



## The Inconsistency Effect of Anomalies on the *Muslim Eid (Id Fitri)* towards Abnormal Return: Case Study in the Indonesia Stock Exchange

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### ARTICLE INFO

#### *Article History:*

Received  
18/06/2019  
Revised  
27/11/2019  
Accepted  
16/12/2019

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#### *Keywords:*

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*Paper Typer :*  
Research Paper

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### ABSTRACT

**Purposes:** The purpose of this paper is to analyze the causes of inconsistency in the effect of the "Anomalies" of the Islamic Eid (Eid al-Fitr) on Abnormal returns on the Indonesia Stock Exchange.

**Design/Methodology/Approach:** This article applied the quantitative analysis. In practise, it consistently uses the descriptive quantitative in measuring the effect cross selected-variables.

**Findings:** Based on the results of the analysis showed that the inconsistency of the effect of "Anomalies" of the Islamic Eid (Eid al-Fitr) on Abnormal returns in the Indonesia Stock Exchange was caused by various things, including behavior of investors caused by uncertainty during the Eid al-Fitr.

**Originality/Value:** a set of novelty identified from the article is that study deeply measures the relationship between anomalies of *The Muslim Eid* and Abnomarmal Return in The Indonesia Stock Exchange.

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## INTRODUCTION

According to UU Number 8 of 1995 "Capital markets are one of the financial institutions owned by Indonesia to open the door of investment in order to foster a stretch of the country's economy which aims to support the implementation of national development in order to increase equity, growth and national economic stability towards improving people's welfare. The capital market brings together the interests of those who have funds (investors) and those who need funds (issuers) in one mutual interest, thus becoming an important means in the economy that functions to mobilize funds from the public to the productive sector of the capital market .

As one of economic instrument is certainly influenced by the environment, both economic and non-economic, macro and micro scale. Where the conditions of the micro environment, including company performance, changes in corporate strategy, announcement of financial statements or company dividends, while the macro economic environment includes macro economic policies such as monetary policy, fiscal policy and government regulation in the real sector and finance where all that will affect turmoil in the capital market.”

In the 1960s the most dominant capital market concept was the hypothesis of *efficient market hypothesis*, EMH, Fama (1970) argues that a market is said to be efficient if the price of a stock fully reflects available information. A market is said to be efficient if no-one,<sup>1</sup> both individual investors and institutional investors are able to obtain a *return* that is not normal (*abnormal return*), meaning that the prices formed on the market is a reflection of the existing information. EMH emphasizes that competition between investors in seeking *abnormal returns* moves prices to the right value. EMH does not assume that all investors are rational, but EMH also assumes that markets are rational. EMH does not assume that markets can predict the future, but EMH also assumes that markets make unbiased future forecasting (Harji an to, 2009).<sup>2</sup>

As time went on, many financial experts revealed that the theory expressed by Fama was in fact incompatible with what happened or experienced anomalies. This encourages the emergence of a new branch of science, namely *Behavioral Finance*. Shefrin (2000) Defining finance behavior is a study that studies how psychological phenomena affect financial behavior.<sup>3</sup> Many events in the capital market which is incompatible with the efficient market hypothesis is often called the market anomalies (*market anomaly*). So far the results of various studies have found at least four types of market anomalies, namely: (1) Company anomalies are *returns* related to company size (2) Anomalies of events (3) Accounting anomalies and (4) *Seasonal anomalies* or known with *calender anomalies*.

Furthermore, currently the capital of Indonesia has now developed into one of the long-term funding sources for the business world and the government (Republika, 2013). Various programs such as infrastructure development are also encouraged to use funding from the capital market (Republika, 2013). This is in accordance with the objectives of the capital market itself, namely to support the implementation of national development which has a strategic role as one of the sources of funding for the business sector (Meidawati and Harimawan, 2004) .

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<sup>1</sup> Fama, “Efficient Market Hypothesis” (1990), 5, American Economic Review.

<sup>2</sup> Harjianto and A. Martono, *Managemen Keuangan* (Yogyakarta: Ekonisia, 2009), 16.

<sup>3</sup> Hersh Shefrin, *Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing* (Boston: Harvard Business School Press, 2000), 50.

