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Impact of COVID-19 on Jordanian companies stock prices and the role of corporate governance

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Abstract
The spread of the new Corona virus (COVID-19) worldwide has led to economies facing severe challenges, as clear signs of a recession appeared in the global economy. The International Monetary Fund had expected that global GDP would decline by 3%. The Trade Organization Global predicted that global trade could decrease by 32% in 2020. In Jordan, the Jordanian economy faced an unprecedented decline in Jordanian domestic revenues for the first four months of 2020 (21.3%) compared to the same period in 2019. according to the government's General Financial Bulletin for May 2020 (Ministry of Finance, 2020), assessing and understanding the economic impact of COVID-19 has become an important issue.
The traditional economic and financial theory states that stock prices are mainly affected by factors based on market characteristics and companies. Companies in the same industry, with the same regulatory environment, policies, and similar economic conditions, face when facing any changes in the economic environment. The operating conditions of companies in the same industry are closely related. (Moskowitz & Grinblatt, 1999) . Also, emergencies (such as the COVID-19 pandemic) will impact investors' psychological and behavioral factors. It will have a significant impact on stock prices, causing changes in stock prices and increasing risks in the financial sector, which moved to other industries, but there was a difference. The extent to which different companies have been affected by the pandemic and their response has also been different.
Corporate governance has become a vital topic for companies and their profitability in light of the global crisis due to the Corona virus. Corporate governance works to converge the interests of the internal and external parties of the organization. As the existence of a conceptual framework for corporate governance works to share agendas between all levels of management to overcome all difficulties in the current moments, Working to build trust between current and potential investors, management, and the board of directors is essential. Companies with a high level of corporate governance practices reduce the cost of agency, which leads to strengthening the view that states: The better the performance of the company and the greater the value of the reinforcing company.
This article aims to assess the impact of COVID-19 on stock prices in the Amman Financial Market and how the corporate governance followed by Jordanian companies will address the crisis resulting from this pandemic. This study worked on studying market performance and trends in the Amman Financial Market's response to the COVID-19 pandemic.
Our study serves to contribute to the literature as follows.
First, we explore the impact of the pandemic on stock prices in various sectors in the Amman Financial Market and the extent to which each sector of the market responds to the pandemic.
Second, our research use the event study method to examine impacts at the level of different sectors, as our study will contribute to shedding light on the effect of COVID-19 and its repercussions on various aspects of the economic and financial system, stock market reaction and how the corporate governance applied in Jordanian companies worked to confront the pandemic.

Keywords: *COVID-19 Financial Crises, Financial Markets, Corporate Finance and Governance, Accounting and Auditing*
JEL classification: *G01, G3, G12, M4*

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I. Introduction

The new Corona virus disease (COVID-19) outbreak has had dangerous effects on economies around the world, and there are clear signs of a recession in the global economy. In the "World Economic Outlook" report in April 2020, the International Monetary Fund predicted that Global GDP would decline by 3%. The World Trade Organization has predicted that global trade could decrease by 32% in 2020. The US Federal Reserve has also reduced interest rates to nearly zero to support the US economy (The Guardian., 2020). The stock markets in the United States have declined by more than 25%. The United States has allocated $ 2 trillion as a stimulus package because the Corona virus is destroying the economy. The UK has set aside £ 330 billion as an emergency and stimulus package to protect businesses and large-scale entry (Financial Times, 2020).

The former President of the US Federal Reserve, Ben Bernanke (2020), said that the COVID-19 crisis is a virus pandemic that differs from previous crises in terms of scope, severity, and surprise. It affected global economic activity significantly because of the financial risks that previously occurred gradually over the Years, like the global financial crisis of 2008. So assessing and understanding the economic impact of COVID-19 has become an important issue

The traditional economic and financial theory states that stock prices are mainly affected by factors based on market and company characteristics. Firms in the same industry, regulatory environment, similar economic conditions, and operating conditions face the same challenges in the same sector (Moskowitz & Grinblatt, 1999). Therefore, emergencies will have a significant impact on companies. Therefore, the psychological behaviour of investors has an essential effect on stock prices. As (Lee and Jiang, 2002) believe that investor optimism will reduce profit volatility, while their pessimism will increase profit volatility. Hence, the COVID-19 outbreak has a significant impact on the economic environment as it will affect investor sentiments and causes stock price changes and stock market turmoil.

The COVID-19 pandemic caused tremendous fluctuations in stock prices during the first quarter of 2020.Also, the S&P 500 index decreased by 34%. At the same time, stock exchanges worldwide witnessed a decline in various proportions, and there were significant differences in stock price movements between companies within the same industry. And Yang et al., 2020, found that the pandemic outbreak led to a sharp rise in risks in the financial sector, which moved to other industries and were affected by the pandemic to varying degrees, as well as the degree of their response.

The pandemic is a global disease that previously occurred, such as smallpox, tuberculosis, plague and now the Corona virus (COVID-19) pandemic that is now considered a dangerous pandemic (Lai et al., 2020). And economic growth around the world continues as a global phenomenon. It could take the global economy into the unknown.

The World Health Organization declared that Covid-19 had developed into a global pandemic. Many countries took a series of emergency measures, including the closure of entire regions, travel restrictions, and closures of workplaces, which affected supply and demand in economies where people are locked in their homes and as has been done. Partial layoffs lead to a loss of income (Park et al., 2020).

Our study will examine the investor response to the COVID-19 pandemic, as the study showed that companies in sensitive industries had been significantly affected by the COVID-19 pandemic because they have a low cumulative return. Still, companies with good financial conditions (better profitability and growth opportunities, higher joint leverage, and assets Less constant) will experience less adverse impact from the COVID-19 pandemic. Institutional investors are also closely related to the cumulative return on the COVID-19 outbreak.

It motivated us to study how countries, companies, and individuals responded to the Corona crisis, including Jordan. The purpose of this article is to assess the impact of COVID-19 on stock prices in the Amman Financial Market, as we will comprehensively evaluate the effect of COVID-19 on all sectors as follows:

First, we explore the impact of the pandemic on stock prices in various sectors and the extent of each sector's response to the pandemic.

Second, our study is based on studying the impacts of COVID-19 on sectors and contributes to understanding the impact of the pandemic and its repercussions on various aspects of the economic and financial system, such as the studies of(Ali, Alam and Rizvi 2020; Narayan 2020) But we focused on the stock market reaction and

Thirdly, how Jordanian companies disclosed the impact of the COVID-19 pandemic as one of the elements of corporate governance during the financial market suspension period set by the JSC from March 18, 2020, to May 5, 2020, as the disclosure process affected the share prices in the Amman Financial Market.

This paper also studies the relationship between corporate characteristics, corporate governance, and stock price reaction across sectors before and during the pandemic. Previous studies have shown that company characteristics have a significant impact on market reaction (Akron 2011).
Where we will study five main points of the characteristics of companies, namely:
(1) Fundamental financial conditions of firms, such as cash holdings, leverage, and profitability.
(2) The international supply chain and the extent of customer exposure to COVID-19 include the degree of purchase of business inputs and products sold from countries exposed to COVID-19.
(3) Corporate investment in Corporate Social Responsibility (CSR), such as relationships with employees, suppliers, customers, and the communities in which companies operate.
(4) Corporate governance, such as executive oversight of the board of directors, provisions for preventing takeover, and executive compensation systems.
(5) The ownership structure, such as the influence of hedge funds, families, nonfinancial firms, and institutional investors owning significant stakes in firms.

We used the published financial data of Jordanian companies during the period from 2015 to 2019. These results compared with the actual financial results of these companies that occurred during the Corona crisis, the period from January to September 2020, to determine the effects of COVID-19 on the financial performance of Jordanian companies and these. The comparison will enable us to highlight the impacts of the COVID pandemic on the financial performance of companies across different sectors.

Our findings indicate that the overall financial performance of Jordanian companies has decreased across sectors since the COVID-19 pandemic struck. This financial impact has been reduced by injecting new investments and postponing financial obligations for individuals and companies by deferring loans, paying income tax and sales, and instalments of the amounts owed. Corporations and reduce the value of contributions to social security for employees.

