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ANALYSIS OF JANUARY EFFECT ON THE JAKARTA ISLAMIC INDEX (JII) GROUP ON THE INDONESIA STOCK EXCHANGE (IDX)

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Abstrak

Pasar modal merupakan salah satu indikator untuk mengukur kondisi ekonomi suatu negara. Pasar efisien didasarkan pada *Efficient Market Hypothesis* (EMH) yang memiliki pergerakan harga saham yang acak atau *random walk*. *January Effect* merupakan salah satu anomali pasar yang terjadi ketika kecenderungan harga saham akan mengalami kenaikan pada bulan Januari dibandingkan dengan bulan-bulan setelahnya. Penelitian ini bertujuan untuk mengetahui fenomena *January Effect* yang ditinjau dari return saham dan abnormal return pada kelompok saham Jakarta Islamic Indeks (JII) tahun 2022. Pengumpulan data menggunakan teknik *purposive sampling* dengan kriteria yang telah ditetapkan. Sampel penelitian berjumlah 22 perusahaan dari total populasi 30 perusahaan yang masuk pada kelompok JII. Uji hipotesis penelitian menggunakan uji *One-Way* ANOVA dengan asumsi data berdistribusi normal dan homogen sudah terpenuhi. Hasil penelitian berdasarkan tinjauan dari return saham memiliki nilai signifikansi sebesar 0,636 dan abnormal return dengan nilai signifikansi sebesar 0,634 yang berarti fenomena *January Effect* tidak terjadi pada kelompok saham dalam JII tahun 2022.

Kata Kunci: *January Effect,* Return Saham, *Abnormal Return,* JII
JEL Code: E22, E31, E44

Abstrak

The capital market is indicator for measuring the economic condition of a country. The efficient market is based on the Efficient Market Hypothesis (EMH), which has random stock price movements or random walks. The January Effect is a market anomaly that occurs when stock prices tend to increase in January compared to the following months. This research aims to determine the January Effect phenomenon in terms of stock returns and abnormal returns in the Jakarta Islamic Index (JII) stock group in 2022. Data collection uses purposive sampling techniques with predetermined criteria. The research sample consisted of 22 companies from a total population of 30 companies included in the JII group. Test the research hypothesis using the one-way ANOVA test with the assumption that the data is normally distributed and homogeneous. The research results based on a review of stock returns have a significance value of 0.636 and abnormal returns with a significance value of 0.634, which means that the January Effect phenomenon does not occur in the stock group in JII in 2022.

Keywords: January Effect, Stock Return, Abnormal Return, JII
JEL Code: E22, E31, E44

INTRODUCTION

Capital markets play an important role in economic development and development of a country. Various measurement correlations are used to calculate and test a capital market, such as capital market performance (Acha & Akpan, 2019; Bello dkk, 2022), Gross Domestic Product (GDP) (Alam & Hussein, 2019), sukuk performance (Sari dkk, 2018; Tan & Shafi, 2021), and other measurements. Various objectives of measuring economic growth in the capital market focus on raising investment funds. Investment is an investment activity as a means of channeling funds from sectors with a surplus economy to sectors with a deficit economy, making the capital market a barometer of a country's economic growth. (Emenuga, 1998). The issuance of various securities is an important instrument in obtaining short-term capital which is channeled through loans on the money market, and long-term through the issuance of shares and bonds. Apart from that, the capital market also provides alternative funding for high-risk businesses, because traditional banking cannot provide this funding (Algaeed, 2021). Therefore, entrepreneurs can obtain additional funds to develop their business network (Bunnento, 2022).

The capital market is currently a forum for entrepreneurs and investors to collaborate in improving the economy. Entrepreneurs utilize capital market facilities to obtain funding to develop businesses and investors utilize capital markets to obtain profits or capital gains (Lutfia dkk, 2021). The Indonesia Stock Exchange (IDX) is the party that provides and organizes a system as a means for carrying out buying and selling transactions from various parties carrying out securities transactions. (OJK, 2023). Information about market conditions on an exchange is usually conveyed in a stock market index. On the Indonesian Stock Exchange there are several stock indices used, such as the IHSG index (Composite Stock Price Index), LQ45 index, Kompas100 index, JII index (Jakarta Islamic Index), IDX30 index, and several other indexes. (Sri Handini & Erwin Dyah Astawinetu, 2020).