The more important the role of the capital market for a country, the more sensitive the capital market is to various events that have information content in it (Suryawijaya and Setyawan, 1998).<sup>4</sup> So that information can influence the rise in stock prices (Azhar et al., 2013).<sup>5</sup> For investors, information is one of the important factors in making investment decisions. Events that can be used by the investor information can be derived from internal conditions and external issuers. Events originating from internal conditions can be in the form of *dividend* announcements, issuance of financial statements, *stock splits* and so on, while external events are generally economic and non-economic (Islami and Sarwoko, 2015).<sup>6</sup> To test the market reaction to an event can use the *event study* method. According to Setyawasih (2007) the *event study* is a research methodology that uses financial market data to measure the impact of an event as reflected in changes in price and volume of transactions.<sup>7</sup> Price changes can be reflected in the existence of *abnormal returns* while transaction volume is reflected in the *trading volume activity*. *Abnormal return* is the difference between the actual *return* and the expected *return* (Hartono, 2014).<sup>8</sup> *The real return* is a comparison between the difference between the current stock price and the previous period (Azhar et al., 2013).<sup>9</sup> While *trading volume activity* is the amount or volume of stock trading at a certain time. At present most of the research related to the capital market always uses one or both of the above variables to test whether there is an anomaly in a capital market due to a particular event or event.

One form of capital market Anomalies is *holiday effect* which is part of calendar anomalies. Anomaly *holiday effect* is characterized by a stock *return* on the day before holidays and stock *returns* a day after the holiday will experience a significant difference compared to the *return* of ordinary days. Every country in the world has its own holiday. Many researchers in the world are conducting research on the *Holiday Effect*. Sukor (2012) conducted research in several capital markets such as in countries : Hong Kong, Malaysia, Singapore and Taiwan also showed the same phenomenon even though each of these countries had

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<sup>4</sup> M. A. Suryawijaya and F. A. Setiawan, "Reaksi Pasar Modal Indonesia Terhadap Peristiwa Politik Dalam Negeri (Event Study Pada Peristiwa 27 Juli 1996)," *Kelola* Vol. 18, no. 7 (1998): 137.

<sup>5</sup> A. Dp Azhar, N. Emrinaldi., and Montazeri M. A, "Analisis Abnormal Return Saham, Volume Perdagangan Saham, Likuiditas Saham, Dan Variabilitas Tingkat Keuntungan Saham Sebelum Dan Sesudah Stock Split," *Jurnal Akuntansi* Vol. 2, no. 1 (2013): p. 36.

<sup>6</sup> L. N. Islami and E. Sarwoko, "Reaksi Pasar Modal Indonesia Terhadap Pergantian Menteri Keuangan: Event Study Saham Yang Terdaftar Di BEL," *Moderniasasi* Vol. 8, no. 1 (2012): P. 44.

<sup>7</sup> R. Setyawasih, "Studi Tentang Peristiwa (Event Study): Suatu Panduan Riset Manajemen Keuangan Di Pasar Modal," *Jurnal Optimal* Vol. 1, no. 1 (2007): 52.

<sup>8</sup> Hartono J., *Teori Portopolio Dan Analisis Investasi* (Yogyakarta: BPF, 2013), 24.

<sup>9</sup> Azhar, Emrinaldi., and M. A, "Analisis Abnormal Return Saham, Volume Perdagangan Saham, Likuiditas Saham, Dan Variabilitas Tingkat Keuntungan Saham Sebelum Dan Sesudah Stock Split," 37.

different holidays and different capital market regulations.<sup>10</sup> *Holiday Effect* anomalies in Indonesia cannot be confirmed. Based on the news on Infovesta.com there is a uniqueness in which the JCI performance along the momentum of holidays in Indonesia.

One of the events that allegedly can cause changes in stock prices and trading volume is the momentum of the holiday of muslim people, Islamic holiday namely Eid al Fitr. Where is one of the religious holidays in Indonesia. Eid al-Fitr is one of the holidays that has different characteristics than other holidays because in addition to Eid Al-Fitr holidays is the longest holiday that can reach one week so that the closing of the stock is longer than other holidays (Hinawati, 2016),<sup>11</sup> and many other factors such as increasing levels of public consumption, homecoming habits, and others . Therefore investors prefer to hold funds rather than investing.