Empirical results show that the COVID-19 pandemic has severely impacted traditional industries such as transportation, mining, and heavy industries. Still, manufacturing industries, information technology, education, and health have responded positively to the pandemic and created new investment opportunities in the sterilization and medical supplies sectors.

II. Literature Review

Many studies were conducted during previous global financial crises. Many researchers studied the impact of these crises and the economic and financial situation before and after the crises.

Gulzar and others conducted a study to determine the impact of the global financial crisis on emerging Asian markets before and after the global financial crisis from July 2005 to June 2015. (Gulzar et al., 2019). The study results indicated that the US stock market had affected emerging Asian markets to a large extent. Therefore, emergencies affect the capital market on investor behavior by affecting investor sentiment, ultimately affecting stock prices.

The results of (Oliveira et al., 2013) indicated that reporting risk information and disclosure as an element of governance is used to reduce agency costs and enhance transparency. So the disclosure of current and expected risk information contributes directly to supporting the confidence of existing and potential shareholders in the company and improving business market transparency. However, there is a high cost to undertake disclosure, but there is difficulty in effectively identifying risks, which reduces the level of disclosure for companies (Dey et al., 2018).

Deumes (2008) indicated that there is a close relationship between complete transparency in the disclosure of risks and the strength of financial markets (Deumes, 2008), and the scope of risk disclosure should be expanded when crises occur (Hemrit & Ben Arab, 2011).

Many studies focused on the relationship between emergencies and stock prices mainly and the occurrence of financial crises such as

(Reggie & Serita, 2011) found that the European debt crisis of 2010 had altered the risks of major European markets and the volatility of the German, French, and British markets.

But few studies examine the negative impact of major public health events on stock markets, such as the COVID-19 crisis. For example, a study by (Goh and Law, 2002) found that the financial crisis in Asia in 1997 and the outbreak of bird flu in Hong Kong in 1998 had a significant negative impact on tourism and hotel stock prices.

Narayan and Fan (2020) studied the impact of COVID-19 on the stock market and country response. Many stocks in the A stock market in China fell to historically low levels, and the US stock market witnessed four unprecedented falls; this made risk prevention and control more difficult (Guidolin et al., 2019).

Ali, Alam, and Rizvi (2020) studied the impact of COVID-19 on other securities and compared the situation of China and other countries but paid less attention to the heterogeneity of the industry.

Company theories provide an analysis of how the characteristics of the five companies shape reactions to stock prices due to exposure to the pandemic:

First, given the negative impact of the pandemic on cash flows and the tightening of global liquidity demand, the heterogeneity in firms' access to cash and credit may affect the company's performance and, thus, market assessments (Giroud and Mueller 2017). so companies with more liquidity The possibility of obtaining credit (such as the more profitable companies) will see a less severe drop in share prices than other companies.

Second, companies are linked through a network of suppliers and customers (Acemoglu et al., 2017). Suppose some companies' suppliers and customer networks are located in countries more affected by COVID-19. In that case, these companies are likely to suffer problems in production and sales and thus, lower stock prices are more significant than companies In countries less exposed to COVID-19.

Third, research indicates that the relationships between a company and its employees, suppliers, customers, and the local community can affect a company's performance and resilience in facing the COVID-19 crisis. The company is linked to a series of contracts between shareholders and other stakeholders, who provide the company with resources in exchange for claims through contracts by the laws applicable in the country (Guiso et al. 2004) as its operations are carried out legally through formal agreements. Legal systems affect the performance of the company and the trust of various stakeholders, as companies strengthen their relationships with stakeholders through corporate social responsibility activities, enhance customer loyalty and reduce the company's vulnerability to the economic recession. It enhances the companies' activities and flexibility, reflected in the flexibility of share prices.

Fourth, the corporate governance structure may affect the company's resilience in the face of COVID-19. Given the uncertainty about the size and duration of the pandemic, markets may place a premium on resilience mergers and acquisitions and leadership changes. (I.e. companies with anti-takeover plans or governance structures that protect executives will face a stricter response to stock prices than during the pandemic (Giroux and Mueller, 2011). So the spread of the COVID-19 pandemic during the first quarter of 2020 will punish the stock markets for companies with more vital acquisition devices.

Fifth, the corporate boardroom structure and executive remuneration policies affect the company's performance (Murphy 2013; Rau 2015). The relationship between share price reactions to the pandemic and differences between companies is affected by corporate board structures and executive compensation systems.

Sixth, corporate ownership can affect a firm's resilience. A large percentage of the company's owners have a long-term commitment to the company concerning the company's ability to overcome COVID-19. However, negative news about COVID-19 cases may lower stock prices among companies with significant ownership than similar companies. Others are according to the type of different owners. They use investment funds that focus on short-term financing to consolidate their positions (Lo 2008). The liquidity disruptions that occurred during the financial crisis of 2008 and the COVID-19 crisis of 2020 may lead to the rapid sale of investment funds' assets. It will be reflected in significant price movements, which may push stock prices to decline in companies with a prominent investor seeking short-term Investment. In contrast, they have Investments for pension funds and investment management companies with a long-term perspective; they will be more stable in their share prices. Therefore, the difference in the corporate ownership structure and ownership structure will affect the share price.

Based on the preceding, the characteristics of the companies that may affect stock price reactions due to COVID-19 are:

(1) Fundamental financial conditions,
(2) The international network of suppliers and customers,
(3) Corporate social responsibility,
(4) Corporate governance systems,
(5) Ownership structures.

3. The impact of the pandemic on companies

The context of economic globalization and the widespread prevalence of the COVID-19 in most countries and regions have forced the adoption of control measures that have affected industrial chains and capital. To know the impact of COVID-19 in-depth on different sectors, we can be divided industries into three categories: industries moderately affected, high-impact industries, and industries severely negatively affected.

The impact of the COVID-19 crisis on large and small enterprises varies. Large institutions enjoy highly skilled leadership and a large workforce and advisors as they will change their approach through corporate governance. The shareholders will hold boards of directors accountable if they cannot anticipate or deal with this crisis. Some companies may be exposed to the risk of bankruptcy unless there is government aid conditional on structural changes in the ownership of shares and governing control. Companies also require establishing long-term allocations for profit-sharing funds at the enterprise level. The funds target a large percentage of shares that own by Employees for each company with an independent representation of them in the Board of Directors, where the new representatives of the Board of Directors are chosen in consultation with the employees in the companies.

Small private companies with less than 500 employees are the most influential in the economy because they have less institutional value than large public companies. Still, they have more employees with little wealth, as the pandemic caused unemployment in this sector, which created a crisis because it provides 50% of most technological innovations are incubators for future economic potentials. Therefore, the government should grant them soft loans based on the expected value of these companies based on their financial performance in the pre-pandemic period that will help them continue.

In theory, the pandemic will likely represent a significant demand and supply shock, and the pandemic will affect supply chains. And production processes, workers, and consumers, but on the other hand, some companies may see increased demand for their products during the pandemic. So managers should hedge the pandemic through operational or financial strategies, and governments will try to mitigate any economic impact of the pandemic.

On the other hand, the value of government bonds increased when central banks lowered standard interest rates, which led to the purchase of bonds due to the high credit risk among investors. The value of many commodities decreased while the value of gold increased, and the US dollar strengthened compared to several foreign currencies.

To clarify the most consequential losses incurred by most economic sectors until mid-April 2020, as follows:

1- Industry and global companies sector:

The spread of the virus has caused considerable losses to many international companies. For example, in Italy, the third-largest economy in the euro area and a significant exporter of machinery, textiles, and other commodities, most industries have been suspended, including small, unnecessary companies for heavy industry companies. The Volkswagen car manufacturer also said it was losing two billion euros a week as the auto industry incurred. In the United States, losses amounted to (355) billion dollars as of mid-March.

2- Tourism and travel sector:

On April 13, the International Air Transport Association (IATA) expected that global airlines would lose $ 314 billion in revenue due to the Coronavirus pandemic in 2020, and the federation added that the expected loss represents a 55 per cent decrease in passenger services revenue compared to the previous year's gains. With the beginning of April 2020, the number of flights worldwide recorded a decrease of 80% compared to 2019.

