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Market Anomalies: January Effect in Indonesia Stock Exchange and Kuala Lumpur Stock Exchange Period 2015-2019

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Abstract- This research aims to find out how the phenomenon of the January effect in the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange period 2015-2019. In addition to knowing if there is a difference in stock returns between January and other months in the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange period 2015-2019, and to find out if there is a difference in stock returns to the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange period 2015-2019. The research method used in this study is comparative. The population in this study is the entire index recorded in the period 2015-2019. The sample determination technique used in this study is non-probability sampling with purposive sampling method, so the sample in this study amounts to 2 indices namely Indonesia Stock Exchange and Kuala Lumpur Stock Exchange. The data analysis used in this study is an independent different test analysis of t-test samples and ANOVA different tests using SPSS Verse 25. The results showed there was no significant difference in the average return of shares between January and other months on the Indonesia Stock Exchange for the period 2015-2019. Then there was no significant difference in the average return of shares between January and other months on the Kuala Lumpur Stock Exchange for the period 2015-2019. And there is no significant difference between the average return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange for the period 2015-2019.

Keywords: *Stock Return, Market Anomaly, January Effect, JKSE, KLSE.*

Introduction

Investment is one of the options for people to keep their wealth in the long term. The capital market is where the parties who have more funds meet with those who need funds by trading securities. So the capital market is a safe place to trade securities such as stocks, bonds, mutual funds, and other securities that generally have a period of more than a year. A company registered in the capital market is a company committed to providing relevant information to the public. Investing the wealth owned in the capital market means that Investors need the ability to read the state of the market and the financial condition of a company. According to Kodrat (2010), investors need analytical tools to help decide to sell or buy a share. There are two approach tools for analyzing a stock, namely fundamental analysis, and technical analysis. Technical analysis is a method of measuring the intrinsic value of a stock by analyzing the company's financial statements, industry prospects, and future management of the company. Fundamental analysis is usually used by investors to find stocks that have an intrinsic value below the market price (undervalued) or so-called stocks at a discounted price. Technical analysis is a method to test and examine charts or stock patterns with statistical trends accumulated through trading activities following price movements and

transaction volume. Certain patterns in the past will repeat in the future. Technical analysis is more focused on what has happened in the market, than what should have happened. The pattern that under strikes technical analysis methods is one of which is market anomalies. The existence of market anomalies in the capital market is contrary to the theory of Efficient Capital Markets. Efficient Capital Market or commonly referred to as Efficient Market Hypothesis (EMH) was first introduced by Fama (1970) which divides capital market efficiency into three forms namely weak-form, semi-strong-form, and strong form. The Efficient Market Hypothesis (EMH) relies on random walk theory stating that future share prices are unpredictable and have no movement patterns or fluctuations (Gharaibeh, 2017). This means that the share price fully reflects all the information available on the stock market so that investors cannot obtain abnormal returns. Research on the efficiency market of the capital market has been done a lot. The results found that the opposite of market efficiency in some capital markets is when the stock market is no longer reflecting the actual information. This is referred to as an anomaly or disorder. According to (Coutts & Miils, 1995), the anomaly in the stock market has cast doubt on the theory of market efficiency. Market anomalies are a set of plans and techniques that contradict each other with efficient capital market theory (Jones & Jensen, 2019) because it is considered to interfere with the effectiveness of a capital market. Market anomalies have several forms in academic literature as well as financial practitioners. According to Levy (1996), classifies the market anomaly into four, namely company anomalies, seasonal anomalies, event anomalies, and accounting anomalies. The most common anomaly discussed by the researchers is the January Effect where the returns tend higher in January compared to other months (Sun & Tong, 2010). According to Sharpe (1995), there are three causes of the January Effect: (1) tax-loss selling, (2) window dressing, (3) small stock's beta. Tax-loss selling and window dressing has something in common which is The action of selling stocks at a low value. But tax-loss selling is done to reduce tax debt and window dressing is done to improve the company's portfolio by the end of the year to look good. Small stock's beta is a trend in January as small companies provide higher returns. The January Effect is a phenomenon in which the share price tends to rise in January. This indicates that the average return in January will tend to be higher when compared to the average return in non-January (Bagaskara & Khairunnisa, 2019). January effect research was first conducted by Wachtel (1942) on seasonal stock returns in January, then his research continued by Rozeff and Kinney (1976) stated that the return of shares in January was significantly greater compared to other months against companies with small market capitalization. The January effect is shown with an abnormal return earned by the investors. This January effect phenomenon makes many academics and financial practitioners utilize the market anomalies as an opportunity to make the market bullish. Especially on Indonesia Stock Exchanges (IDX) and Malaysia Stock Exchanges (KLSE). This is the IDX Composite (JKSE) and Bursa Malaysia Berhad (KLSE) trading developments for the period 2015-2019 as follows:

