of stock. Thus, the estimated coefficient should be positive. The sign on the estimated coefficient for exchange rate was negative (-0.120308). This means when the exchange rate increases the stock price decreases. This could be because when the exchange rate increases, the products are not competitive in the market resulting in a decrease in the demand for the products which affects the performance of the firm. When the performance of the firm falls, so does the stock price. The sign of the estimated coefficient for inflation was positive. When inflation increases, interest rate increase. The demand for stock decreases. This result is a fall in stock prices. It must be negative to be in line with the theory. Unfortunately, the results showed otherwise. The Durbin Watson value of 0.011706 clearly indicated a positive autocorrelation with the value closer to zero. Therefore, the assumption of no autocorrelation was violated. The Pooled OLS regression cannot be used in this study.

Table 1. Pooled OLS regression before the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.130265	0.187550	0.694562	0.4880
Log (gold price)	-0.024406	0.477702	-0.051089	0.9593
Log (gross domestic product)	-0.028520	0.004946	-5.766323	0.0000
Log (exchange rate)	-0.120308	0.020788	-5.787465	0.0000
Log (inflation rate)	2.009751	0.705390	2.849136	0.0048
Constant	1.407993	3.655417	0.385180	0.7004
Root MSE	0.769910	R squared		0.288696
Mean dependent variable	7.487784	Adjusted R squared		0.274000
S.D. dependent variable	0.914724	S.E. of regression		0.779396
Akaike info criterion	2.363302	Sum squared residual		147.0050
Schwarz criterion	2.448304	Log likelihood		-287.0494
Hannan-Quinn criteria	2.397521	F-statistic		19.64403
Durbin-Watson statistics	0.011706	Prob (F-statistic)		0.00000

5.2. Fixed Effect Model before the pandemic

Table 2 shows the fixed effect regression result before the pandemic. The result stressed that oil price had a significantly positive relationship with stock performance (p=0.0116) at 5% significance level. When oil price increases, stock performance also increases. Similarly, inflation rate also revealed a significantly positive relationship with stock performance (p=0.0016) at 5% significance level. All other variables were found to be insignificant at 5% significance level in explaining the changes in the stock performance in ASEAN countries. The value of Durbin Watson (0.203425) pointed out a figure closer to zero indicating a positive autocorrelation that violated the assumption of non-autocorrelation.

Table 2. Fixed Effect regression result before the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.123437	0.048531	2.543448	0.0116
Log (gold price)	-0.028984	0.109867	-0.263806	0.7922
Log (gross domestic product)	0.000732	0.024613	0.029752	0.9763
Log (exchange rate)	0.423704	0.210586	2.012024	0.0454
Log (inflation rate)	0.859523	0.269855	3.185125	0.0016
Constant	2.345718	1.522362	1.540842	0.1247
Root MSE	0.172208	R squared		0.964414
Mean dependent variable	7.487784	Adjusted R squared		0.962596
S.D. dependent variable	0.914724	S.E. of regression		0.176907
Akaike info criterion	-0.575384	Sum squared residual		7.354621
Schwarz criterion	-0.391213	Log likelihood		84.34764
Hannan-Quinn criteria	-0.501244	F-statistic		530.7211
Durbin-Watson statistics	0.203425	Prob (F-statistic)		0.00000

Random Effect Model before the pandemic

Table 3 displays the results obtained from the Random Effect Model. The regression revealed that inflation rate (p=0.0000) was able to influence the stock performance before the pandemic at 5 % significance level. The inflation rate showed a positively estimated coefficient of 1.101192. Meanwhile oil price (p=0.0688) can influence the stock performance at 10% significance level. Oil price also showed a positively estimated coefficient of 0.083318. As oil price increases, the stock performance also increases. There are two explanations that can justify the positive relationship between oil prices and stock performance. First, stock traders respond to changes in oil prices not necessarily because of oil movement consequential but it is due to fluctuations in oil prices serve as an indicator of the underlying global demand and growth. Second, the recent market moves have been accompanied by elevated volatility. If investors retreat from commodities as well as stock during periods of high uncertainty and risk aversion, then shocks to volatility may be another reason for the observed tendency of stocks and oil prices to have a positive relationship. The value of Durbin Watson of 0.19945 showed that there was no-autocorrelation in the regression.