An efficient capital market is a reflection of valuation security (Marisetty & Madasu, 2021) who is responsible for providing correct information and guarantees regarding share prices at a certain time (Pratama & Zulmaita, 2022). An efficient capital market will quickly respond to relevant information. This indicates that the faster relevant information is reflected in securities, the more efficient the capital market will be. Efficient markets are based on the concept of the Efficient Market Hypothesis (EMH) which is a set of theoretical predictors from financial theory. When a stock market is informationally efficient, stock prices reflect all available information (Kim dkk, 2019). This concept has become very important for financial institutions, investors and regulators. This is because the long-term investment plans of various parties are largely influenced by efficient markets (Vochozka dkk, 2020).

Basically, an efficient market has a random movement pattern or random walk, which indicates that stock movements should depend on future information (Cahyaningdyah & Putra, 2013). The term random walk was first introduced and used by Kendall in his financial literacy, then Fama pushed the random walk theory in some empirical evidence in his dissertation and initiated the emergence of the Efficient Market Hypothesis (EMH) theory. (Faiq dkk, 2019). Theoretically, in an effective capital market the possibility of obtaining abnormal returns is very small and can be said to not occur (Saiful, 2018). However, in practice, there are conditions where the capital market cannot absorb information quickly and relevantly, causing irregular returns (Diahlestari & Artini, 2019).

Abnormal returns usually occur in capital markets that experience deviations or market anomalies, which is the antithesis to the efficient market hypothesis. Market anomalies are events or occurrences that are difficult to anticipate, making it difficult for investors to avoid abnormal returns (Febriani dkk, 2023). One type of market anomaly is the January Effect, where stock prices tend to increase in January each year and in some cases stock prices will decrease in December. (Guo, 2022). This anomaly was originally discovered in 1942 and continues to be studied continuously by researchers. Even though the January Effect has been researched and confirmed, questions still arise that need to be explained in more detail, such as whether this trend will

continue?, what is the impact on all stock sectors?, and what are the causes?. The answers to these questions are often represented by academic research, but many research results contradict each other.

Several studies discussing the January Effect have begun to reveal several views and answers related to this anomaly. Arendas dkk, (2021) explains several causes of the January Effect, such as; (1) tax loss selling, is an effort made by investors to sell shares whose value has fallen, this aims to reduce tax liabilities at the end of the year. This is reinforced by research by Klock & Bacon (2014) which states that stocks with poor performance tend to record abnormally negative returns in November, December, and abnormally positive in January. Wachtel (1942) and Branch (1977) assume that the January Effect caused by tax loss selling. (2) window dressing, namely selling shares with poor performance at the end of the year with the aim of ensuring that investors' portfolio performance reports at the end of the year remain good, in accordance with research by Lakonishok et al., (1991) and Park & Moskalev (2010). (3) small stock's beta, many companies present financial reports for the coming year in January Rozeff & Kinney (1976), this will usually have a big impact on companies with small capitalization and will create the January Effect. (4) the other January Effect which assumes that market performance in January can predict performance in the following month until the end of the year which indicates that January returns will be followed by the following months.

This research uses stock return and abnormal return variables to assess the January Effect phenomenon. Stock return is a financial measurement to calculate the percentage change in the price of a share in a certain period. Typically used by investors to assess the performance of their investments and analyze the probability of return of each investment. Stock returns are widely used by researchers to measure the January Effect*,* Pratama (2018) stated that stock returns have an influence on the January Effect, in his research on the LQ-45 stock group, this research was strengthened by research Pinarti (2021) in Kompas100 index group companies, Hakim (2018) who research companies listed on the IDX, and Maxhuni, (2022); Plastun & Plastun (2018); Tørmoen & Vigdel (2021) they stated that stock returns occurred in the January Effect phenomenon. But many researchers dispute previous research and state that stock returns do not have a significant effect and that the January Effect phenomenon does not occur, such as Dewi & Santosa (2019); Munica & Yunita (2020); Sari & Sisdyani (2014) which examines stock returns in companies listed on the Indonesia Stock Exchange (IDX), Gemilang & Dewi (2021); Putri (2020) who researched the JII index stock group, and Garay Alvarado & Demmler (2019); Kiprono (2018); Tkalcevic & Schimiedecke (2019) each examined stock returns on the Mexican Stock Market Index, NYSE-London Stock-Tokyo Stock, and NYSE and the January Effect phenomenon did not occur.

