

## **ABSTRACT**

This study aims to observe the differences of stock market reactions toward stringency of governments COVID-19 policy measures. The objective of this study is to compare stock market reactions towards government COVID-19 pandemic policy responses between Asia region, Americas region, and Europe region. To achieve this objective, the author analyzed the effect of stringent government measures on daily stock market returns of 57 countries, segmented into Asia region, Americas region, and Europe region from 22 January 2020 to 22 January 2021. Empirical results show that increase in stringency of COVID-19 measures have negative relationship with stock market returns across all 3 regions, with Asia region markets being the least affected, the Europe being second and the Americas region being the most affected. This finding suggest that stock market reactions toward government COVID-19 measures are region-variant, with Asia having the least negative reaction and the Americas having the most negative reaction.