3- Stock markets:

Stock markets worldwide suffered historic losses in the first three months of this year amid intense selling linked to the spread of the new Coronavirus. The Dow Jones Industrial Average and the FTSE Index in London witnessed the most significant quarterly falls, from 23-25%, and the Standard & Poor's 500 Index lost 20% during the first quarter. Stocks and bonds listed on global stock exchanges lost more than $ 17 trillion. The Institute of International Finance said that stock markets And bonds in emerging countries lost about $ 83.3 billion in March 2020, the second-largest monthly loss since October 2008.

4- Oil and Energy Sector:

As a result of the crisis, demand and consumption have decreased dramatically. Oil prices have collapsed dramatically, dropping below the level of $ 30 a barrel. one of the reasons for the decline was the cessation of part of industrial activity in China, as China is the second-largest oil consumer with a daily average of 13.2 million barrels. It will lose tens of billions of dollars in its revenues, and Capital figures say that Saudi Arabia may witness a rise in the deficit in its 2020 budget to 16.1%.

5- Unemployment:

According to a new report by the International Labor Organization, the world is expected to witness job shrinkage of 200 million full-time employees in the next three months alone. Research published by the Federal Reserve Bank of St. Louis indicates that nearly 50 million Americans may be lost. Their jobs in the second quarter of 2020, which pushes the unemployment rate to around 30%.

6- Companies that have benefited from the COVID-19 pandemic

Some companies benefited from the spread of the Corona virus. Including companies manufactured medical masks and gloves at the forefront of beneficiaries of the virus. As sales of protective masks, hand sanitizers, and cleaning products increased, which raised the share price of the Canadian company Alpha Pro Tech by 70 per cent during January.

Also, pharmaceutical companies working on anti-corona virus drug research have benefited, such as Novavax, which jumped 72 percent in January, and Inovio, which rose 25 percent, in the same period.

And because hundreds of millions of people stayed in their homes, digital broadcasting networks benefited and made significant profits. Netflix's shares rose due to increased viewership rates and the "TikTok" application also achieved growth worldwide and became one of the most popular applications around the world as it advanced in significant names like Whatsapp and Facebook.

4. The status of Jordan

The Hashemite Kingdom of Jordan has low resources, as its per capita GDP is ranked 110th in the world. Also, 15.7% of the Jordanian population and 78% of Syrian refugees already lived below the poverty line before the COVID-19 outbreak. The overall unemployment rate was 19.1%. The public debt reached 99.1% of GDP in 2019.

The population of Jordan is about 10 million people, and in Amman and the surrounding areas (4 million), the country also hosts 656,000 Syrian refugees even before the outbreak of COVID-19. There is a significant funding gap for the needs of these refugees and the provision of their infrastructure needs.

Jordan also suffers from severe water scarcity, which challenges meeting the hygiene standards required to limit the spread of COVID-19. It has low capabilities for health care. The World Health Organization (WHO) has classified the health care system in Jordan as one of the most minor prepared systems for facing any pandemic. Hospitals in Jordan contain 1.4 beds per 1,000 people, about half the global average.

Based on that, the Jordanian government saw these simple facts and decided to act preventively. This fact made Jordan different from the global pattern in facing the pandemic, as Jordan took stringent measures for fear of a severe outbreak of COVID-19.

According to the Jordanian Ministry of Health data, the first confirmed case of COVID-19 was reported on March 3, forcing the government to activate National Defense Law No. 13 of 1992 to manage people's daily affairs. Starting from March 15, fearing the increase in the number of cases, the Jordanian government, as of March 17, 2020, has activated social distancing and has controlled all forms of internal and external movement / international travel. The order was issued to ban national curfews to ensure complete isolation country. Also, governorates are administratively isolated from each other. Various media channels are used to alert citizens to the seriousness of the virus and its spread, with strict measures to stay at home and leave the house only allowed in emergency cases. As for education, mothers have been very much involved in facilitating their children's education via the Internet, making it easy for the government to ensure that curfews do not affect children's education.

The government also immediately took measures to ensure the health sector was prepared, such as ordering equipment and supplies needed for diagnosis to contain the spread of the virus and isolate cases. The ultimate goal is to flatten the disease curve to increase the capacity of the health system to absorb new cases.

Also, an in-depth examination of the different scenarios for the occurrence and spread of the disease under three different methods was developed and examined:

1. The (bad) pessimistic scenario (loose social distancing and insufficient personal protection measures
2. Medium (good) scenario (strict social distancing, insufficient personal protection measures).
3. The (better) optimistic scenario (strict social distancing and appropriate personal protection measures).

The government has used available data on cases to forecast the necessary resources, including intensive care beds and respirators.

Therefore, there is a particular need for:

1. Availability of appropriate human resources: such as intensive care unit nurses, respiratory therapists, and laboratory technicians.
2. Human resource training: All hospital health workers need special training to protect themselves and others from COVID-19.
3. Preparing the hospital infrastructure: All hospitals need to secure many hospital beds, isolation rooms, and intensive care rooms, and secure medical supplies such as sterilization materials, infection control, and disinfectants inside and outside the hospital environment.
4. Appropriate technology and medicines: The right medication to treat and relieve symptoms and proper nutrition.

The government needs to devise strategies to provide resources for a country suffering from a deficit in the public budget. The government has worked to develop its partnership with the private sector and give them incentives to adjust private production lines to produce protective clothing, masks, and necessary equipment.

As for the economic aspect of the crisis, in the government's general financial bulletin for May 2020, the decline in Jordanian domestic revenues for the first four months of 2020 reached 569.1 million dinars (21.3%) compared to the same period in 2019 due to the spread of the (Covid-19) pandemic. That led to A fiscal deficit of 694.9 million dinars in the general budget during the first months of 2020 compared to 304.1 million dinars for the same period in 2019 (Ministry of Finance, 2020).

Economic measures have been implemented to reduce the difficulties people face due to the closure, as the government has obligated employers to keep their employees and provide them with a certain amount of wages. However, this did not affect Jordanians working in the government sector.

Despite the severity of government policies and the high economic costs, there was widespread public support for the government's policies. Too many Jordanians expressed their support. In the same poll, 73% of Jordanians believed that government measures would alleviate economic hardships to a large extent.

1. **Disclosures required during the pandemic in Jordan**

As for the financial market, the government suspended trading at the Amman Stock Exchange from March 17, 2020, until May 9, 2020, and resumed it on May 10, 2020, with some new measures, and it also reduced trading periods.

Whereas the Securities Commission requested the listed Jordanian companies to send disclosure reports to explain the impact of the COVID-19 pandemic on their activities in terms of material information, operational activities, and board decisions during the period of suspension of disclosure extending from March 18, 2020, to May 5, 2020. Accordingly, the required reports are sent to the companies. Listed and is now available to users on the Amman Stock Exchange website. The procedures are as follows:

1- On March 16, 2020, the government suspended trading at the Amman Stock Exchange from March 17, 2020, until May 9, 2020, and resumed it on May 10, 2020, with some new measures.

2- The JSC has extended the legal deadline for listed companies to provide the Authority with the annual reports for the year 2019 until June 15 2020, and the legal limit for providing the Authority with the first interim reports for the year 2020 until July 16, 2020 (JSC, 2020).

3- On May 5, 2020, the JSC requested listed companies to do the following (JSC, 2020).

A- all company Disclosure information and events went through during the suspension period of disclosure extending from March 18, 2020, to May 5, 2020, due to the COVID-19 pandemic.

B- Prepare a preliminary report on the impact of the COVID-19 pandemic on operational activities.

C- Disclosure of any important decisions the Board of Directors made during the suspension period, especially those related to cash dividends or bonus shares.

