

## ***ABSTRACT***

*This study examines the effect of COVID-19 on financial sector index returns and examines the moderating role of government policies in the effect of COVID-19 on financial sector index returns. Government policies are measured by the government response index, while COVID-19 is measured by the growth of positive cases and the growth of death cases. Financial sector index returns are measured using weekly index returns.*

*The sample of this study consisted of 5 stock indexes of the financial sector in ASEAN 5 countries, namely, Indonesia, Malaysia, Philippines, Singapore, and Thailand for the period March 2020 to March 2022. The research sample was taken using a purposive sampling method. This study uses moderated regression analysis.*

*The results of the study stated that the growth of death cases and the growth of positive cases of COVID-19 had a negative effect on the return of the financial sector index. The test results show a moderating role of policy in the influence of positive cases and deaths of COVID-19 on the return of the financial sector index.*

*Keywords: COVID-19, positive case, death case, government policy, return, financial sector stock index.*