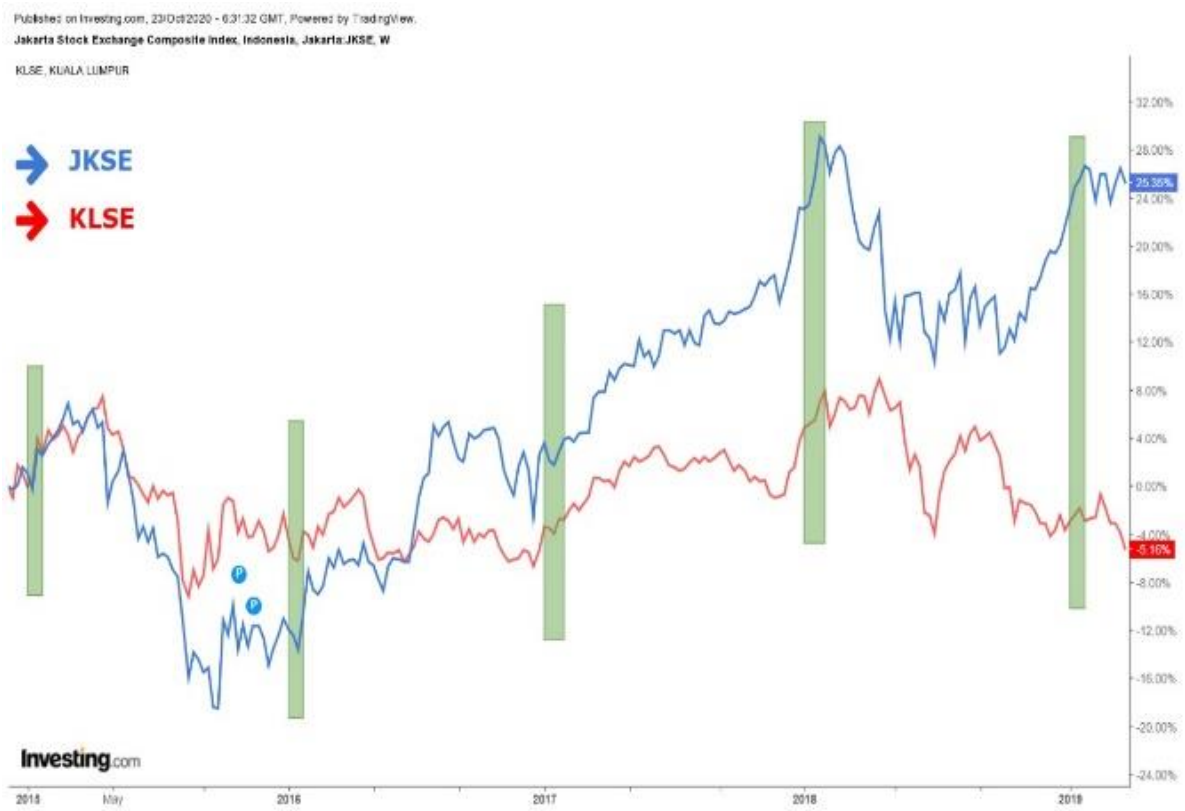

Figure 1. JKSE and KLSE Trading Chart Period 2015-2019

Source: Investing.com

In 2015 KLSE decreased by 3.9% year-to-date, on December 28, 2015. The distribution of crude palm oil (CPO) which decreased by RM 19 to RM 2,476 per tonne and the weakening of the ringgit currency by 18% year-to-date resulted in negative sentiment to investors. Then on January 25, 2016, there was an increase of 7.6%. In 2018 KLSE decreased by 5.91% year-to-date. On 24 December 2018 there was a decrease of 1.54% then on 21 January 2019 there was an increase of 1.82%. Furthermore, IDX Composite (JKSE) closed weaker on December 19, 2016, JKSE fell 0.11% to 5,296 after moving between 5,296-5,334. Due to the rupiah exchange rate closed weaker to Rp.13,473 per US dollar (US), or down 2 points (0.01 percent) after moving in the range of Rp13,410-Rp13,473. Then as many as 150 shares went up, 172 shares fell, and 100 shares did not move. While five experienced strengthening and the other five weakened. The biggest gain was experienced by the multi-industry sector which strengthened by 1.21%.