The Securities Commission's request was based on Article (8) of the Instructions for Issuing Disclosure, Accounting, and Auditing Standards for Companies for the year 2004. It includes all the potentially dangerous issues that companies must disclose with some details. They have the following:

(A) Changes that may occur in assets, liabilities, capital, credit rating, products and ownership, and justifications for these changes (B) Reporting details of specialization (C) To disclose non-recurring events and transactions,(D) Focuses on reporting any unusual events such as fire and earthquakes, (E) Focuses on reporting any material loss (F) On disclosing the decisions of the Board of Directors (G) Focusing on reporting the decisions of the General Assembly (H) Focusing on reporting the invitation to the General Assembly meetings (I) It talks about the structure of the Board of Directors (J). Focuses on the disclosure of any information related to the suspension of companies' activities and the justifications for such discontinuation (K) on the disclosure of any information about an event that may affect any company's financial position (JSC, 2020).

Based on (Al-Sawalqa, 2020) study, the following results have emerged regarding the response to the Joint Services Authority's request:

The results show that the entire study sample (100%) sent disclosure reports to the Joint Services Authority and provided the necessary information about the impact of the COVID-19 pandemic on its activities. And disclosures about risks are distributed into five categories, including financial, operational, market, investor relationship, and strategic risk.

• Financial risk: includes cash flow, liquidity, costs, receivables, losses, and contingent liabilities.

• Operational risk: it relates to business operations risk, presentation of chain risk, price fluctuations, and production and sales risks

Market risk: includes competition risk, customer loss, and the risk of supplying goods and raw materials.

• Investment Relationship Risks: These include the risk of dividend distribution and not holding general assembly and board meetings.

• Strategic risks: include risks of uncertainty and a pandemic continuing.

The study results showed that the average level of disclosure is 65.6%. The operational category was ranked first as 100% of the study sample revealed operational information. It was followed by the investor relationship category (78.1%), the financial category (75%), and the strategic category (46.9%). Finally, the market category came last, as only 28.1% of the study sample disclosed information about it.

1. The study sample revealed information related to the operational risk category (OR) at 100%: The stoppage of operations of the various sectors in Jordan resulted from the impact of the COVID-19 pandemic on their operational activities and businesses.
2. The study sample revealed information related to the investor relationship risk category (IRR) at a rate of 78.1%: which is information related to stopping the meetings of the Board of Directors and the General Assembly. The investor relationship category includes dividend policy during the COVID-19 pandemic, where some companies recommended paying dividends before the crisis. Still, with the COVID-19 pandemic, some companies cancelled the payment decision, while others reduced the percentage of profits.
3. The study sample revealed information related to the financial risk category at a rate of 75%: as the future is generally characterized by uncertainty, and they have no idea about the expected period for the continuation of the pandemic. These clauses indicate that some companies have been directly affected during the

suspension period. The suspension period negatively affected cash flows and liquidity in many companies due to the decrease in sales and the companies' inability to collect their dues while continuing to incur expenses such as salaries which is essential for IFRS 7.

4. The study sample revealed information related to the strategic risk category by 46.9%: it focuses on the inability of some companies to predict the future and their fear of the continuation of the COVID-19 pandemic for long periods, which deepens its negative impact.
5. The study sample revealed information related to the market risk category, with a disclosure rate of 28.1%: These risks mainly resulted from fear of some companies losing their customers and their usual markets. This fear is natural, as the pandemic affected consumer behaviour. The decrease in the number of companies reported in this category resulted from the absence of standard conditions of competition in light of the current crisis and because most companies were mainly interested in maintaining their presence in the market. (Al Sawalqa, 2020).

Corporate Governance and Corona virus Pandemic

Corporate governance is one of the main theoretical approaches of the past 20 years. Corporate Governance seeks to deal with conflicts of interest between shareholders and managers in the organization and mitigate the conflict between these main parties. Stakeholder theory was developed to compensate for the deficiency in agency theory. Stakeholder theory is limited to dealing only with the relationship between the agent and the principal. In contrast, the stakeholder theory includes all parties that the organization deals with inside or outside it.

Modern corporate governance is concerned with enabling board independence to protect investors. Corporate Governance faces a challenge in the Coronavirus pandemic. It requires working cooperatively as a unified team that includes the convergence of the interests of internal and external parties that the organization consists of and deals with to reduce the lack of confidence of owners, managers, and stakeholders. The concept of corporate Governance works on sharing agendas and when members make decisions of the board of directors with the participation of all levels of management in the organization and employees. The rights of all shareholders are taken into account, including major shareholders and a minority of shareholders, to be together in facing this crisis.

Globally, it is strongly believed that corporate Governance (CG) is a good control system used by all levels of business in both developed and developing countries as a dynamic remedy to deal with poor corporate performance, and corporate Governance is gradually becoming a very vital topic for a company and its profitability, especially when the world has witnessed many Failures, scandals, and corruption such as the financial crises of 1997 and 2007 (Al-Abdullah et al. 2014)

The Coronavirus crisis brought a surprise to both developed and developing countries. It gave all stakeholders attention to dealing with companies with a high corporate governance practices. It had a very high value in controlling and supervising companies (Al-Abdullah, 2020) also shows that corporate Governance reduces agency costs, meaning that the better the performance of the company and the greater the value of the strengthened company.

The effects of COVID-19 will also appear in the short, medium, and long term. The board members have to oversee the companies' response in these three stages, in line with its purpose and maintaining its continuity.

Therefore, all companies in both developed and developing countries must continue to move forward in implementing the corporate governance system around the world during the current crisis. And solve negatively affected the world's economies because this crisis will continue to impact for an unknown period, even if a solution and medicine are found to stop the Corona virus.

Experimental results and analysis

7.1 Sector **analysis in 2020**

The current study relies on all listed and traded companies on the Amman Financial Market 1/1 / 2015-30 / 9/2020, 192 companies. In Jordan, three main sectors include financial, services, and industry.

Of which 109 are in the financial sector, 42 in the service sector and 41 in the industrial sector.

The present study was conducted during and before the crisis period, and thus it represents an essential addition to the corporate reporting studies. And it tries to provide an example of the method used by Jordanian companies in critical circumstances.

We first relied on the research method as it divided the market into different sectors and analyzed the market value of the Amman Financial Market shares before and after the outbreak of COVID-19. The analysis results showed that on the day of the attack of COVID-19, the total value of stocks decreased a little bit. Still, as the pandemic intensified, stocks' market value decreased significantly and continued on this path for a long time.

To explore the reasons behind these heterogeneous interactions, we analyzed the characteristics of the companies, mainly the leading companies in the sector, which significantly affect market trends. In short, the COVID-19 outbreak had a severe negative impact on various sectors but created opportunities to develop other sectors and industries.

The share prices of specific sectors decreased significantly, and the value of companies in other industries remained low, but it returned and stabilized within a period. After the market returned to work in the months following the crisis, some industries also started to rise.

The market value of companies in transportation, real estate, and environmental industries decreased significantly on the day of the outbreak and the following days. Hotels and tourism were also greatly affected. The education and health sectors were considerably affected when the pandemic broke out; this appeared at the end of the second semester and the accumulation of uncollected dues to a certain extent. The share price of the IT industry also rose significantly.

If the estimation period is too short, the results will be biased. If the estimation window is too long, the forecast structure may change to improve the accuracy of the forecast as much as possible. We chose the period from 2015-to 2019 and the months from January to September 2020 before the event date as the forecast period.

The sample selected in this article is taken from the Amman Stock Exchange for all listed companies. The period extends from January 1, 2020, to September 30, 2020. The returns to individual stocks of companies and the overall market returns come from the Amman Financial Market database published online.

