ABSTRACT

Ease to determine an accurate information becomes important for investors. Information will affect the decision to be taken by investors. Based on the theory of efficient markets, stock prices should move randomly. But in fact reveal any particular moment which can be utilized to obtain abnormal return investor. End of year holidays is one of the holidays that could affect the stock price movements. During holidays there are some sectors that have increased and there is also a sector that decreased rate of return. One sector that has increased when the holiday season arrives is therefore necessary financial research about the effect of year-end holidays on stock returns.

The purpose of this study was to describe the end of year holidays effect to stock return in selection of three private banks. There are Bank Central Asia, Bank Danamon, and Bank Tabungan Pensiunan Nasional.

This research using regression analysis with dummy variables. There are three periods of observation will be dummy, namely the pre-Christmas period, inter-holiday, and the pre-holiday. The data used is secondary data in the form of daily stock closing price of which is processed using SPSS 20.

Based on the analysis is showed that the significant value of Bank BCA greater than 0.05. This indicates that there were no significant relationship between the year-end holidays to return stock BCA. So is the stock return of the Bank Danamon and Bank Tabungan Pensiunan Nasional that did not show significant results.

From the research it can be concluded that the end of year holidays are not so affect investors in buying or selling shares in private banks. This is different in other countries are experiencing the end of year holidays effect and the Christmas effect in December. Therefore, the year-end holiday moments can not be used as a benchmark for investors to earn more profits.

Keywords: end of year holidays, return, market anomalies