Abnormal Return is an event where there is an abnormal return on investment in the capital market, in Abarbanell & Bushee (1998) explained that Abnormal Return is closely related to changes in income from year to year and is highly concentrated in the earnings announcements of the following quarter and is not affected by controlling risk factors. Several researchers have stated significant results on Abnormal Returns and the January Effect phenomenon, such as Indrayani (2019) which analyzes Abnormal Return and January Effect in mining sector companies listed on the IDX, Pradnyaparamita & Rahyuda (2017) researching companies that are included in the LQ-45 index group, and (Lutfia dkk, 2021) who researched companies included in the Kompas100 index group and they stated that Abnormal Return had significant value and the January Effect occurred. Some researchers state that the Abnormal Return is not significant and that the January Effect phenomenon does not occur, such as Septianingsih dkk, (2021); Yunita & Rahyuda (2019) they researched companies included in the IDX30 stock index group, Mutiasari & Paramita (2018) for companies included in the LQ-45 index group, and Ansori & Wiagustini, (2018) researched companies included in the JII index, and they stated that the Abnormal Return results were not significant and there was no January Effect.

The various studies above show inconsistent results. The variables studied had different results, namely in several company sectors and in several indexes, even the results of research related to the

January Effect carried out in several countries also had different results. Due to differences in research and the lack of research on companies in the stock group included in the Jakarta Islamic Index (JII), it is deemed necessary to carry out further research. Researchers use stock return and abnormal return variables in their research to explain the January Effect phenomenon more broadly.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Capital market

The capital market is a meeting place for parties who have funds to invest and parties who need funds. To achieve the desired goals, securities buying and selling transactions are carried out in the form of shares, bonds and other securities (Tandelilin, 2010). Through the capital market, fund owners (investors) will invest their funds and expect profits from their investments, while recipients of funds (issuers or companies) can develop their businesses and businesses. (Fabozzi dkk, 2010). Apart from functioning as a place to invest, the capital market provides other alternatives for investors in investing their funds, such as saving in banks, buying gold, insurance and various other instruments. Basically the capital market has two main segments;

1. Primary Market
   In this market, companies or issuers officially list their shares and bonds for the first time. Investors can buy the company's financial assets directly and this process will provide new funding for the company.
2. Secondary Market
   The secondary market functions as a trading place for company financial assets that already exist or have previously been listed on the primary market. Investors can buy and sell financial assets of a company without having to involve the issuing company, which means buying and selling transactions can be carried out between investors. One form of secondary market is the Stock Exchange.

The Indonesian Stock Exchange is an institution that provides facilities for investors to carry out securities trading transactions in Indonesia. IDX was originally a combination of two exchanges, namely the Jakarta Stock Exchange (BEJ) and the Surabaya Stock Exchange (BES). On January 1 2007, the exchange resulting from the merger officially started operating, and used the Jakarta Automated Trading System (JATS) trading system. Law No. 8 of 1995 article 7 paragraph (1) explains the purpose of the capital market, namely to be able to carry out securities trading in an orderly, efficient and fair manner based on clear rules and carried out consistently. To provide information about the development of the stock exchange as a whole, as reported in the IDX Fact Book, IDX has at least 31 types of indexes and several sectoral indices, such as the Composite Stock Price Index (IHSG), LQ-45 index, Indonesian Sharia Stock Index (ISSI), Jakarta Islamic Index (JII), and the Kompas100 index (IDX, 2016).

Efficient Market Hypothesis (EMH)

Efficient Market Hypothesis (EMH) is an economic theory which states that financial asset prices always reflect the comprehensive information available in the capital market. This indicates that financial markets are efficient, where stock prices reflect all information that investors can access. EMH was initiated by Fama in 1970, he stated that capital markets that are run efficiently will make it easier for an investor to get information quickly, easily and at low cost. (Wulandari, 2014). There are three forms or levels in the EMH, including: weak, semi-strong and strong efficient markets.

1. A weak form efficient market is a market that fully reflects information in the past. This indicates that all historical information about a financial asset, such as stock movements and trading volume, is reflected in the current price. Under conditions like this, investors cannot use technical analysis to get maximum and consistent stock returns in capital market transactions.

2. A semi-strong form of efficient market is all information relating to financial assets in the past and currently published by the company that is reflected in share prices. Efficiency in a semi-strong market means that an investor cannot get a return from the available information. Apart from that, fundamental and technical analysis cannot be used to gain consistent profits, because all information is included in market prices.
3. 3. A strong form of efficient market is stock price information that reflects all information, including private or insider information. In addition, this market reflects fundamental analysis information from companies. This explains that market information is only known by a few parties, such as company directors, management and creditors.