In an efficient market condition the stock price of a company in the capital market reflects the information available in the capital market (Tandelilin, 2001: 219).<sup>12</sup> This information contains the conditions of the company itself, which in the end the available information will be responded to by market participants that cause trade and changes in stock prices. In addition, in an efficient market condition, positive value information will also be responded positively by the market which will cause an increase in the stock price of a company, otherwise negative information will also be responded negatively by the market which will cause a decline in stock prices (Tandelilin, 2001: 565).<sup>13</sup>

Although Indonesia itself is not an Islamic country, but the majority of its population who are Muslim, of course, allows the thickening of Islamic culture in the pattern of life and daily activities of society, especially during Ramadan and before Idul Fitri (Yuniati, 2014).<sup>14</sup> In the opinion of *Chan.et.al* (1996) that the effects that appear on holidays that are related to culture will dominate more than state holidays.<sup>15</sup> Reinforced by the opinion of *Yen.et.al* (2001) which revealed that the dominant culture of a country can influence stock price movements in the days around the holidays related to the dominant

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<sup>10</sup> Abd Sukor and Edil Mohd, "Stock Returns, Firm Size, Liquidity and the Festivities Effect: Asian Evidence," July 8, 2012, 53, Available at SSRN: <https://ssrn.com/abstract=2155462>.

<sup>11</sup> T. Hinawati, "Efek Hari Libur Idul Fitri Terhadap Abnormal Return Pada Bursa Efek Indonesia," *Cakrawala* Vol. 11, no. 1 (2016): 34.

<sup>12</sup> E. Tandelilin, *Portopolio Dan Investasi, Teori Dan Aplikasi* (Yogyakarta: Kanisius, 2001), 43.

<sup>13</sup> Tandelilin, 44.

<sup>14</sup> R. A. N. Yuniati, "Ramadan Anomaly Effect Pada Jakarta Islamic Index Berdasarkan Perspektif Behavioral Finance Theory," *Majalah Ekonomi* Vol. 9, no. 1 (2014): 60.

<sup>15</sup> M.W.L Chan, A Khanthavith, and H. Thomas, "Seasonality and Cultural Influences on Four Asian Stock Markets," *Asia Pacific Journal of Management* Vol. 13, no. 1 (1996): 24.

culture.<sup>16</sup> But based on many previous studies related to the presence or absence of reactions from effects Eid in Bursa Effects Indonesia there are inconsistent results / different. Some studies have found that there are no reactions in the form of *abnormal returns* or TVA around Eid al-Fitr, some other studies have found that there is an *abnormal form of retrun* reaction and TVA around the Eid al-Fitr .

This is an interesting matter to examine and observe what causes the inconsistency in the reaction of the Indonesian capital market to the Eid-alFitr in Indonesia. Which theory says there should be a market reaction wheezing n gat Eid is a religious holiday that is where the majority of Indonesian people are also accompanied by a long holiday around Eid and Market Anomalies theory and characteristics of the Indonesian market. Basen on the setting mentioned, the article is written to analysis of whether the cause inconsistency effect abnormal returns occur around the of Muslim holiday Eid al Fitr.

## THEORITICAL BACKGROUND

### *Stock Price Behavior*

Syahril Hamid (2003) “explains that the phenomenon of the effects of holidays in stock *returns* is a phenomenon of stock prices. Because usually in research about patterns of *returns* in stocks are associated with an analytical approach, namely technical analysis that analyzes stocks based on price movements and trading volume. Stock price is the value of a stock that is determined by the strength of the *offer* and the *bid price of a* stock in a particular market mechanism. The behavior of this stock price changes drastically either up or down, where each change can be caused because of two analysis factors, namely fundamental analysis factors and technical analysis factors”.<sup>17</sup>

### *Signal Theory*

Signal theory or *signaling theory* states that any signals issued by internal parties or external parties that can affect the condition of the company and have information content will be responded to by investors (Gelb, 1999).<sup>18</sup> According to signal theory there is information asymmetry between investors and internal

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<sup>16</sup> Gili Yen, Lee. C.F., and W.C. Lin, “Chinese New Year Effect in Asian Stock Markets. Taiwan National University Management Journal,” *Taiwan National University Management Journal* Vol. 4, no. 1 (1993): 417.