Table 3. Random Effect regression result before the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.083318	0.045579	1.827981	0.0688
Log (gold price)	-0.061236	0.109617	-0.558640	0.5769
Log (gross domestic product)	-0.017964	0.020015	-0.897553	0.3703
Log (exchange rate)	-0.013872	0.091142	-0.152199	0.8792
Log (inflation rate)	1.101192	0.247843	4.443096	0.0000
Constant	4.207367	1.323703	3.178484	0.0017
Root MSE	0.175760	R squared		0.092493
Mean dependent variable	0.232240	Adjusted R squared		0.073743
S.D. dependent variable	0.184872	S.E. of regression		0.177925
Durbin-Watson	0.19945	Sum squared residual		7.661081
F-statistic	4.932924	Prob (F-statistic)		0.00025

Hausman Test before the pandemic

Table 4 shows the Hausman test summary before the pandemic. The result revealed that cross section (p = 0.4063), period random (p = 0.7786) and both (0.0918) were insignificant at 5% significant level. This confirmed that the Random Effect Regression was a better model than the fixed effect regression model.

Table 4. Hausman Test Summary before the pandemic.

Test	Chi-Sq. Statistics	d.f	Probability
Cross-section random	5.079326	5	0.4063
Period random	1.093749	3	0.7786
Cross-section and period random	6.446997	3	0.0918

Pooled OLS after the pandemic

Table 5 shows the Pool OLS during the pandemic. Gross domestic product was found to have a negatively significant relationship with stock performance at 10% significance level (p= 0.0938). When gross domestic product increases, stock performance decreases. Both exchange rate (p=0.0170) and inflation rate (p=0.0070) can influence stock performance at 5% significance level. Exchange rate has a significantly negative relationship with stock performance meanwhile inflation rate had a significantly positive relationship with stock performance. The value of Durbin Watson of 0.033044 indicated a positive autocorrelation where the assumption of no-autocorrelation was violated during the pandemic.

Table 5. Pooled OLS results during the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.180925	13.50656	0.013395	0.9894
Log (gold price)	7.175187	14.17824	0.506070	0.6147
Log (gross domestic product)	-1.690010	9.920010	-1.703428	0.0938
Log (exchange rate)	-1.029983	0.419260	-2.456671	0.0170
Log (inflation rate)	5.534540	1.535338	3.60477	0.0007
Constant	-1.69859	7.08878	-2.39616	0.019
Root MSE	1.86862	R squared		0.269970
Mean dependent variable	2.53442	Adjusted R squared		0.207036
S.D. dependent variable	2.20430	S.E. of regression		1.962901
Akaike info criterion	1.809129	Sum squared residual		223.1081
Schwarz criterion	1.829369	Log likelihood		-572.9214
Hannan-Quinn criteria	1.817103	F-statistic		4.289754
Durbin-Watson statistics	0.033044	Prob (F-statistic)		0.00218

Fixed Effect Model during the pandemic

Table 6 displayed the results obtained by using the fixed effect model during the pandemic. In this regression, oil price (p=0.000) was positively significant at 5% significance level. Both oil price and stock performance moved in the same direction. As for gold prices (p=0.0460) and inflation rate (p=0.0012), it had a negatively significant relationship with stock performance at 5% significance level. In addition, gross domestic product (p=0.0841) was also negatively significant in explaining the changes in stock performance but at 10% significance level. The value of Durbin Watson (0.640347) confirmed the existence of positive autocorrelation which violates the no-autocorrelation assumption. All other variables were found to be insignificant at the 5% significance level.

Table 6. Fixed Effect regression result during the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.398725	0.086589	4.604788	0.0000
Log (gold price)	-0.972631	0.475615	-2.044995	0.0460
Log (gross domestic product)	-4.079065	2.315019	-1.762001	0.0841
Log (exchange rate)	-1.394355	1.479830	-0.942240	0.3505
Log (inflation rate)	-13.34451	3.899088	-3.422470	0.0012
Constant	184.3270	83.19620	2.215569	0.0312
Root MSE	0.095576	R squared		0.987995
Mean dependent variable	7.463112	Adjusted R squared		0.985171
S.D. dependent variable	0.879217	S.E. of regression		0.107067
Durbin-Watson	0.640347	Sum squared residual		0.584631
F-statistic	349.7799	Prob (F-statistic		0.00000

Random Effect Model during the pandemic

Table 7 shows the Random Effect regression during the pandemic. The result revealed that oil price (p=0.001) was positively significant in explaining the changes in the stock performance of the AZEAN countries at 5% significance level. Inflation rate (p=0.0357) was also found to be significant at 5 % significance level in explaining the changes in stock performance, but the relationship was negative.