Based on the explanation above, it can be concluded that an efficient market with a certain form will indicate certain conditions. This provides various information about stock prices and their changes. Various forms of markets are efficient and each piece of information has a direct impact on investors.

Market Anomaly

Even though the Efficient Market Hypothesis (EMH) has become a complete financial theory, in practice it cannot be separated from events that conflict with market efficiency, which are called market anomalies. Market anomalies indicate price patterns that do not match theoretical expectations and occur in various conditions and times. Market anomalies occur frequently in empirical economics and financial literature. Therefore, deviations in the EMH must be researched further and in depth, so as to provide broad insight into market anomalies. Within a few years, market anomalies can be identified and categorized into several types. Most market anomalies fall into calendar anomalies, among other things:

1. Day-off the week
2. January effect
3. Turn of the month effect
4. Holiday effect

Market anomalies have a concept that is contradictory to weak form efficient markets, stated as efficient markets that contain information about the past and its movements in share price values and investors cannot use technical analysis to fulfill their objectives. Apart from calendar anomalies, several other types of anomalies are mentioned.

Tabel 1. Stock Market Anomalies

Calender Based Anomalies	Announcement Based Anomalies	Other Anomalies
Day-of the week effect	Earning-surprise effect	Book to market effect
End-of the day effect	Information relasing effect	Low beta firm effect
Holiday effect	IPO, SEO, and stock buybacks	Low price stock effect
Intera-day effect	The pay-out effect	Momentum effect
January effect	Price earning-ratio effect	Revision to the mean effect
Monday/Weekend effect		SEO underperformance effect
Mounthly/turn of the year		Size effect
Tax-year effect		Weather effect
Week of the month effect		

Source: data processed by researchers, 2023

One of the theories that supports market anomalies is Post-Announcement Drift developed by Kahneman & Tversky in 1979. This concept refers to the phenomenon where stock prices tend to continue moving in the same direction after the announcement of important news or information that can affect company value. This theory suggests that the market may take time to fully adjust to

new information, and stock prices may continue to move in the same direction after the announcement. (Ball & Brown, 1968).

January effect

The January effect is a market anomaly based on calendar anomalies. The January effect is a capital market phenomenon where stock prices tend to rise in January. Although this phenomenon does not occur every year, many researchers and academic circles debate this anomaly. The increase in share prices has made investors interested in improving their portfolios, after a hiatus during the year-end holidays. This anomaly usually occurs in stocks with small market capitalization. One indication of the January Effect is the emergence of abnormal returns obtained by investors. The January Effect phenomenon was first detected by Sidney B. Wachtel, a banker in 1942. He stated that stocks with a passive tendency in their movements would increase sharply in January. (Indrayani, 2019). The January Effect is caused by three main factors;

1. Tax Loss Selling
   The most popular strategy with the January Effect is the hypothesis of selling shares for tax purposes or tax loss selling. Investors will sell some of their shares and investments that they feel have experienced losses, with the aim of reducing taxable profits or offsetting tax profits from shares and investments that have experienced profits. This strategy is commonly used by investors to optimize their tax position. Shares sold by investors at the end of the year will experience price pressure and be lower than the previous price, but these shares will rise again in January next year..
2. Window Dressing
   Not far from the first strategy, window dressing is also carried out by investors by selling some of their shares and investments which experience a decline in performance. This strategy is carried out with the aim of beautifying or improving the portfolio at the end of the reporting period, such as the end of the quarter or the end of the fiscal year. A good portfolio is important for investment managers in order to improve their image and attractiveness to potential investors and shareholders.
3. Small Stock's Beta
   This concept refers to stocks with a relatively small market capitalization or including small stocks. Small Stock's Beta has varying significance because stocks with small market capitalization are susceptible to significant changes. Small stocks quickly experience more rapid price fluctuations compared to stocks with larger market capitalization.

Stock Return & January effect

Tandelilin (2010) states that returns are stock returns in positive or negative form. Basically returns will motivate investors to buy shares or invest and also hope for profitable returns for them. Stock returns are rewards that investors receive which are a return for the investments they make and their courage in taking risks with their investment funds. Stock returns are divided into two types, namely realized returns and expected returns. The return trend that occurs in January encourages investors to improve their portfolios, the more investors are involved, the more likely the January Effect phenomenon will occur. Several studies explain the role of returns in the January Effect phenomenon such as, Bunnento (2022) which uses the stock return variable in testing the January Effect on companies included in the LQ-45 index group for the 2018-2022 period, Syamsudin (2019) researched companies included in the Jakarta Islamic Index (JII) index group for 2016-2018, Ahokas (2021) on companies listed on the NYSE; Girardin & Salimi Namin (2019) pada perusahaan yang masuk dalam VN-Index dan Truong & Friday (2021) researched companies listed on the US and German stock exchanges.

