ABSTRACT

ANALYSIS OF JANUARY EFFECT IN STOCK COMPANY IN THE BANKING SECTOR LQ45 INDONESIA STOCK EXCHANGE (IDX) 2004-2009 PERIOD

By

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The new year always brings new hope, not least for investors in capital markets. Among market players, new expectations arise often associated with a phenomenon known as the January effect (January Effect). January Effect is a market anomaly that continues to bring big profits to investors. January Effect in January with her and also in December with window dressing often gavethe magic for investors. That is, the profits that investors can be practically achieved remarkable compared to other conventional investment instruments. Belief in the magic, is that often motivate the interest of investors to buy shares in early January. If we look a few years back, appeared in January has been a period of quite extraordinary because the growth of the stock price index (CSPI) is always quite high, above 5%. In 2006, 2007 and 2008, market participants feel the beauty of January Effect. Whereas in 2009, investors can not enjoy the January Effect caused by market conditions are still carried away with mourning that hit most of the world bourses due to the global financial crisis. JCI in January 2009 grew minus.

Problems in this study is whether there is a significant difference between the abnormal return in the months of January and the abnormal return on company stock in december the banking sector in Indonesia Stock Exchange and whether the January Effect occurs in banking shares LQ45. The purpose of this study is to determine whether the January Effect occurs in LQ45 banking company in the Indonesia Stock Exchange during the

period 2004-2009. Hypothesis which predicted that there are significant differences between the abnormal return in the months of January and the abnormal return on company stock in december the banking sector in Indonesia Stock Exchange. Samples taken in this research is the company & shares in the banking sector in bura LQ45 Indonesia.Sampel Securities used in this study is to sample the company banking sector, including the shares on the Indonesia Stock LQ45 of BBCA, BBNI, BMRI, BBRI, and PNBN. From the results of t test before and after the January effect in the window period and the period of observation by using one sample t test obtained by value significance test was not significant. Thus Ho stated that there were no significant abnormal return on bank shares in BEI LQ45 rejected, so Ha is received. Two different test results on average by using independent sample t test in the window period to explain that there are significant differences between the abnormal returns before and after the January Effect, as reflected by the significant value of 0.031. Thus, the hypothesis was confirmed. Two different test results on average in the period of observation by using independent sample t test was also explained that there are significant differences between the abnormal returns before and after the January Effect, as reflected by the significant value of 0.030, so Ha is received. Different test results on the window period or the period of observation also showed that the abnormal return before the January Effect is greater than the abnormal return after the January effect. Thus, the January effect does not occur in the banking company in the IDX LQ45.