When inflation increases, interest rate increases. This increases the demand for bonds and reduces the demand for stocks resulting in a fall at stock prices. All other variables were found to be insignificant in explaining the changes in stock performance in ASEAN countries during the pandemic. The value of the Durbin Watson (0.044715) supported the no-autocorrelation assumption.

Table 7. Random Effect regression during the pandemic.

Variable	Coefficient	Standard Error	T-Statistics	Probability
Log (oil price)	0.336225	0.079554	4.226355	0.0001
Log (gold price)	-0.672727	0.456496	-1.473677	0.1460
Log (gross domestic product)	-0.132776	0.202336	-0.656214	0.5143
Log (exchange rate)	0.176202	0.156688	1.124544	0.2654
Log (inflation rate)	-5.154698	2.396849	-2.150614	0.0357
Constant	31.36755	10.57315	2.966719	0.0044
Root MSE	0.110233	R squared		0.393253
Mean dependent variable	0.340476	Adjusted R squared		0.340947
S.D. dependent variable	0.142635	S.E. of regression		0.115794
Durbin-Watson	0.005306	Sum squared residual		0.777680
F-statistic	7.518349	Prob (F-statistic)		0.000017

Hausman Test during the pandemic

Table 8 showed the result of the Hausman Test Summary. The cross section random (p=0.5632), time series (p=0.4653) and both (p=0.0583) were insignificant at 5% significance level. This means the random effect regression was a better model to measure the impact of the independent variables on stock performance during the pandemic.

Table 8. Hausman Test Summary during the pandemic.

Test	Chi-Sq. Statistics	d.f	Probability
Cross-section random	6.325443	5	0.5632
Period random	5.327454	3	0.4653
Cross-section and period random	7.471597	3	0.0583

CONCLUSION

The aim of the study is to analyze whether gold price and oil price can influence the financial sustainability of the ÀSEAN countries through stock performance before and after the pandemic. The study involved 10 ASEAN countries which covered the range of data from 2012 to 2019 for before pandemic and 2020 to 2021 during the pandemic. Since many researchers claimed that stock performance is an important indicator of financial stability, stock price was used as the dependent variable meanwhile oil price, gold price, gross domestic product, exchange rate and inflation rate were used as the independent variables in the study. A panel data analysis was conducted. The analysis began with the Pooled OLS, followed by Fixed Effect and Random Effect. The analysis was distinguished into before pandemic and during pandemic. The analysis was concluded in both the time frame with the Hausman Test. The result revealed that no-autocorrelation was violated when Pool OLS and Fixed Effect was used. Thus, the Random Effect provided a better regression model.

Before the pandemic, oil price was able to influence the changes in stock performance. Oil price had a positively significant influence on stock performance. Based on the conventional wisdom when oil price increases, cost of production will increase. This reduces the profit earned and decreases the performance in stocks. It was concluded that oil price moves in the opposite direction

with stock performance. But in this study, it proved otherwise. This could be due to the uncertainty in the commodity market which made investors cautious and did not react to the volatility in oil prices. This reaction could also be confirmed during the pandemic, oil price was also found to be positively significant.

Before and during the pandemic, inflation was also one of the variables to influence stock performance. Inflation rate was positively significant in influencing stock performance. Based on theory, when inflation increases, interest rate will also increase due to government efforts to curb inflation using monetary policy. A higher interest rate encourages the investors to demand for bond and reduce the money demand for speculation, which is stock. When demand for stock decreases, price of stock also falls. Thus, inflation was expected to be moving in the opposite direction with stock price. Unfortunately, this was not the case in this study. Some researchers believe that higher prices stimulate higher profit for a company. The company can transfer the higher cost of the input to the customers. Payment of oil subsidies to curb inflation is justified if the cost of increase in oil prices shifts the burden to the consumers through cost push inflation. In addition, a higher profit will eventually increase the demand for stocks and increase the price of stock. All other variables were found to be insignificant at influencing the stock performance in ASEAN countries before and during the pandemic.

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