Previous studies have shown inconsistent results. Some studies have expressed positive results on the January effect on a stock exchange (Gharaibeh, 2017; Kaur, 2017; Li et al., 2015) and some studies have inversely proportional results namely, stating there is no January effect on a capital market (Patel, 2016), (Gu, 2003). Based on the above background, the authors are interested in researching January effects in the Indonesian stock market (JKSE) and the Malaysian stock market (KLSE).

Literature Review

Capital Market

The capital market is a meeting place for parties who have funds (investors) with parties who need funds (issuers) through trading transactions of securities in the form of debt or equity. According to Gitman (2006), the capital markets is a market that allow suppliers and long-term funders to make transactions. This

includes business and the government securities issues. The strength of the capital market itself was formed by various stock exchanges that provide forums for bond and stock transactions. Widoatmodjo (2012) stated that the capital market is an intangible market that trades long-term assets with investments of more than a year. The capital market can also be said as the process of meeting between investors and the company by trading securities (Tandelilin, 2010).

Efficient Market

The concept of an efficient market was first put forward by Eugene F. Fama in 1970. The concept of this efficient market becomes one of the theories widely used in investors about investment. According to Fama (1970), a market where prices always fully reflect all available information is called efficient. In other words, the concept of this efficient market is more emphasized on the information aspect in the market that will affect the price of any financial instrument traded in the market.

Fama (1970) classified the form of the efficient market into three efficient market hypothesis (EMH), namely:

1. The market is an efficiently weak form, which is the market where the current price of securities reflects all past (historical) information. Thus, such historical information can no longer be used as a guideline to predict future price changes.
2. The market is efficiently semi-strong, a market where the current price of securities reflects all past (historical) information and information published today, such as dividends, issuance of new shares, earnings, stock split announcements, financial problems faced by the company, and other events impacting the company's future cash flow.
3. The market is an efficient strong form, which is a market where the current price of securities reflects all past (historical) information, information published today, and unpublished information.

Behavioral Finance

Behavioral finance is a theory derived from a study conducted by financial researchers in the 1990s as a critique of traditional finance theory that is often associated with an efficient market theory developed by Eugene F. Fama in the 1970s who was considered incapable of explaining anomalies in the phenomenon of capital markets and money markets. Bodie et al. (2005) stating the basic assumption used in behavioral finance is that investors cannot always interpret and understand every information in the market correctly and therefore make mistakes in calculations of future profits.

The definition of behavior finance as stated by Shefrin (2000) is a science that learns about how the application of psychology in financial science can affect his financial behavior. The behavior in that sense is stated by Shefrin (2000), which is the behavior of practitioners. He also classified the themes discussed in Financial Conduct into three themes, namely heuristic-driven bias, frame dependence, and inefficient markets.

Market Anomalies

Market anomalies are deviations of the concept of efficient market expressed by Fama (1970) where there is an irregular phenomenon occurring in the capital market. Market anomalies reject the hypothesis of an efficient market concept in which investors cannot predict the price and return rate of securities based on historical data due to random returns over time. According to Jones (1996), anomalies can be said to be a condition inversely proportional to the concept of efficient markets. In the concept of market anomalies, the price of a securities is not always determined by the information available in the market, and investors can

predict the price and return rate of a security based on the influence of a calendar or a given period. Therefore, this market anomaly phenomenon is often used as a reference by the investors in making their investment decisions in the hope of obtaining abnormally high returns.

According to Levy (1996), there are four types of market anomalies in financial theory, namely, corporate anomalies, seasonal anomalies, event anomalies, and accounting anomalies. The market can be said to experience an anomalous phenomenon if there is a repetition of the same pattern in a row, causing any changes that occur in the market to be predictable.