Stock market data

We obtained stock price data during the first three quarters of 2020 from a group of data on companies and financial data in the financial market, including:

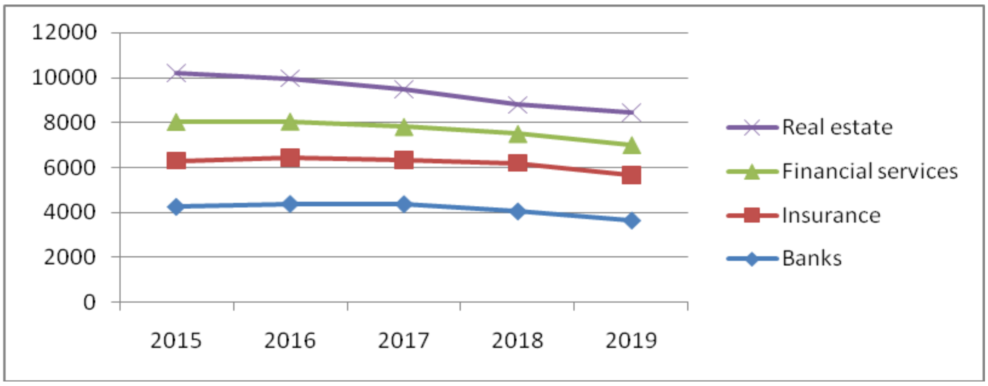
(A) Share prices that traded from January to September 2020

(B) Share prices that traded for the years 2015-2019 and sector trends

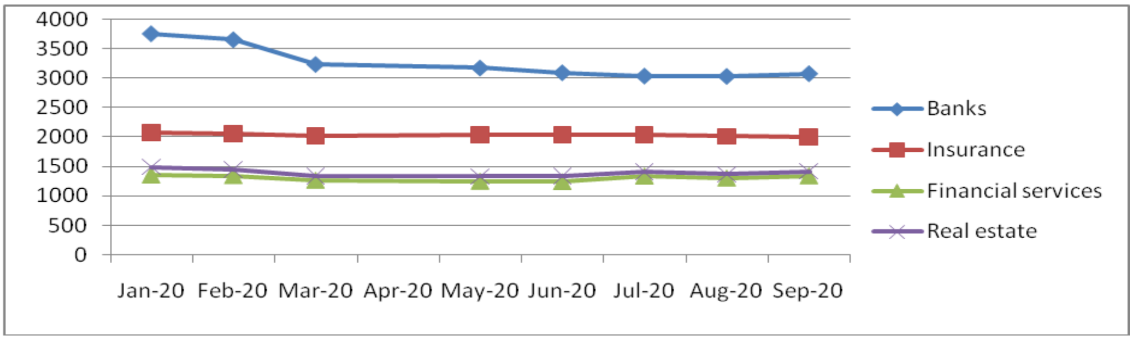
(C) Calculate monthly stock returns using closing prices according to different companies and sectors.

The financial sector:

The financial sector	2019	2018	2017	2016	2015
Banks	3648.25	4047.83	4367.97	4376	4249.67
Insurance	1997.35	2158.84	1953.09	2073.37	2064.58
Financial services	1342.8	1273.3	1470.49	1573.32	1695.49
Real estate	1464.2	1318.13	1676.78	1948.65	2194.43



Month	Real estate	Financial services	Insurance	Banks
Jan-20	1489.38	1351.15	2073.5	3755.63
Feb-20	1448.4	1339.98	2059.5	3654.81
Mar-20	1332.24	1262.27	2014.22	3239.8
May-20	1329.78	1245.55	2035.63	3179.11
Jun-20	1334.74	1237.62	2037.11	3100.28
Jul-20	1411.69	1332.15	2037.02	3045.46
Aug-20	1367.62	1298.11	2008.82	3039.87
Sep-20	1414.2	1334.36	1996.06	3084.82

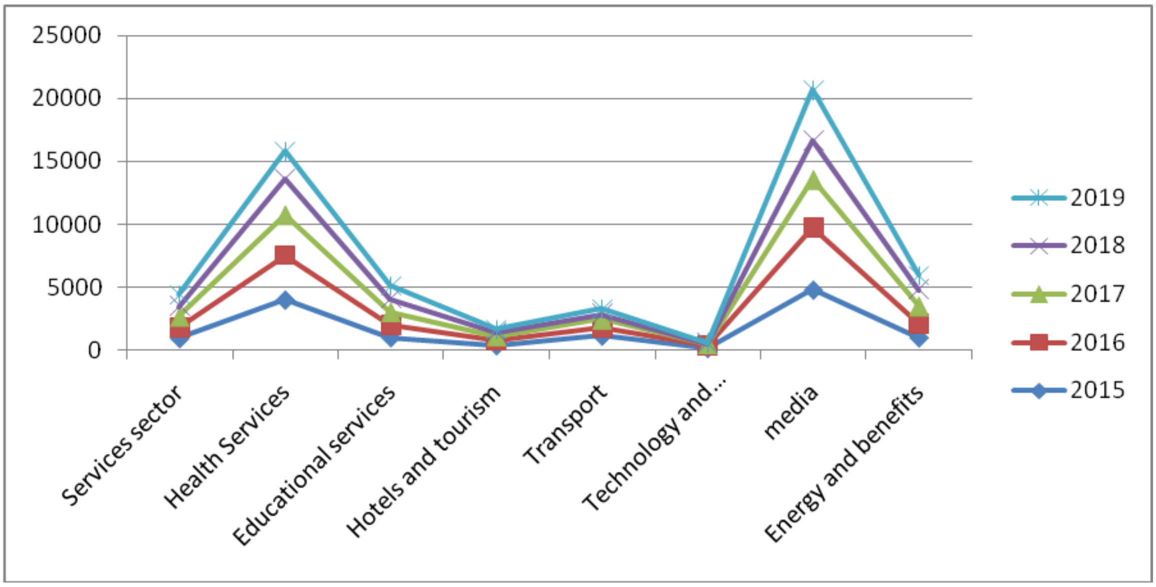


Source: author's analysis data from Amman Stock Exchange (ASE). (2020).
https://www.ase.com.jo/en/circulars

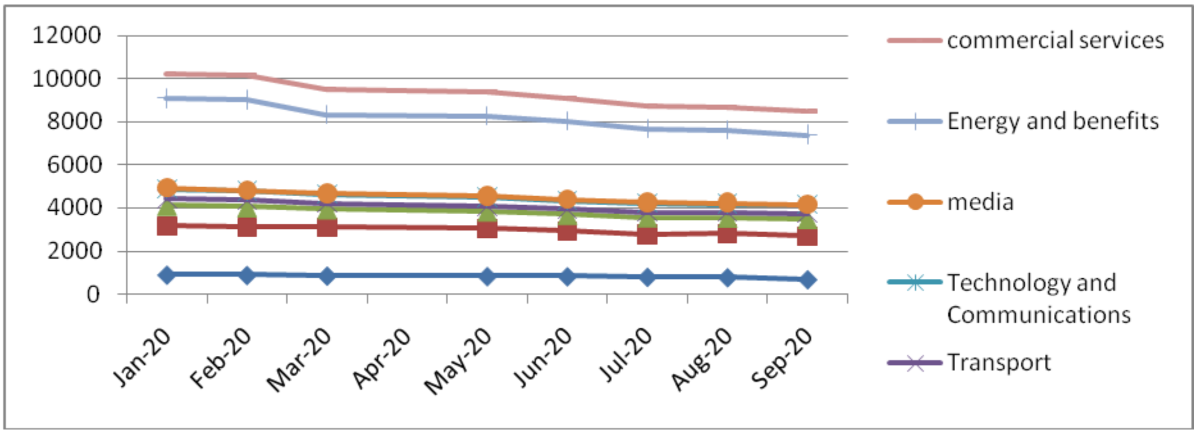
We note that the financial sector suffered from 2015-to 2019, as it declined during the years. Still, when the Covid-19 crisis occurred, the financial sector decreased its financial indicators and share prices during the suspension of trading of shares. Still, it began to recover and stabilize afterwards in august and September 2020.