<sup>17</sup> Syahril Hamid, “Pengaruh Hari Libur Terhadap Return Saham: Studi Empiris Terhadap Indeks Harga Saham Gabungan (IHSG) Di Bursa Efek Jakarta” (Universitas Diponegoro, 2003), 45.

<sup>18</sup> D. S. Gelb, “Corporate Signalling with Dividend, Stock Repurchase, and Accounting Disclosure: An Empirical Study,” *Journal of Accounting, Auditing & Finance* Vol. 15, no. 2 (1999): 99.

parties and external parties (Gelb, 1999).<sup>19</sup> As a result of information asymmetry, the price of shares that have not reached equilibrium prices so that investors who have information that know that equilibrium prices will reach a certain point will buy these securities and will later sell them at equilibrium prices that can occur when certain events occur so investors can enjoy *abnormal return* from the difference in stock prices (Wismar'ain, 2004).<sup>20</sup>

These signals can be either positive signals or negative signals. Information that is positive will cause an increase in the price of a company's stock, whereas information that is of negative value causes a decrease in stock prices. The increasing number of positive information will increase stock prices, and vice versa. This signal can be found by investors when there are certain market anomalies such as *holliday effect* one of them is the Muslim holiday of Eid al-Fitr.

### ***Market Efficiency Theory***

Market efficiency theory according to Hartono (2013: 585) If the market reacts quickly and accurately to achieve a new equilibrium price that fully reflects available information, this condition is called an efficient market.<sup>21</sup> Another opinion states that the theory of market efficiency in which the prices of all traded securities reflect all available information (Tandelilin, 2001: 219).<sup>22</sup> The more rapid development of the capital market, the more sensitive the capital market will be towards information received. The slow pace of stock price reactions to an event depends on the strength of the capital market efficiency. The more efficient a capital market is, the faster the information can be absorbed in the stock price.

According to Hartono (2013: 586) forms - market efficiency can be seen from several points of view, between the efficiency of the market in information and the efficiency of the market in a decision.<sup>23</sup> According to Tandelilin (2001: 223) on market efficiency, market information is divided into three categories and differentiated based on the type of information in it.<sup>24</sup> From this category, it is known that the efficiency of the Indonesian capital market is classified as half strong (Gumantri and Utami, 2002).<sup>25</sup> This means that the current stock market prices have reflected *historical* information, coupled with all published information (such as *earnings*, dividends, *stock split* announcements, issuance of

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<sup>19</sup> Gelb, 101.

<sup>20</sup> D. Wismar'ain, "Reaksi Pasar Atas Pengumuman Right Issue Terhadap Abnormal Return Dan Likuiditas Saham Di Bursa Efek" (Universitas Diponegoro, 2004), 67.

<sup>21</sup> Hartono, *Teori Portopolio Dan Analisis Investasi*, 35.

<sup>22</sup> Tandelilin, *Portopolio Dan Investasi, Teori Dan Aplikasi*, 55.

<sup>23</sup> Hartono, *Teori Portopolio Dan Analisis Investasi*, 56.

<sup>24</sup> Tandelilin, *Portopolio Dan Investasi, Teori Dan Aplikasi*, 61.

<sup>25</sup> Gumantri T. A. and E. S. Utami, "Bentuk Pasar Efisien Dan Pengujiannya. Jurnal Akuntansi Dan Keuangan," *Jurnal Akuntansi Dan Keuangan* Vol. 4, no. 1 (2002): 70.

new shares, financial difficulties experienced by companies and other published events that have an impact on the company's cash flow in the future which will come).

In the efficient form of the semi-strong market, *abnormal returns* only occur around announcing an event as a representation of the market response to the announcement. The market is expressed in the form of a half-strong if the information is absorbed or responded quickly by the market (in one to three *spots* of time or days around the announcement). *Abnormal returns* that occur over a period of more than three time *spots*, reflect part of the market response late in absorbing or interpreting information.