January Effect

January effect is a form of market anomaly that belongs to the type of seasonal anomalies. The concept of the January Effect was first researched and put forward by Sidney B. Wachtel in 1942 where since 1925, he founded the phenomenon of increasing stock prices in January especially in stocks with small caps. Also, Ozeff and Kinney (1976) researched the New York Stock Exchange (NYSE) and found seasonal patterns in the rate of return where on average the monthly rate of return in January was about 3.5% while the other month was about 0.5%. Yani et al. (2013) stated that the January effect represents a significant increase in stock returns from December 31 to the first week ending in January. According to Sharpe et al. (1995), there are three reasons for the January effect phenomenon, namely tax-loss selling, window dressing, and small stock's beta.

In a study conducted by Dyl (1977) it was found that the rate of the return of companies with small capitalization was greater than companies with large capitalization and concluded that tax-loss selling was the main cause of the January effect. This research was supported by Reinganum (1983) and Starks et al. (2006) which states that the January effect occurs because the company suffered losses in the previous year due to the income tax value that is too high so that the company tends to do tax-loss selling to minimize losses.

Research on the topic of market anomalies, especially the January Effect, has been widely conducted in several countries. Santosa and Dewi (2019), Bagaskara and Khairunnisa (2019) examined whether there was a January Effect phenomenon on the Indonesia Stock Exchange and the results of the study stated that there is no January Effect phenomenon on the Indonesia Stock Exchange. The results of the study are inversely proportional to the research conducted by Addinpujoartanto (2019), Hendrawaty and Huzaimah (2019) which stated there is a January Effect phenomenon on the Indonesia Stock Exchange.

In the United States, Haugen and Jorion (1996), Beladi et al. (2016), Haug and Hirschey (2006) stated there is a January Effect phenomenon in the United States. The results of the study are in contrast to Patel (2016) who stated that the January Effect no longer exists in the United States.

Bohl and Salm (2009) Examined the existence of the January Effect phenomenon on stock exchanges of several countries with large stock markets, namely South Africa, America, Australia, Austria, Netherlands, Belgium, Denmark, Finland, United Kingdom, Italy, Japan, Germany, Canada, South Korea, Norway, France, Spain, Sweden, Switzerland where the market return rate of each exchange is calculated using value-weighted total return indices and the results state that only two of the 19 countries that indicate the existence of the January Effect phenomenon. Thus, it is concluded that the January Effect is not an international phenomenon.

Not only in the capital markets but Girardin and Namin (2019) also researched the foreign exchange market using end-of-month copies of DM-USD and EUR-USD in the period 1971 (the fall of the Bretton-Woods system) until 2017. The results showed there was a January Effect on the foreign exchange market during that period.

Other research was conducted by Balint and Gica (2012) examining whether there was still the January Effect phenomenon on the Romanian Stock Exchange before the crisis (January 2003-December 2007) and during the crisis (January 2008-December 2010). The results of the study stated that the January Effect occurred before the financial crisis, while during the crisis, the January Effect only occurs in companies with a small capitalization.

Perez (2018) researched several stock exchanges in several countries to find out if the January Effect is still happening, including in the Americas, Western Europe, Eastern Europe, Middle East, Africa, Asia, and Oceania. The results of the study stated there is still a January Effect phenomenon in these countries, although there is likely to be a downward trend over time.

Other studies that also state that there is a January Effect phenomenon, among others, Brussels, London, New York, Paris (Corhay et al., 1987), United Kingdom, Singapore, United States, Malaysia, Taiwan, Hongkong (Ho, 1990), United States, Taiwan, South Korea (Tong, 1992), Australia (Henker & Paul, 2011), Japan (Li & Gong, 2015), Jordan, Egypt, Lebanon, Morocco (Gharaibeh, 2017), Istanbul and Bucharest (Sahin et al., 2018), European Union (Podgorski, 2018), Taiwan (Shen et al., 2019).

On the other hand, some studies deny there is no January Effect, including Malaysia (Yong, 1989), Bangladesh (Ahsan & Sarkar, 2013), Indonesia (Kartikasari, 2016), Mexico (Alvarado & Demmler, 2019), India (Sarangi & Mohanty, 2019).

Hypothesis

From the above description, the hypothesis of this study is as follows:

H_1: There is a difference in stock returns in January with returns in other months on the Indonesia Stock Exchange (JKSE).

H_2: There is a difference in stock returns in January with other monthly returns on the Kuala Lumpur Stock Exchange (KLSE).

H_3: There is a difference in stock returns on the Indonesia Stock Exchange (JKSE) and the Kuala Lumpur Stock Exchange (KLSE).