Services sector

Services sector	2019	2018	2017	2016	2015
Health Services	912.62	858.77	875.97	814.14	966.63
Educational services	2165.39	2851.68	3234.37	3512.97	4012.3
Hotels and tourism	981.06	1110.34	984.99	992.73	1040.51
Transport	286.32	292.03	356.47	344.25	404.04
Technology and Communications	**433.21**	**426.35**	**621.22**	**659.1**	**1161.43**
media	**52.33**	**61.05**	**98.12**	**170.07**	**189.7**
Energy and benefits	**3995.16**	**3131.94**	**3826.49**	**4940.85**	**4803.09**
commercial services	**1116.51**	**1320.78**	**1367.14**	**1097.09**	**1026.97**



Month	commercial services	Energy and benefits	media	Technology and Communications	Trans port	Hotels and tourism	Educational services	Health Services
Jan-20	1123.36	4159.84	63.23	451.23	293.97	957.57	2258.29	900.68
Feb-20	1160.04	4176.9	54.51	448.66	291.74	917.68	2232.48	886.69
Mar-20	1164.99	3633.17	54.51	412.99	258.27	854.89	2239.66	856.54
May-20	1120.2	3701.71	52.33	418.14	240.21	792.85	2210.37	835.01
Jun-20	1034.12	3627.09	47.97	407.27	246.09	767.42	2097.07	825.55
Jul-20	1066.6	3404.72	52.33	397.03	240.58	781.69	1981.87	802.22
Aug-20	1088.08	3353.89	50.15	396.78	241.08	753.91	2015.9	781.36
Sep-20	1095.78	3210.07		427.86	250.38	787.87	2012.28	689.35

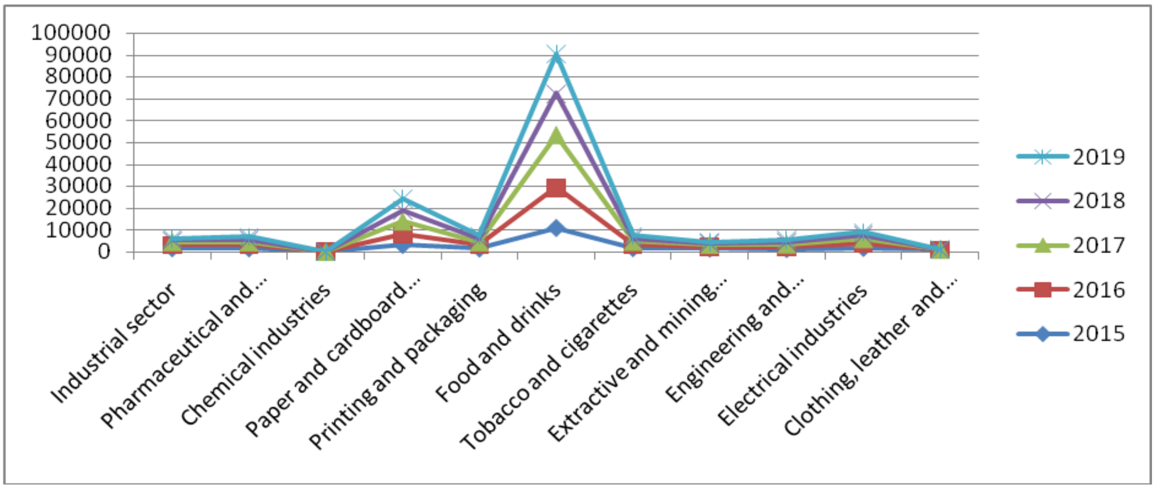


Source: author's analysis data from Amman Stock Exchange (ASE). (2020). https://www.ase.com.jo/en/circulars

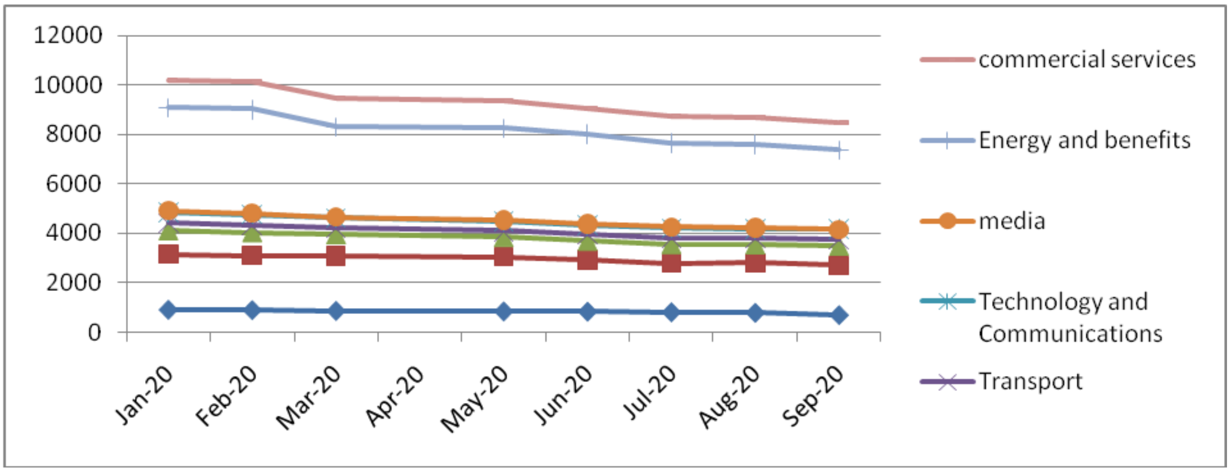
We note that the services sector oscillated between ups and downs from 2015-to 2019. Still, when the Covid-19 crisis occurred, the services sector had reduced its financial indicators and share prices during the suspension period. Still, it began to recover and stabilize in August and September 2020.

Industrial sector

Industrial sector	2019	2018	2017	2016	2015
Pharmaceutical and medical industries	853.56	795.32	1318.86	1539.23	1731.42
Chemical industries	1199.4	1206.21	1329.52	1544.11	1646.77
Printing and packaging	5540.81	5038.73	5827.71	4841.48	3251.02
Food and drinks	1589.93	1315.71	1380.1	1537.26	1605.07
Tobacco and cigarettes	18118.21	19161.27	23817.07	18499.44	10935.42
Extractive and mining industries	1446.62	1360.35	1460.48	1502.11	1782.45
Engineering and construction industries	455.47	744.28	917.58	946.29	1538.3
Electrical industries	952.58	973.74	1083.04	1188.85	1348.64
Clothing, leather, and textile industries	1497.7	1708.29	1786.97	2212.35	1927.9



Month	Clothing, leather, and textile industries	Electrical industries	Engineering and construction industries	Extractive and mining industries	Tobacco and cigarettes	Food and drinks	Chemical industries	Pharmaceutical and medical industries
Jan-20	448.02	979.45	448.02	1467.14	19184.29	1599.83	1213.72	907.62
Feb-20	439.93	973.23	439.93	1400.61	19714.63	1559.77	1194.33	845.81
Mar-20	432.55	942.87	432.55	1283.52	20109.34	1555.99	1186.32	813.2
May-20	426.21	943.21	426.21	1285.69	19256.32	1581.64	1220.38	779.61
Jun-20	425.34	881.07	425.34	1210.49	19233.14	1584.37	1196.45	827.69
Jul-20	427.45	900.26	427.45	1229.07	19273.71	1563.69	1292.98	826.57
Aug-20	467.66	934.91	467.66	1257.71	19250.53	1559.86	1280.8	831.79
Sep-20	479.91	1052.78	479.91	1289.76	19236.04	1640.03	1359.86	911.9

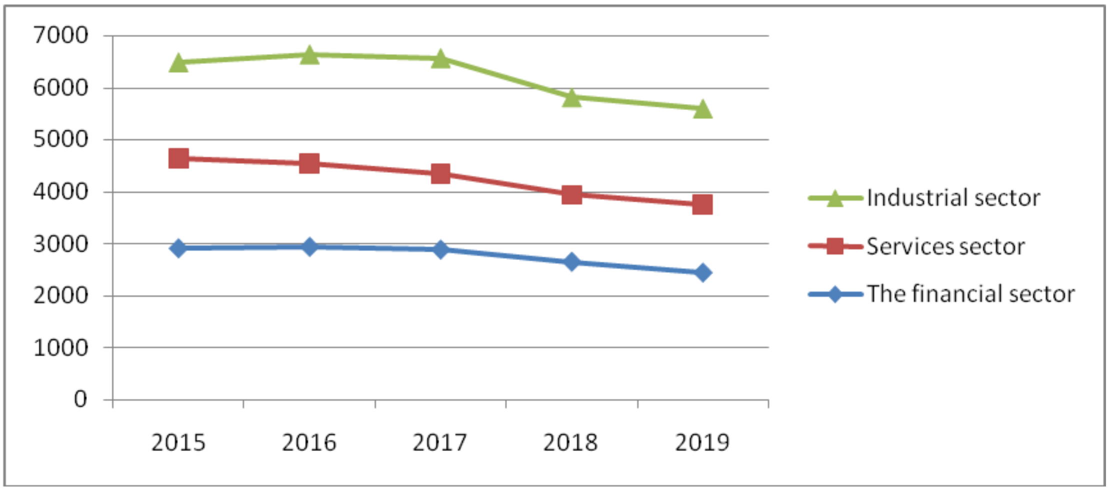


Source: author's analysis data from Amman Stock Exchange (ASE). (2020). https://www.ase.com.jo/en/circulars

