ABSTRACT

Increase in stock prices that are not normal or so-called market anomalies can be exploited by investors to get an abnormal rate of return or commonly called abnormal return. One form of market anomaly used in this research is the holiday effect. Holiday effect occurs if at the time before the holiday and after the holiday increased stock prices compared on a normal day.

This study aims to determine the state of stock returns before the holiday and stock return after the holiday on the stock index JII period 2011-2017. The data used in this study is the stock price of listed companies in the JII index consecutive period 2011-2017.

In this study using quantitative and descriptive methods. Data analysis used is descriptive test and wilcoxon signed rank test. The application used in data testing is SPSS 24. In this study used two days before and two after the holidays as observation time.

Based on the research that has been done, the result showed that the significant value of listed companies in JII index in the period 2011-2017 is greater than 0.05. This shows that there is no significant difference between stock return before holiday and stock return after holiday on JII stock index period 2011-2017.

From the research result, it can be concluded that the effect of holiday does not affect investors in buying and selling stocks on JII index. Therefore, holiday effects can not be a reference for investors to get more profit.

Keywords: holiday effect, return, market anomalies