Methodology

This research is a quantitative research that aims to find out how the phenomenon of the January Effect on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange during the period 2015 – 2019. In addition to knowing if there is a difference in stock returns between January and other months on the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange period 2015 – 2019, and to find out if there is a difference in stock returns on the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange. Quantitative research on this study focuses the measurement of variable return stocks on the theory testing of seasonal market anomalies of the January Effect phenomenon with figures in the form of weekly share price data from each composite index and conducts data analysis with statistical procedures to test hypotheses. In this study, the research method used is comparative.

Sampling techniques using purposive sampling techniques that aim to obtain representative samples. The consideration of criteria as a prerequisite in the research is as follows: 1. The stock price data used is the weekly share price data of each composite index. 2. Research observation period from 2015 – 2019. 3. Have complete transaction data during the observation period.

In this study, researchers took a sample of 2 index samples that would be a comparison of each exchange as a representation. On the Indonesia Stock Exchange researchers took a sample from JKSE which is one of the stock market indices that measures the combined price performance of all stocks listed on the mainboard

and development board of the Indonesia Stock Exchange and is an index that is a barometer of capital market development in Indonesia while on the Kuala Lumpur Stock Exchange researchers take samples from KLSE which is one of the indexes on the Kuala Lumpur Stock Exchange as an indicator of the performance of the main board of the Malaysian stock exchange.

The data sources in this study are secondary data types. Source of data was conducted by collecting weekly transaction data of the stock price listed on the Indonesia Stock Exchange with the reference IDX Composite (JKSE) and the Kuala Lumpur Stock Exchange (KLSE). Data is downloaded from the first week of the first month of January to the final week of the last month of December during the period 2015 – 2019 of each composite index. The data collected to be processed in the study amounted to 530 weekly transaction data from each exchange obtained from the source of the website www.yahoo.finance.com.

The object of the research observed in this study was to test the market anomalies of the January Effect phenomenon that occurred on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange. As for the population in this study are all indices are contained in the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange in the period 2015 – 2019.

The variables used in this study are the return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange. Here is the Operational Variables table:

Table 1. Operational variables

Variable	Variable Concept	Indicator	Scale
Stock Return	Testing Market Anomalies: January Effect on Indonesia Stock Exchange and Kuala Lumpur Stock Exchange by comparing stock returns between January and months other than January.	$Ri = \frac{P_t - P_{t-1}}{P_{t-1}} x\ 100$ Ri = Stock Return P_t = Closing price for I shares at the end of the investment period. $P_{(t-1)}$ = Closing price for I shares at the beginning of the investment.	Ratio

In this study, the data analysis techniques are used as follows:

1. Descriptive Statistical Analysis Testing provides results in the form of an overview or description of data that can be viewed through average values (mean), standard deviation, maximum variance, minimum, sum, range, kurtosis, and skewness (grip distribution) (Ghozali, 2013). This test was conducted aimed at knowing the description of each variable used in the study.
2. Data Normality Test is a test of data normality conducted to know the normality of the distribution of variable score distribution (Ghozali, 2013). Testing the normality of data using the statistics technique Kolmogorov-Smirnov because it is assessed more accurately and aims to detect whether the data has been distributed normally. If the significance value is > 0.05 it means normally distributed data instead of the significance value < 0.05 it means the data is not distributed normally.
3. Homogeneity Testing is a test where dependent variables must have the same variant in each category of independent variables. If it is known that there is more than one independent variable, then there must be

homogeneity of variance in cells that are shaped by categorical independent variables (Ghozali, 2013). Homogeneity testing in this study using Levene's test of homogeneity of variance aimed at testing the ANOVA assumption that each group of independent variables has the same variance. If the significance value of Levene statistic > 0.05 then it has the same variance instead when the significance value of Levene statistic < 0.05 then it does not have the same variance.