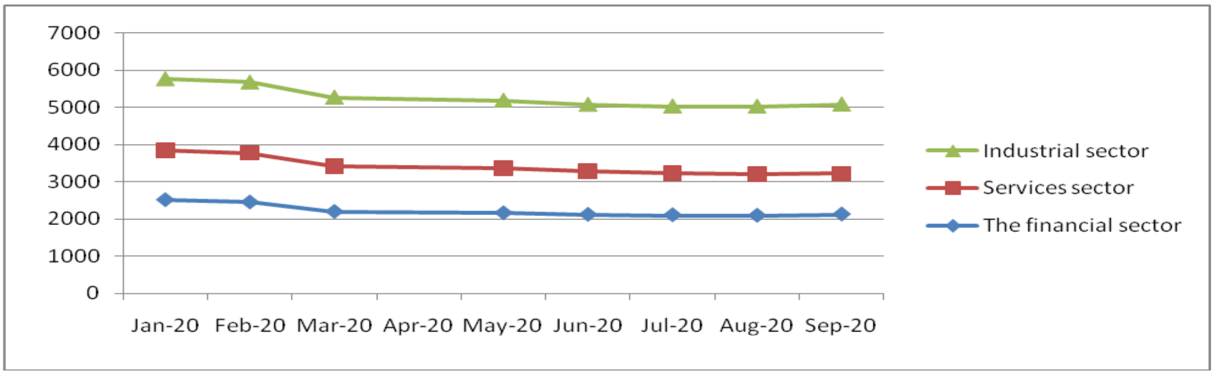
We note that the industrial sector oscillated between ups and downs from 2015-to 2019. Still, when the Covid-19 crisis occurred, the industrial sector decreased its financial indicators and share prices during the suspension of trading of shares. Still, it began to recover and stabilize afterwards.

All sectors

All sector	2019	2018	2017	2016	2015
The financial sector	2449.96	2652.69	2881.48	2933.21	2906.17
Services sector	1293.04	1279.8	1449.68	1604.67	1726.73
Industrial sector	1856.97	1882.7	2229.54	2092.99	1848.84



Month	Industrial sector	Services sector	The financial sector
Jan-20	1922.68	1328.13	2517.33
Feb-20	1901.46	1323.75	2453.86
Mar-20	1859.46	1214.47	2196.09
May-20	1825.06	1202.13	2160.32
Jun-20	1791.07	1166.23	2116.21
Jul-20	1801.88	1122.65	2103.95
Aug-20	1817.37	1115.22	2090.87
Sep-20	1859.67	1098.32	2124.29



Source: author's analysis data from Amman Stock Exchange (ASE). (2020).
https://www.ase.com.jo/en/circulars

We note that all sectors were suffering during the period from 2015-to 2019 as it was declining during the years. Still, when the Covid-19 crisis occurred, all sectors had their financial indicators, and share prices decreased during the suspension of trading of shares. Still, it began to recover and stabilize after that.

In general, most sectors suffered from substantial negative impacts, among which the transport, hotel and tourism industries were the hardest hit. The pandemic spread caused the country to halt transport and tourism activities, quickly reflected in the capital market. However, some sectors were affected less. Also, some sectors were negatively affected at the beginning of the crisis, but they returned and stabilized, and then their share prices rose because they showed a strong ability to confront to some extent.

The transport, tourism, and hotel companies were the first to be affected by the crisis, and the transport industry's share price declined. The share price of the industry, tourism, and hotel industry, closely related to the transport industry, decreased as roads were closed, and the stagnation in the transportation of products and people moving between cities affected investor sentiment and caused a drop in stock prices.

However, some sectors showed resistance, such as the manufacturing sectors for sterilizers and information technology, and a positive trend. The education and health sectors were negatively affected, but then the cumulative excess rate of return became positive, and the share price rebounded. The reason was that the outbreak of Covid-19 had stimulated the manufacturing industry to respond quickly by intensifying the production of Masks, sterilizers, cleaning tools, and medical equipment to fight the pandemic, which strengthened its position in the stock market. Information technology has played an essential role in the timely exchange of information and the spread of pandemic prevention guidelines.

We focused our efforts on studying the effects of the COVID pandemic on the financial performance of Jordanian companies as there are two contrasting views of how COVID-19 affects companies.

The first is that it will exacerbate the problem, lead to the collapse of their markets, and companies will have to make harsh decisions. Such as closing their buildings, laying off employees, cutting costs, and closing their supply chains.

The second view is that this is an opportunity for businesses to correct their course and prove their vital role in addressing different countries' problems.

7.3 company characteristics

The company characteristics Include (underlying financial conditions, exposure to the international supply chain, social responsibility, governance, and ownership) and how it is affected by the COVID-19 pandemic.

1- Basic financial conditions

When assessing how the company's pre-2020 financial conditions and its share price movements shaped during the COVID-19 pandemic, we take into account four primary financial characteristics:

1- Company size, the book value of total assets.

2- Leverage is the ratio of total debt divided by total assets

3- Cash: The total amount of cash and short-term investments divided by total assets

4- Return on assets: It is the net income ratio to total assets.

Given the negative impact of the pandemic on cash flows and liquidity, the companies' current financial conditions may shape the stock price response to the COVID-19 decrease in stock price.

2- Global supply chain

It expresses the international supply chains of companies and customer sites and is that they contain both direct relationships (relationships that the reporting company disclosed) and inverse relationships (relationships that were disclosed by companies that deal with the company) and data about the revenues of each company by country in 2019, which we use to measure customer exposure for each company by country

3- Corporate Social Responsibility

We obtain information about corporate social responsibility performance in environmental, social, and governance from corporate annual reports, financial markets, corporate social responsibility reports, and the media. We use this information to determine the performance of enormous publicly traded corporate social responsibility.

Firms with CSR activities outperform acquisition and retention returns, as indicated by (Ding et al. 2020). The decline in stock prices during the COVID-19 crisis was less in companies with corporate social responsibility (CSR) activities.

The reason is that trust that is built through investing in social capital pays off when confidence in companies and markets is vulnerable to negative shocks. So the COVID-19 crisis revealed that social capital is a form of insurance that creates resilience in the face of negative shocks to confidence.

So many governments worldwide have poured massive amounts of financing into their corporate sectors in the form of loans, grants, and tax breaks. Corporate response to address the immediate crisis and help rebuild post-crisis economies to maintain employment

4- Corporate Governance

Governance is linked to the corporate board structure, anti-takeover agencies, and executive compensation policies.

• The structure of the board of directors includes board size (policy of board size), the board of director's degree of independence of the executive director (policy of board independence), and whether the positions of the CEO and the board of directors of the president are divided (the CEO - the bilateral president).

• Executives compensation benefits: whether the company has a performance compensation policy (the executive compensation policy) and whether they pay for performance is linked to long-term goals. There is no evidence that corporate stock price reactions to COVID-19 systematically differ with board structure or executive reward systems.

Some research indicates that the board size and its independence can constitute integrity and effectiveness of the board, and separation between the responsibilities of the CEO and the chairman of the board of directors can affect the consolidation of the executive authority.

We focus on corporate governance to assess corporate governance measures for board structure, anti-takeover agencies, and executive compensation policies and their impact on stock markets and corporate resilience, including the ability to buy by another company or change leadership. Stronger anti-takeover devices and more significant enforcement consolidation may lead to Greater declines in stock prices. Companies that impede acquisitions and give more extraordinary powers to CEOs will suffer more significant drops in share prices during the spread of COVID-19.

