ABSTRACT

With the increase in stock prices before and after the holiday led to allegations that the capital market anomalies market holiday effect is one of them. This study aims to determine the state of holiday effect stock returns before and after the holiday effect, as well as to determine significant differences between stock returns before and after the holiday effect on the index LQ45 2010-2014.

Stock return is the amount of income plus the excess profits (capital gains) or losses (capital loss). An event or events that can be exploited and generate abnormal returnmerupakan market anomalies (Gumanti, 2011). *Holiday effect is a phenomenon in which the abnormal stock returns will increase before the holiday* (Tangjitprom, 2010).

The method used in this research is quantitative and descriptive. The data used is LQ45 *stock price index in the period* 2010 *to* 2014. *The data analysis in this research using descriptive test and Wilcoxon signed rank test test.*

Testing was performed using IBM SPSS applications 20. *Test results showed that the average stock returns after the holiday effect is greater in comparison with stock returns before the holiday effect. The test results of Wilcoxon signed rank test has a significance value greater than 0.05 then H0 accepted empirically.*

The conclusion of this research is not a significant difference between stock returns before and after the holiday effect LQ45 holiday effect on the Indonesian Stock Exchange (IDX). It is advisable for investors to invest not too focused on the holidays that occur. Future studies should choose a holiday just like Christmas or Eid.

Keywords*: Stocks return, market anomalies, holiday effect*