H_1: There is a difference in returns in January and eleven other months in the Jakarta Islamic Index (JII) stock index group on the Indonesia Stock Exchange (IDX).

Abnormal Return & January effect

Abnormal Return is the return of profit from trading results of a share which is obtained from the difference between the actual return and the expected return. This return is a concept that contradicts the Efficient Market Hypothesis and occurs in weak form markets. Describes stock movements in the past and is reflected in current prices. With the information that investors have obtained, buying or selling actions can be carried out on shares in the future. Abnormal Return is an abnormal return caused by the January Effect where many investors invest in January. With increased investment, demand for shares on the stock exchange will also increase, so that investors get quite large profits due to the increase in the composite stock price index. Several researchers have explained the significance of abnormal returns and the occurrence of the January effect, such as, Rahmawati & Pandansari (2020); Wulandari (2014): and Indrayani (2019).

H_2: There is a difference in abnormal returns in January and eleven other months in the Jakarta Islamic Index (JII) index stock group on the Indonesia Stock Exchange (IDX).

Conceptual framework

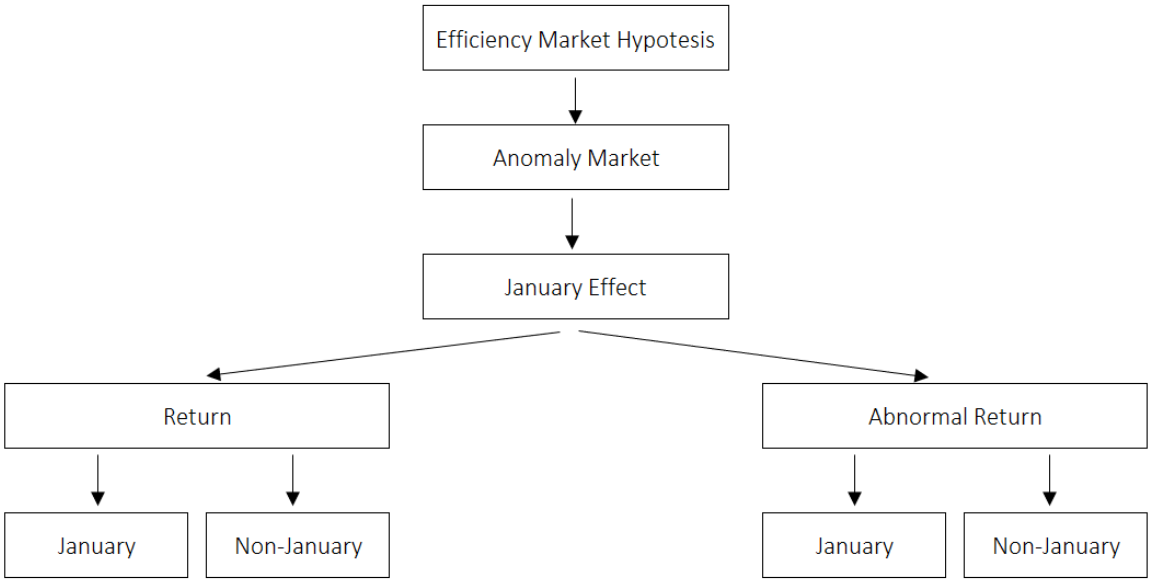

Figure 1. Conceptual framework
Source: data processed by researchers, 2023

RESEARCH METHODS

This research uses a quantitative descriptive approach and uses research data in the form of numbers, so it can be calculated using nominal units. Quantitative methods are used by researchers to examine samples from certain populations by collecting data through research instruments with the aim of testing predetermined hypotheses. The research object is stock returns and abnormal returns.

The population in this study are shares of companies that are included in the Jakarta Islamic Index (JII) index group in 2022. Sample collection uses a purposive sampling technique by determining the sample criteria as follows: (1) companies are consistently included in the Jakarta Islamic Index index group. (JII) during the period January-December 2022, (2) companies publish reports and complete stock price data during the observation period, namely January-December 2022, (3) companies that do not carry out extraordinary activities that affect share prices during the period observation. From a total population of 30 shares, there were 22 shares that met the criteria as research samples. This research uses secondary data. The data collection technique used is documentation and data obtained from various credible websites such as www.idx.co.id and finance.yahoo.com.

