

## **ABSTRACT**

*In Modern Portfolio Theory (MPT), asset diversification is necessary to reduce the risk of loss. When the extreme condition arises, such as the COVID-19 pandemic, the stock market experienced a sharp decline, so investors must seek safe havens to diversify their assets in stocks to reduce losses. This study aims to analyze bitcoin and gold as safe havens in the Indonesian, Malaysian, and Singaporean capital markets during the COVID-19 pandemic.*

*The data used in this study is the price of bitcoin and gold and the stock market index of these three countries from January 2nd, 2020 to December 14th, 2020. The analysis was performed using the GARCH method analysis.*

*The results showed that only Singapore has a negative correlation with bitcoin and gold, thus can be considered as a safe haven during the COVID-19 pandemic. Meanwhile, Indonesia and Malaysia have positive correlations, thus cannot be considered as safe havens. This is due to the more advanced and efficient capital market in Singapore compared to Indonesia and Malaysia.*

***Keywords: bitcoin, gold, safe haven, Indonesia capital market, Malaysia capital market, Singapore capital market, GARCH.***