4. Analysis of Variance (ANOVA) test is a test conducted for a comparative type of research to be able to see if there are differences between variables (Wijaya, 2012). The ANOVA test aims to compare the average value of three or more unrelated samples is using an F-test. The F-test is used to determine whether the stock's return in January differs significantly from other months. In this study, the ANOVA test was used to find out if there was a significant difference in the return value of stocks between January and other months other than January on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange in the period 2015 – 2019. From the results of the ANOVA test, derivative tests are conducted in the form of Post Hoc tests or post-ANOVA analysis that aims to find which groups are equal or not equal. In this study, the technique used to perform post hoc test is Turkey HSD and Bonferroni test. Post Hoc tests are performed to support the results of ANOVA tests. This Post Hoc test also provides additional information through homogeneous subsets testing where it provides additional independent variable category information and average values (means). Homogeneous Subsets are used to search for which groups or subsets are visible that multiple samples are in one subset indicating no difference, if there are significant differences then some samples will be grouped into different subsets.
5. Independent Sample T-test is a different test for the type of test that produces interval-scale data, generally intended to test the average difference between specific groups that have certain requirements studied. The statistical technique used in general is the Independent Sample T-test technique (Sugiyono, 2011). This independent different test includes group statistics test which aims to test the difference of average value and Independent Samples T-test which aims to test if there is a significant difference between the average return of shares on the Indonesia Stock Exchange and Kuala Lumpur Stock Exchange in the period 2015 – 2019 statistically. In this test if from the results of the comparison between the t count value < t table value then H_0 is accepted and Ha is rejected, meaning it can be said that there is no difference between the average return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange in the period 2015 - 2019 and vice versa if the t count value > t table value is rejected and Ha is accepted, meaning it can be said that there is a difference between the average return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange. Additionally, when viewed from the Sig value. (2-tailed) is worth > 0.05 so it can be said that there is no difference otherwise if the value of Sig. (2-tailed) is worth < 0.05 so it can be said there is a difference.

Results and Discussion

Overview of the January Effect Phenomenon

The January effect is an anomalous condition that occurs in the capital market, where January tends to a higher rate of return compared to other months. The January Effect phenomenon in this study is seen from the increase in average stock returns in the first 7 days (Week 1) in early January.

Description of the January Effect Phenomenon in the Kuala Lumpur Stock Exchange in 2015-2019

Table 2. Stock Return Data for 1st Week of January on the Kuala Lumpur Stock Exchange in 2015-2019

No.	Years	1st-Week Return	Average
1	2015	-0,91%	0,52%
2	2016	-1,56%	-0,04%
3	2017	0,001%	0,12%
4	2018	1,91%	1,39%
5	2019	1,86%	0,99%

Based on Table 2 in 2018 and 2019, there is a January effect phenomenon seen from the average value of stock returns in the first 7 days (1st week) in January which is higher compared to other months showing a positive average stock return year 2018 amounted to 1.39% and in 2019 amounted to 0.99%.

Overview of Fenomena January Effect on Kuala Lumpur Stock Exchange In 2015-2019

Table 3. Stock Return Data for 1st Week of January on the Kuala Lumpur Stock Exchange in 2015-2019

No.	Years	1st-Week Return	Average
1	2015	-1,50%	0,34%
2	2016	-2,06%	-0,35%
3	2017	0,94%	0,42%
4	2018	0,72%	0,83%
5	2019	0,80%	0,21%

Based on Table 3 in 2017 there is a January Effect phenomenon seen from the average value of stock returns on the first 7 days (1st week) in January which is higher compared to other months, indicating a positive average stock return in 2017 amounted to 0.42%.

Testing Results of Stock Return Differences in January and Other Months in the Indonesia Stock Exchange 2015-2019 Period (ANOVA Difference Test)

Table 4. ANOVA Test on Indonesia Stock Exchange Period 2015-2019

ANOVA

Retun Saham JKSE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	,001	11	,000	1,554	,144
Within Groups	,003	48	,000		
Total	,004	59			

Based on Table 4 shows a statistical F value of 1,554 with a significance value of 0.144. Thus, the ANOVA test results show that the average return is the same or cannot be a significant difference in the return value of the stock between January and the other month, due to the value of significance > 0.05.

Table 5. Post Hoc Tests on Indonesia Stock Exchange Period 2015-2019

	Months	Significance

Turkey HSD	January-February	1,000
	January-March	0,991
	January-April	0,590
	January-May	0,999
	January-June	0,890
	January-July	1,000
	January-August	0,256
	January-September	0,990
	January-October	1,000
	January-November	0,933
	January-December	1,000
Benferroni	January-February	1,000
	January-March	1,000
	January-April	1,000
	January-May	1,000
	January-June	1,000
	January-July	1,000
	January-August	0,625
	January-September	1,000
	January-October	1,000
	January-November	1,000
	January-December	1,000

Based on Table 5 shows the value of Post Hoc Turkey HSD and Benferroni tests between January and another month of more than 0.05. Thus, the results of the Post Hoc test show there is no significant difference in the return value of the stock between the January return value and the other month.