5- Ownership Structure

It collects information on ownership data that includes holdings of institutions, fund portfolios, non-financial companies, individuals, and government agencies. We use an ownership structure for each type of investor. We build three ownership metrics for each company; we calculate

(A) The total percentage of shares held by restricted hedge fund holders,

(B) The percentage of shareholders by the largest shareholder of the hedge fund, and

(C) The total percentage of shares of the five largest shareholders of the hedge fund.

The share price is affected by COVID-19 due to its association with the identity of the company owner (bank, pension fund, individual investors, corporation, government, sovereign wealth fund). Also, the share prices of companies owned by different investors may interact differently with the pandemic. Hedge funds may focus on tracking stock performance in the short term and engaging in high-frequency trading. Other owners are vulnerable to rapidly selling stocks in response to news related to COVID-19, which leads to downward pressure on the prices of companies in which they are significant shareholders.

The family firms outperformed the others during the stock market crash from late February to early March in the largest listed companies. Other firms performed poorly during the early recovery phase from late March to early April.

The largest family businesses worldwide express three issues related to the COVID-19 crisis, namely.

The first is their employees - their security, health, and well-being, including preserving their work and income. Some families have stated that they are willing to forego dividend payments if this is what it takes to support their employees.

The second is business continuity, meaning that they are concerned about the survival of their institutions. Companies are concerned with their survival, and permanent families generally view their businesses as being here for the long term. Family owners also express a strong sense of responsibility towards their ancestors who sought to create their businesses and the descendants they would like to bequeath to them.

And the third focus of large family owners is on their communities, where family owners are distinguished from their counterparts from institutional investors. Their name is linked to the company name, so they cannot hide it. They are prominent within their companies and outside it in their communities.

On the other hand, companies with dispersed shareholders do not have owners who take responsibility for their companies the same way as families. Since asset managers are not owners, they act on behalf of the ultimate beneficiaries - savers and retirees. They are subordinates of capital who must bear responsibility for the actions taken by their companies.

We discover the following.

First, the pre-pandemic financial conditions shaped the stock price reactions to COVID-19. Firms with more liquidity, less debt, and more profits performed better on equity prices than similar companies. Due to declining corporate sales, companies sought to provide liquidity to cover costs, and stock markets considered corporate cash reserves, leverage, and profitability when reassessing corporate value on the changes in stock prices caused by the pandemic.

In other words, a company with low liquidity - will witness a more significant decrease in its returns than a company with high leverage before 2020 in stock returns, according to our estimates.

Second, the pandemic-induced decline in stock prices has been more significant among companies most exposed to the COVID-19 pandemic through international supply chains and customers in other countries.

Companies supplies affected in the countries affected by the epidemic and those from which the company receives goods. Customers were exposed to a shortage of stores in the country where the company gets its products. The markets have reassessed the companies that have been affected by the pandemic in the significant estimated impacts.

Suppose the company has clients in more countries with the pandemic. In that case, the company's share price that is more internationally exposed will decrease by more than the company with less exposure.

Third, corporate social responsibility is important because companies that invested more in CSR activities before the pandemic performed much better in stock prices in response to the pandemic. These results are consistent that investment in corporate social responsibility builds trust with stakeholders. Workers, suppliers, customers, and other stakeholders are more willing to make adjustments to support the business in response to adverse shocks.

Suppose we had a company with a higher CSR score before 2020 than the other. In that case, we estimate that the average return on shares for a company with a high degree of corporate social responsibility will decrease by a smaller amount than the company with a low corporate social responsibility rating in response to the average growth of COVID19 cases. i.e. the share price reaction to COVID19 with a company with a high degree of CSR will be lower than a company with a low CSR rating.
Fourth, the degree to which markets respond to firms with more established CEOs when exposed to a pandemic when examining corporate-level differences in the use of anti-takeover provisions. The stock market's reaction to COVID19 for a company with a high acquisition potential would be more than a similar device company with a low acquisition level. Because of corporate governance, as each company's board structure and executive compensation policies. But we do not find evidence that corporate share price reactions to COVID-19 systematically differ with board structure or executive reward systems.
Fifth, there are strong links between ownership structure and stock price reactions to the COVID-19 pandemic. We focus on the identities of the major owners, which are the entities that own at least 5% of the company's shares.
First, company stock prices decline at a lower rate on average when companies are owned more by the owners of non-financial companies when the crisis occurs. The owners have long-term strategic interests in a company and obligations towards it, like the company owner. So the markets price these characteristics positively when a crisis occurs.
Second, when the ownership of investment funds with a more significant percentage of the company's shares, stock prices drop a lot in response to COVID-19 cases. So the stock prices respond most sharply to the pandemic when hedge funds own a large group.

III. Conclusions And Recommendations

We used the events study approach to experimentally explore the impact of the COVID-19 outbreak on stock prices in different Jordanian sectors. We found that the pandemic negatively affected stock prices in the financial market, and the Covid-19 virus hit traditional industries negatively and more seriously. Still, it created opportunities for developing high-tech industries. The pandemic has greatly affected transportation, mining, and heavy industries. However, the manufacturing, chemical, information technology, education, and health industries have responded strongly to the pandemic positively.
The IT, chemical, and medical industries, can promote efficient investment and thus promote efficient market demand and consumption and boost the growth of online education.
COVID-19 is a new event, whose occurrence, evolution, and even disappearance are unknown, and its impact's depth, breadth, and intensity. The stock market reflects the general state of the country's economy to a certain extent. We discuss the market performance of all sectors under the impact of COVID-19, analyze response trends and industries' capabilities, and explore industries' heterogeneous reactions to significant emergencies. Also, how countries worldwide worked in their struggle against the pandemic and the resumption of economic production.
We note all sectors suffered during the period from 2015-to 2019 as it was declining during the years, like the financial sector, but on the other hand, the services sector and the industrial sector oscillated between ups and downs during the period 2015-to, 2019
But when the Covid-19 crisis occurred, all sectors had their financial indicators, and share prices decreased during the suspension of trading of shares. Still, they began to recover and stabilize afterwards in august and September 2020.
The characteristics of the companies played an essential role in the companies' actions against the COVID-19 pandemic. They had a role in the stock price reactions to COVID-19 using data from 192 companies during the first nine months of 2020 and sector data for the years 2015-2019. As the economic turmoil caused by COVID-19 is different from past crises, we consider the corporate characteristics to help understand stock price reactions to COVID-19 cases, and these five traits are constant for pre-2020:
(1) Financial conditions, such as cash holdings, leverage, and profitability.
(2) International supply chain and customer locations provide information about each company's exposure to COVID-19 through its international contacts.
(3) Corporate social responsibility activities.
(4) Corporate governance systems, such as board structures and executive compensation policies.
(5) Ownership structures, such as identities of major corporate shareholders.
Based on our studies, we found the following.
First, companies in more vital financial conditions before 2020 (have liquidity, less debt, and more significant dividends) have better share prices for COVID-19 than others.

Second, companies with supply chains and customers in countries that have been more exposed to COVID-19 have increased the decline in stock prices caused by the pandemic than companies that deal with supply chains in countries less vulnerable to the pandemic.
Third, companies enjoying CSR activities before the pandemic have responded better in share prices in response to COVID-19. Corporate social responsibility builds trust with stakeholders, making workers, suppliers, and customers more willing to support the business in times of distress.
Fourth, companies with long-term executives with the company were more responsive to situations, and market prices were flexible and positive due to the presence of good governance systems.
Fifthly, the company's impact on the quality of the significant shareholders in the company depends on a way that affects stock prices when exposed to COVID-19. While strategic, long-term investors tend to companies, they keep stocks, reducing the pandemic's negative impact on stock prices.
Corporate governance should be seen as a vital control system for solving complex problems in normal situations and circumstances during the COVID-19 pandemic and economic crises. When corporate governance and oversight mechanisms are visible, corporate managers and other beneficiaries learn the usefulness and importance of corporate governance, which can create performance and growth opportunities for companies and the country's economy in light of the risks of the Coronavirus.
We note that all sectors were suffering from 2015-to 2019, as it was declining during the years, but when the Covid-19 crisis occurred, all sectors had their financial indicators. Share prices decreased during the suspension period, but they began to recover and stabilize after that and during the months from June until September 2020.

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