Operational definition of variables

1. Stock Return

   Return is the return obtained by investors in the form of profits or losses. This is based on the decision to take investment risk in a stock or other investment instrument (Jogiyanto, 2010). To calculate stock returns, use the following formula:

$$R_{it} \frac{P_t - P_{t-1}}{P_t - 1}$$

   Information:

   R_{it} = Return of stock *i* in period *t*
   P_t = Current investment price
   P_{t-1} = Last period investment price *(t-1)*

2. Abnormal Return

   Abnormal Return or excess return is a return from abnormal investment results. Normal return is the return expected by investors or expected return (Jogiyanto, 2010). To calculate Abnormal Return use three methods:

   a. The mean adjusted model is a measurement that assumes the expected return is the same as the return in the previous period.

$$E[R_{it}] \frac{\Sigma_j^{t1} = tiR_{it}}{T}$$

      Information:

      $E[R_{it}]$ = Expected return of securities in the *t* event period
      $R_{i,t}$ = Realized return in period *i* estimated *t*
      T = Length of the estimation period

   b. Market model, this model can be used in two ways, namely using data obtained during the estimation period and using an estimation model to determine the estimated return in a certain period.

$$E[R_{it}] = \alpha_i + \beta_i . R_{mt} + \varepsilon_{it}$$

      Keterangan:

      $E[Ri_j]$ = Expected return of security *i* in estimation period *t*
      α_i = Intercept sekuritas *i*
      β_I = The slope coefficient is the beta of security *i*
      R_{mj} = Market index return in the estimation period *t*
      ε_{ij} = Residual error of security *i* in estimation period *t*

   c. Market adjusted model, the measurement of this model uses the current market index return, because it is assumed that the index can predict the estimated return.

$$AR_{it} = R_{it} - E[R_{it}]$$

      Keterangan:

      AR_{it} = Abnormal return of security *i* in event period *t*
      R_{it} = Stock return of security i in event period *t*
      $E[R_{it}]$ = Expected return of security *i* in event period *t*

The data analysis used in this research is One-way ANOVA, according to Moore dkk, (2007) This test is used to test hypotheses by looking at differences between variables. The test was carried out by comparing stock returns and abnormal returns in each group. Each variable has 2 groups; where

group (1) is January and group (2) is data other than January, namely February to December. Before carrying out the One-way ANOVA test, the data used must meet the assumptions; namely (1) the data is normally distributed, (2) the variance between groups is the same or homogeneous, and (3) the data comes from independent groups. This research uses SPSS version 26 software to carry out hypothesis testing.

RESULTS AND DISCUSSION

Research Sample

Based on the criteria determined in selecting the research sample, the number of issuers used in this research was 22 companies with the following details;

Tabel 2. Research Sample

No	Kode	Nama Perusahaan	No	Kode	Nama Perusahaan
1	ADRO	Adaro Energy Tbk.	12	ITMG	Indo Tambangraya Megah Tbk.
2	ANTM	Aneka Tambang Tbk.	13	KLBF	Kalbe Farma Tbk.
3	BRIS	Bank Syariah Indonesia Tbk.	14	MIKA	Mitra Keluarga Karyasehat Tbk.
4	BRPT	Barito Pacific Tbk.	15	PGAS	Perusahaan Gas Negara Tbk.
5	CPIN	Charoen Pokphand Indonesia Tbk	16	PTBA	Bukit Asam Tbk.
6	EXCL	XL Axiata Tbk.	17	SMGR	Semen Indonesia (Persero) Tbk.
7	ICBP	Indofood CBP Sukses Makmur Tbk.	18	TINS	Timah Tbk.
8	INCO	Vale Indonesia Tbk.	19	TLKM	Telkom Indonesia (Persero) Tbk.
9	INDF	Indofood Sukses Makmur Tbk.	20	TPIA	Chandra Asri Petrochemical Tbk.
10	INKP	Indah Kiat Pulp & Paper Tbk.	21	UNTR	United Tractors Tbk.
11	INTP	Indocement Tunggal Prakarsa Tbk.	22	UNVR	Unilever Indonesia Tbk.