In investing in the capital market, information plays a very important role in investment strategies.<sup>26</sup> By knowing information, an investor can make the right decision, thereby reducing the risks that might arise from decision making. The influence of information on the reaction of the capital market is an interesting thing to observe. In making investment decisions, capital market players will try to find information that they consider relevant to conditions in the capital market.

Information received by capital market players regarding stock prices is usually reflected in the stock price itself, therefore capital market players must be quick to respond to information on the capital market. But keep in mind that not all information is valuable information. Therefore, capital market players must appropriately select and sort information in the capital market to be taken into consideration in making investment decisions. However, the efficiency of the market is informed only on information that does not need to be further processed such as the announcement of company profits, Holiday Effect, Elections, etc. The market arena will digest this information quickly. Thus the efficiency of the market is not determined by how much the market manages information but how widely the information is available in the market.<sup>27</sup>

But for information that still needs to be further processed, the availability of information does not guarantee the market will be efficient. Like when there are certain market anomalies like *holliday effect* one of them Eid AlFitri. At the time this information begins to influence stock prices, it is not necessarily the share price of the company in question has fully reflected the information. The reason is because market participants have to interpret and analyze such information is good news or bad news (depending on conditions at the time). This requires an in-depth analysis to estimate the magnitude of the impact caused by these events on the stock price. A investor demanded to have sophisticated and careful in an efficient capital market in this decision.<sup>28</sup>

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<sup>26</sup> E. J. Elton et al., *Modern Portopolio Theory and Investment Analysis* (London: John Wiley & Sons, Inc., 2003), 77.

<sup>27</sup> Hartono, *Teori Portopolio Dan Analisis Investasi*, 78.

<sup>28</sup> Hartono, 62.

Hartono further explained that market efficiency in a decision is also a form of market efficiency that is half strong according to the Fama function based on the information distributed. The difference is that if the efficiency of the market informally only considers a factor, namely the availability of information, then market efficiency in a decision considers two factors, namely the availability of information and the sophistication of market participants. Because it involves many factors in determining an efficient market.

### ***Abnormal Return***

*Return* is the profit obtained by investors from investment activities. *return* can be in the form of *expected return* and *actual return* (Hartono, 2013 : 109). *Expected return* is the expected *return* by an investor, whereas *actual return* is the *actual return* that occurs and is obtained by an investor (Hartono, 2013 : 109).<sup>29</sup> *Abnormal return* is the difference between the *actual return* received by the investor and the *return* expected by the investor (Tandelilin, 2001: 573).<sup>30</sup> *Abnormal returns* can be calculated using the formula below:

$$AR_{it} = R_{it} - E(R_{it})$$

Information:

$R_{it}$  : *abnormal stock return*  $i$  on day  $t$

$R_{it}$  : *actual return* for stock  $i$  on day  $t$

$E(R_{it})$  : *expected return* for stock  $i$  on day  $t$

### ***Trading Volume Activity***

*Trading volume activity* (TVA) is an instrument that can be used to see the reaction of the capital market to information through the parameters of the movement of the volume of trading activities of shares of a company in the capital market (Trisnawati, 2010). TVA is used to measure whether individual investors know the information issued by the company and use it in buying or selling shares. So that the investor will get an abnormal or *abnormal return* (Trisnawati, 2010).<sup>31</sup>

The greater the stock capitalization of a company, the better the information provided to the market. The market has better access to information for large companies. On the contrary, for companies that are relatively small, they generally receive less attention from the public and are not sufficiently trusted by prospective investors regarding the company's prospects.

<sup>29</sup> Hartono, 57.

<sup>30</sup> Tandelilin, *Portopolio Dan Investasi, Teori Dan Aplikasi*, 78.

<sup>31</sup> Fenny Trisnawati, "Pengaruh Peristiwa Politik Terhadap Perubahan Volume Perdagangan Saham Dan Harga Saham," *Jurnal Akuntansi Dan Keuangan* Vol. 10, no. 2 (2010): 43.