Testing Results of Stock Return Differences in January and Other Months at the Kuala Lumpur Stock Exchange 2015-2019 Period (ANOVA Different Test)

Table 6. ANOVA Test On Kuala Lumpur Stock Exchange Period 2015-2019

ANOVA

Retun Saham KLSE

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	,000	11	,000	1,391	,208
Within Groups	,001	48	,000		
Total	,002	59			

Based on Table 6 shows a statistical F value of 1,391 with a significance value of 0.208. Thus, the ANOVA test results show that the average return is the same or cannot be a significant difference in the return value of the stock between January and the other month, due to the value of significance > 0.05.

Table 7. Post Hoc Tests on Kuala Lumpur Stock Exchange Period 2015-2019

	Months	Significance
Turkey HSD	January-February	1,000
	January-March	1,000
	January-April	0,964
	January-May	0,509
	January-June	0,959
	January-July	1,000
	January-August	0,964
	January-September	0,905
	January-October	1,000
	January-November	0,740
	January-December	1,000
Benferroni	January-February	1,000
	January-March	1,000
	January-April	1,000
	January-May	1,000
	January-June	1,000
	January-July	1,000
	January-August	1,000
	January-September	1,000
	January-October	1,000
	January-November	1,000
	January-December	1,000

Based on Table 7 shows the value of the Post Hoc Turkey HSD and Benferroni tests between January and another month of more than 0.05. Thus, the results of the Post Hoc test show there is no significant difference in the return value of the stock between the January return value and the other month.

Results of Testing the Difference in Stock Returns on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange for the 2015-2019 Period (Independent Difference Test)

Table 8. Independent Statistical Group Tests on Indonesia Stock Exchange and Kuala Lumpur Stock Exchange Period 2015-2019

Group Statistics

	Stock Exchange	N	Mean	Std. Deviation	Std. Error Mean
Retun Saham	Indonesian Stock Exchange	60	,0011660	,00791169	,00102139
	Kuala Lumpur Stock Exchange	60	-,0000683	,00506761	,00065423

Based on Table 8 shows the average return of shares on the Indonesia Stock Exchange of 0.0011660 and the average return of shares on the Kuala Lumpur Stock Exchange of -0.0000683. The result states that the average value is not an absolute difference between the average return value of the stock.

Table 9. Independent Sample T-Test on Indonesia Stock Exchange and Kuala Lumpur Stock

Exchange Period 2015-2019

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Retun Saham	Equal variances assumed	5,257	,024	1,018	118	,311	,00123433	,00121295	-,00116765	,00363631
	Equal variances not assumed			1,018	100,437	,311	,00123433	,00121295	-,00117201	,00364067

Based on Table 9 shows a significance (2-tailed) yield of 0.311 > 0.05. While, the t-count value of 1,018 is less than the t-table of 1,980 (1,018 < 1,980). Stating the result there is no significant difference between the average return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange.

Conclusion

Based on the results of the research and discussion in the previous chapter, the following conclusions are obtained:

1. The results showed that the Phenomenon of the January Effect in the Indonesia Stock Exchange period 2015-2019 only occurred in 2018 and 2019. This was seen in January showing the highest average return of shares when compared to the average return of shares in another month. The average return of shares in January 2018 was 1.39%, the January Effect phenomenon was seen from the average return of shares in the first 7 days (Week 1) in January showing a positive return of 1.91%. The average return of shares in January 2019 was 0.99%, the January Effect phenomenon was seen from the average return of shares in the first 7 days (Week 1) in January showing a positive return of 1.86%.
2. The results showed that the January Effect phenomenon on the Kuala Lumpur Stock Exchange for the period 2015-2019 only occurred in 2017. This was seen in January showing the highest average return of shares when compared to the average return of shares in another month. The average return of shares in January 2017 was 0.42%, the January Effect phenomenon was seen from the average return of shares in the first 7 days (Week 1) in January showing a positive return of 0.94%.
3. The results showed that there was no significant difference in the average return of shares between January and other months on the Indonesia Stock Exchange for the period 2015-2019.
4. The results showed that there was no significant difference in the average return of shares between January and the other months on the Kuala Lumpur Stock Exchange for the period 2015-2019.
5. The results showed that there was no significant difference between the average return of shares on the Indonesia Stock Exchange and the Kuala Lumpur Stock Exchange for the period 2015-2019.

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