Source: data processed by researchers, 2023

Descriptive analysis is the process of presenting, collecting and summarizing data as a picture seen from the number N or total objects of observation, minimum value, maximum value, average value (mean) and standard deviation.

Tabel 3. Descriptive Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
RT_January	22	-0,213333	0,204806	0,00329042	0,085484420
RT_Non January	242	-0,313070	0,290954	0,01290764	0,091674101
AR_January	22	-0,213471	0,204447	0,00313008	0,085392560
AR_Non January	242	-0,312279	0,290280	0,01279015	0,091392568
Valid N (listwise)	22				

Source: SPSS, 2023

The table above shows that the average (mean) return value for January 2022 is 0.0033 and the average for months other than January is 0.0129. Meanwhile, abnormal returns in January have an average value of 0.0031 and apart from January it is 0.1279. The minimum return value is -0.2133 owned by Aneka Tambang Tbk (ANTM) and the maximum value is 0.205 achieved by the company Chandra Asri Petrochemical Tbk. (TPIA). The minimum return value in months other than January (February-December) is -0.3130, namely Vale Indonesia Tbk. (INCO) in June 2022 and the maximum value was 0.2910 achieved by Indo Tambangraya Megah Tbk. (ITMG) in July 2022. Meanwhile, the minimum abnormal return value in January was -0.2135 (ANTM) and the maximum value was 0.2044 (TPIA). The minimum abnormal return value in months other than January is -0.3122 (INCO) in June 2022 and the maximum value is 0.2903 (ITMG) in July 2022.

Normality test

Based on the assumptions of the One-way ANOVA test, research data must be normally distributed. So to determine the distribution of the data, researchers used the Kolmogorov-Smirnov normality test. The results of the normality test are presented in the table as follows:

Tabel 4. Normality test

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
RT_January	0,158	22	0,162	0,949	22	0,296
RT_Non January	0,132	22	0.200*	0,958	22	0,447
AR_January	0,160	22	0,149	0,948	22	0,294
AR_Non January	0,132	22	0.200*	0,958	22	0,443

Source: SPSS, 2023

Based on table 4, it is known that returns for January and non-January have a normal distribution with a significance value of more than 0.05. Apart from that, abnormal returns in January and non-January are also normally distributed, because they have a significance value of more than 0.05, so it can be concluded that the normality assumption of the One-way ANOVA test has been fulfilled..

Homogeneity Test

The assumption of equality of variance in data groups is one of the conditions in the One-Way ANOVA test. So researchers carry out homogeneity tests on the research data that will be used. The test results are presented in the table below:

Tabel 5. Homogeneity Test (Return)

Return	Levene Statistic	df1	df2	Sig.
Based on Mean	0,747	1	262	0,388
Based on Median	0,667	1	262	0,415
Based on Median and with adjusted df	0,667	1	261,997	0,415
Based on trimmed mean	0,733	1	262	0,393

Source: SPSS, 2023

Based on the results of the homogeneity test, returns have a value greater than 0.05. This means that the variance of the research data groups is the same and has met the homogeneity assumption for carrying out the One-way ANOVA test.

Tabel 6. Homogeneity Test (Abnormal Return)

Abnormal Return	Levene Statistic	df1	df2	Sig.
Based on Mean	0,730	1	262	0,394
Based on Median	0,651	1	262	0,421
Based on Median and with adjusted df	0,651	1	261,993	0,421
Based on trimmed mean	0,714	1	262	0,399

Source: SPSS, 2023

Based on the table above, abnormal returns have a value greater than 0.05. This means that empirically H0 is accepted or the variance of the data groups is the same. So the assumption of homogeneity in the One-Way ANOVA test has been fulfilled.

Hypothesis testing

The analysis used by researchers to answer the research hypothesis is the One-Way ANOVA test. This statistical test is one-way or one-way to test several independent populations and has an average that is considered the same or different. The results of the One-Way ANOVA test are presented in the table as follows:

Tabel 7. One-way ANOVA Test (Return)

Return

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0,002	1	0,002	0,224	0,636
Within Groups	2,179	262	0,008		
Total	2,181	263			

Source: SPSS, 2023

Based on the results of the One-Way ANOVA test for stock returns in January compared to months other than January (February-December), it shows a significance level of 0.636 or more than 0.05. This means that the first hypothesis (H1) is rejected or the January Effect does not occur in the 2022 Jakarta Islamic Index (JII) stock index group as viewed from stock returns.