So that underwriters do not get the risk because stocks are not sold, there is a tendency to sell their shares at low prices (Lestari, 2013).<sup>32</sup>

The results of TVA calculations reflect the comparison between the number of shares traded and the number of shares outstanding in a given period. TVA is measured by the following formulations (Lestari, 2013) :

$$TVA_{it} = \frac{\sum \text{saham } i \text{ ditransaksikan waktu } t}{\sum \text{saham } i \text{ beredar waktu } t}$$

Information:  
 TVA<sub>it</sub> = *trading volume activity* share i on day t

The results of previous studies are the origin of thinking to find the reason why there are differences in results from previous studies related to the reaction of the capital market during the holliday Muslim Eid Al Fitr (Idul Fitri) . This is evidenced by the differences which sometimes there are and sometimes not of a difference in *abnormal returns* received by investors during the study period. As well as fluctuations in the amount of *abnormal returns* that are not consistent.

## METHODS

This article applied the quatitative analysis. In practise, it consistently uses the descriptive qantitative in measuring the effect cross selected-variables. The quantitative as approach in social research was categorized into scientific realist methodology in which its priority is to explanatory of reality in finding the law of reality. In this context, the applied-qualitative is to explain how the anomalies identified in *eid fitri* effect towar abnormal Return in the Indonesia Stock Exchange.

## RESULTS AND DISCUSSIONS

### *Understanding the Eid Al-Fitr*

Eid al Fitr is a Muslim holiday. Indonesian Muslims call it Lebaran and moment to forgiving each other, after the fasting of Ramadhan which purifies the soul, cleanses sin. In language (harfiyah), Eid al-Fitr means returning to fitrah. The

<sup>32</sup> E. Lestari, "Pengujian Reaksi Pasar Terhadap Perusahaan Yang Melakukan Stock Split Berdasarkan Rasio Split Di Bursa Efek Indonesia," *Jurnal Media Mahardika* Vol. 11, No. 2 (2013): 4.

word fitrah from the word futur which means a return to breakfast (breakfast). So, Eid al-Fitr actually means returning breakfast, unlike Ramadhan which must fast.

There are also those who interpret Idul Fitri as a **return to fitrah**, namely the origin of holy human events clean from sin, like a newborn baby. Such understanding is related to the hadith of the Prophet Muhammad from a friend of Abu Hurairah. He said:

مَنْ صَامَ رَمَضَانَ إِيمَانًا وَاحْتِسَابًا غُفِرَ لَهُ مَا تَقَدَّمَ مِنْ ذَنْبِهِ

*"Whoever fasts Ramadan on the basis of faith and hopes for a reward from Allah, then his past sins will be forgiven (Narrated by Bukhari and Muslim)."*

### **Holidays History**

Before the teachings of Islam were revealed to the Prophet Muhammad in Makkah, the Arab Jahiliyah community already had two feast days, namely *Nairuz* and *Mahrajan*. The Jahiliyah Arabs held both feasts by holding festivities. In addition to dancing, both war dances and dexterity, they also celebrate holidays by singing and eating delicious dishes and intoxicating drinks.

"Nairuz and Mahrajan is a tradition of holidays originating from Ancient Persia (See *Encyclopaedia of Islam*)."

After the obligation to perform fasting of Ramadan in 2 Hijrah, according to the hadith narrated by Abu Dawud and An-Nasa'i, Rasulullah SAW said:

*"Surely Allah replaces the two feasts with a better holiday, namely Eid al-Fitr and Eid al-Adha (HR David and Nasai)."*

Every people do have their own feasts. Ibn Kathir in the *Acts of the Prophets and Apostles* quotes a hadith from Abdullah bin Amar:

*"I heard Rasulullah SAW said: "'Noah's fast is one full year, except Eid al-Fitr and Eid al-Adha' (Ibn Majah)."*

If referring to the hadith above, then the people of Noah also had a feast. Unfortunately, said Ibn Kathir, the hadith narrated by Ibn Majah is the sanad *dbaij* (weak). Muhammad SAW confirmed that every people have a feast.

