

ABSTRACT

The January effect is one of the market anomalies in seasonal anomalies that can occur in the Indonesian capital market. The January effect is a condition where is January stock returns are higher than the average returns non-January.

The purpose of this research is to find out whether there is a January effect on the Indonesia Stock Exchange or not. If there is a difference between January stock returns and average returns non-January, then the January effect occurs. If there is no difference between January stock returns and average returns non-January, then January effect does not occur.

The data used in this research are secondary data obtained from the Indonesia Stock Exchange website and yahoo finance. This research uses a sample of all companies listed on the Indonesia Stock Exchange for the period 2015-2019 using the Composite Stock Price Index (CSPI) data. Analysis of the data used in this research is One Way ANOVA Test because this research compares two groups between January stock returns and average returns non-January.

The results of data analyzed shows that there is no difference between stock returns in January and the average returns non-January on the Indonesia Stock Exchange for the period 2015-2019, so it can be concluded that on the Indonesia Stock Exchange the 2015-2019 period did not occur in January effect.

From the results of this research, it hopes that further researchers should add their variables to both the dependent and independent variables. In addition, it can also replace the variables other than the January effect. For investors, it is recommended not only to consider the January effect in making investment decisions because the January effect is not overly reacting in Indonesia. Many other factors can be considered for making investment decisions.

Keywords: January effect, return, IHSG