Tabel 8. One-way ANOVA Test (Abnormal Return)

Abnormal Return

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0,002	1	0,002	0,228	0,634
Within Groups	2,166	262	0,008		
Total	2,168	263			

Source: SPSS, 2023

Based on the One-Way ANOVA test table above, the abnormal return in January and compared to months other than January (February-December), the resulting significance level is more than 0.05, namely 0.634. So the second hypothesis (H2) of this research is rejected, which means that the January Effect in terms of abnormal returns does not occur in the Jakarta Islamic Index (JII) stock index group in 2022.

The results of this study are in line with Afriyando dkk, (2021); Mutiasari & Paramita (2018) which states that there is no influence of the January Effect with a review of stock returns and abnormal returns, Munica & Yunita (2020); Pratama & Zulmaita (2022) who stated that the January Effect phenomenon did not occur in his research which used the One-Way ANOVA hypothesis test, and Gemilang & Dewi (2021); Putri (2020) also stated that there was no January Effect phenomenon in companies included in the Jakarta Islamic Index (JII) index group. The non-occurrence of the January Effect phenomenon can also be seen from the level of returns and abnormal returns which state that returns in January were not higher than the following months. Return rates are likely to be higher in April and May 2022.

PResearchers also argue that the January Effect phenomenon does not occur, due to psychological cultural differences in investment between Indonesia and several other countries, this was also conveyed in the research Mutiasari & Paramita, (2018); Pratama & Zulmaita (2022). Culture in Indonesia tends to be passive in responding to the new year, especially at the end of the year. In contrast to developed countries such as America, they tend to be more active at the end of each year and New Year, especially in household consumption and preparations for Christmas events, family holidays and other agendas, so that people need more money at the end of the year. One way to do this is by selling some of their investments at the end of the year, which they will buy again at the beginning of the month of the following year. The results of this research also do not contradict

the efficient capital market theory or efficient market hypothesis theory which states that fluctuating stock movements and moving randomly (random walk) will not produce abnormal returns.

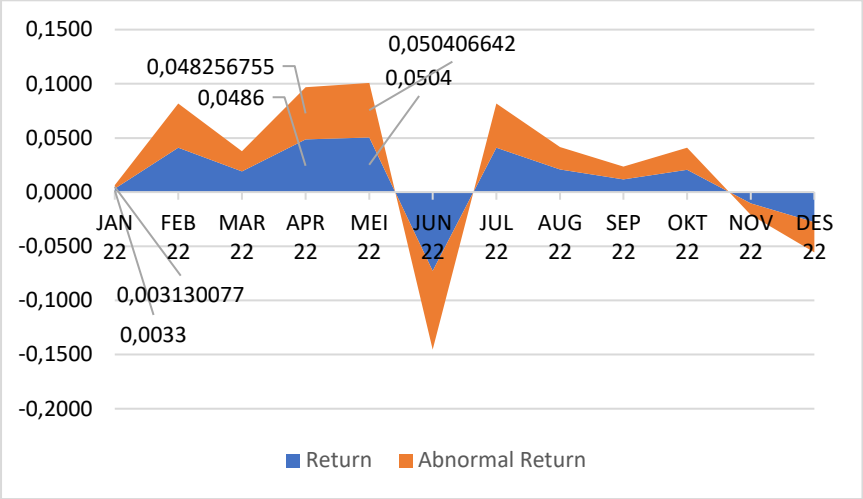

Figure 2. Stock Return and Abnormal Return Rate
Source: data processed by researchers, 2023.

CONCLUSION

Based on the analysis and hypothesis testing, it can be concluded that there is no January Effect phenomenon in the Jakarta Islamic Index (JII) index group for the 2022 time period. Based on the One-Way ANOVA test in terms of stock returns, it produces a significance level of 0.636 or above 0.05, which is empirically H1 rejected. Meanwhile, the significant value of the abnormal effect measurement is at a significance value of 0.634 (>0.05), which means that H2 is also rejected. Judging from the movement of stock return values and abnormal returns, it shows that the values are neither bigger nor smaller than in the following months. One of the reasons why the January Effect phenomenon does not occur is due to the passive investor culture in dealing with changes. The results of this research are also consistent with the efficient capital market theory or efficiency market hypothesis theory.

This research is expected to be useful for investors in making investment decisions, especially for investors who often take advantage of capital market anomalies. Future researchers are advised to increase the research time period, so that the results are more complete and can be compared across several periods. Researchers can also compare stock indices, especially sharia, between countries, this is to find out the possibility of the January Effect phenomenon occurring in various countries.

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