### ***Eid al-Fitr in Indonesia***

Eid al-Fitr is usually the largest annual economic stimulus in various Islamic countries in the world. Sales of goods rose sharply in various retail areas, and during the *Eid Al-Fitr*, people bought various Eid gifts, decorations and supplies. Industries that depend on sales in the Eid al-Fitr season include *ketupat*, Idul Fitri cards, and others. In addition to the biggest economic activities, Eid al-Fitr Day in various Islamic countries is the loneliest day for the business world; almost all retail stores, business and commercial institutions close, and almost all industries stop operating.

The tradition of welcoming the arrival of Eid al Fitri in Indonesia is very diverse. Starting from the tradition of going home to gather with relatives in his hometown, the tradition of preparing Eid dishes, until the tradition of sharing sustenance to relatives. So many preparations were made to welcome the victory day. All Muslims are preparing to meet their needs, including Muslims throughout Indonesia. Then all the preparations made turned out to be able to increase the economic movement of Indonesia. How come? Let's look at the description.

Homecoming, this tradition is carried out in various ways and uses various modes of transportation, starting from cars, motorcycle , trains, airplanes, and ships. The increasing number of passengers who will use transportation services for homecoming has resulted in increased demand for these services. This makes many transportation service providers such as Indonesian Railways or KAI provide additional mudik tickets. Turning to the tradition of serving Eid offerings, many mothers have begun to invade the market both modern and traditional markets to buy food needs such as beef, chicken and vegetables. Again, the increasing demand for basic needs keeps the economy moving.

From the two illustrations above, it can prove how Eid al-Fitr is able to provide abundant sustenance for everyone, and is able to move and increase Indonesia's economic transactions. Not only that, clothing merchants such as clothing also contribute to increasing economic income. With the many consumer needs for clothing, their sales turnover continues to increase. Increased economic transactions are certainly able to improve the Indonesian economy. Given that national economic growth often goes up and down, the government really hopes that there will be a lot of improvement caused by the coming of the holy month of Ramadan and Eid al-Fitr.

Various incentives prepared by the government, as well as increased consumption at the momentum of Eid al-Fitr, are expected to reduce various pressures such as the deteriorating global economy, depreciation of the rupiah, and weakening purchasing power. A number of facts show that our economy is quite resilient to various external and internal pressures. The fact shows that the economic slowdown did not make the number of travelers on Eid al-Fitr decline.

In fact, usually people are faced with a classic situation, namely the increase in prices of basic necessities during fasting and before Eid. However, this condition does not necessarily reduce public consumption. Ticket sales for public transport modes for homecoming are not affected. Although the community complained about the high transportation tariff, the complaint did not cancel the plan to return home.

Money circulation during Eid al-Fitr is estimated at at least Rp. 95 trillion. This amount is obtained from the number of formal sector workers of 47.5 million people, assuming that each worker receives a THR one-time salary of the regency / city minimum wage of Rp.2 million per month. The value of Rp. 95 trillion is a very conservative assumption, considering that there are many formal sector workers whose wages are far above the regional Minimum Wage (UMR). Not to mention the remittances from migrant workers abroad, which are quite large in number.

Therefore, the real value of the money turnover originating from THR Eid al-Fitr can be double that value. The opposite description occurs in informal sector workers who do not get THR. To get additional income in the framework of Eid al-Fitr, informal sector workers usually increase the price of the goods or services they sell. However, the decline in purchasing power made the additional income seem as if there was no meaning. The circulation of money from THR Eid al-Fitr, although only temporary, is believed to be able to lift domestic consumption, while being a cushion for the national economy that is facing pressure from various directions. Indeed, not all sectors enjoy the blessings of money circulation during Idul Fitri. Only directly related sectors, including the food and beverage industry, retail, and transportation services.

The economic conditions around Eid al-Fitr and its stock exchange holiday factors in a few days as described above can certainly influence investor behavior in transact in the capital market. The behavior of investors can be different because many factors cause that can be used as a reference and benchmark for an investor to make a decision, Buy, Sell, or Hold. In addition, the difference in the condition of Eid al-Fitr in each year is also a cause of inconsistency in the results of previous studies

Research - research that has been done does not show consistency mean it shows that actual economic conditions which in every Eid has happened economic conditions and capital markets difference between year to year. Results studies history also a showing that many factors can influence capital markets and the economy so there is no consistency *abnormal return* is a measure of a stock market react to an event or not. In this case Eid al-Fitr . In addition, not their influence before and after Eid al Fitr holidays to abnormal return caused by the behavior of individual investors in making financial decisions not only influenced by consideration of rationality and objective data only. But it is also influenced by rational actions such as emotions, certain psychological habits and moods individual investors .

At that moment, the Indonesia Stock Exchange (IDX) will close transaction activities for a certain period of time . The Stock Exchange will return to active as usual at a specified time . In terms of investors, Eid holidays are quite long. It was noted that there were a number of stock exchange days where there were no securities transactions. Investors, brokers, *fund managers* , and other market players can enjoy Eid al-Fitr with their families in their respective villages, forgive and deepen their relationship while on vacation enjoying the Holidays Allowance.

For the time being, investors don't need to think about the ups and downs of stock prices and don't need to worry that the portfolio value will drop. However, in a long vacation like this there are two moments that need attention or even anticipation. *First*, the moment before or after Eid. In several studies, it was stated that holidays have an effect on the movement pattern of the Composite Stock Price Index (CSPI) in the Exchange, both foreign exchange and domestic exchanges. Often called holiday effects ( *holiday effect* ). Some students in Indonesia have also researched the *weekend effect* . The results of the study state that every holiday ahead, especially long holidays often the JCI shows a pattern of decline.

The explanation is this, everyone knows that buying and selling securities in the capital market is much influenced by the actual distribution of information. Fluctuating stock prices are strongly influenced by the development of information circulating. If the information is positive, the stock price and index will move up, whereas if negative information will trigger a selling pressure, the stock price and index will decrease. During holidays, there are no trading activities on the stock market. But the name of the information will not stop flowing during the holidays. To secure the portfolio from the confusion of information that might arise when on vacation, investors think it's better to first release their portfolio.

It must be remembered also that during Eid al-Fitr not all public exchanges were off. If the IDX is off, it does not mean that the stock exchange in the Straits Time is off. Also regional exchanges such as the Hang Seng, Nikkei, Exchanges in China, Wallsreet are not on holiday. So if there are shares that are the same listing on two exchanges ( *double listings* ), then the shares will continue to transact, even though on the IDX there are no transactions due to the Eid holidays.

If the regional stock index during the holiday falls, the IDX Index is actually corrected on paper. However, because of the Eid al Fitr holidays there is no change in the index. *Second*, the moment after Eid. As noted above, during the Idul Fitri information continues to flow and foreign exchanges continue to engage in activity. If negative circulating information and foreign exchanges also show a decline, then when the IDX is opened again very quickly it will adjust to the market ( *adjustment* ).

This phenomenon happened in 2008 when the international economy was hit by the storm of the global financial crisis. At that time, the IDX was off and at the same time overseas exchanges experienced extraordinary selling pressure so that the index experienced a correction. When the IDX is active again, the stock prices that were previously not affected immediately move to adjust. At that time, the majority of the global index fell significantly if accumulated by more than 10 percent.

But keep in mind that these are only estimates that can sometimes happen and sometimes it does not happen, and in fact all of it will come back to ourselves each - each investor whether the steps they did in anticipating their uncertainty that can occur around Eid that is . Because of many factors, the inconsistency of the effect of the "Anomaly" on the Muslim Eid (idul fitri) on the *Abnormal return* on the Indonesia Stock Exchange which is proven by the results of previous studies is true.

## CONCLUSION

The main thesis of article empirically offered is that, based on the results of the analysis, showed that the inconsistency of the effect of "Anomalies" of the Islamic Eid (Eid al-Fitr) on Abnormal returns in the Indonesia Stock Exchange was caused by various things, including behavior of investors caused by uncertainty during the *Eid al-Fitr*. Uncertainty as reality in economy constantly faced by investor during making the investment decision stimulates them doing calculation toward their actions—in many aspect of live. This thesis can be offered convincingly for the data indicated consistently some indicators of that thesis.[]

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