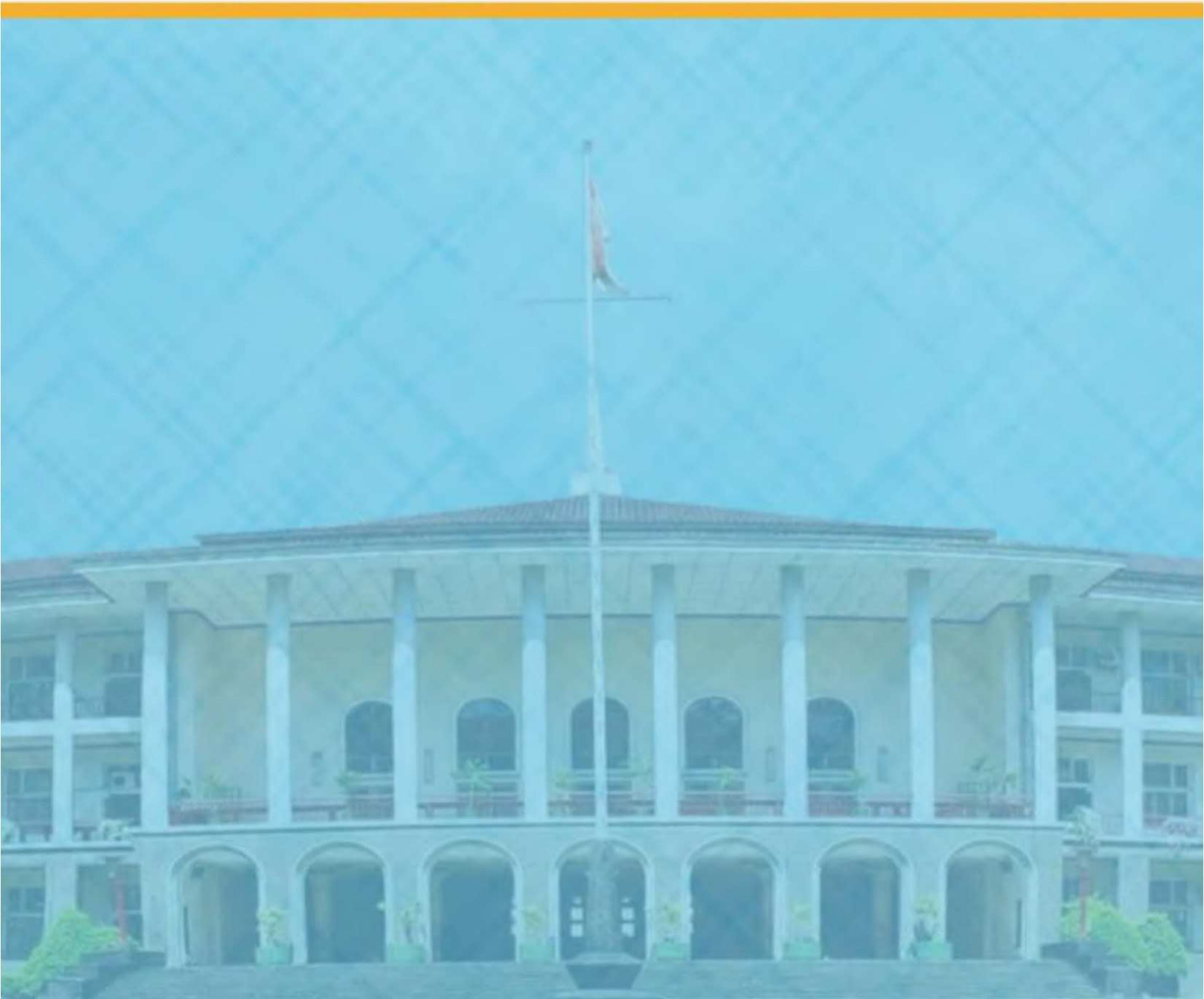
Proceeding

THE 4th INDONESIAN FINANCE ASSOCIATION INTERNATIONAL CONFERENCE 2018

Inspiring the Financial World from Indonesia



Proceeding

THE 4th INDONESIAN FINANCE ASSOCIATION INTERNATIONAL CONFERENCE 2018

Cet. 1. Indonesia Finance Association, 2018

1137hlm; 21 x 29,7 cm.

ISSN 2548-8066

9 772548 806017

Penerbit:
Indonesian Finance Association

Cetakan pertama, September 2018

PREFACE

We are very grateful to God for his grace that the 4th Indonesian Finance Association International Conference 2018 was held successfully on September 5-6, 2018 at Faculty of Economics and Business, Universitas Lampung. Tokens of appreciation should also be rendered to our co-hosts, sponsors, and you all that the event could be organized and carried out with utmost quality, comfort, and precision. These proceedings are compiled as a collection of all presenters' research papers, reflecting state-of- the-art ideas and findings on the field.

The theme of this conference is "Finance in the Age of Digital Technology: Pushing New Frontier," and this theme is manifested in the presented papers compiled in these proceedings, comprised of scholarly works from all over Indonesia as well as honorary speakers. Hence, we would like to express our gratitude and credits to:

Universitas Lampung, Universitas Gadjah Mada, Universitas Indonesia, Universitas Negeri Sebelas Maret, Universitas Bandar Lampung, IBI Darmajaya, Universitas Teknokrat Indonesia, Universitas Malahayati, STIE Umitra Lampung, STIE Gentiaras, STIE Prasetya Mandiri Lampung for hosting the conference and putting together materials for these proceedings.

Professor Alistair Milne (Looghborough University, UK), Professor Ghon Rhee (University of Hawai, USA and Pacific Basin Finance Journal), Professor Robin K. Chou (National Chengchi University Taiwan) for taking the time to contribute their expertise and experiences to the conference that have enriched our knowledge.

All scientists and researchers that have contributed their research ideas and results, and encouraged one another by sharing, learning, and discussion. There were 63 papers presented in the conference. Some of them have agreed to include their full papers in the proceedings.

The proceedings cover various topics, ranging from asset pricing to behavioral asset pricing, banking and financial intermediation, corporate governance, financial literacy, financial market behavior, market microstructure, and Islamic finance.

We sincerely hope that these proceedings, and the conference in particular, will benefit all the participants and readers, especially as a reference for further financial development in Indonesia and beyond.

We welcome any suggestions and constructive feedbacks to improve the organizing of the next IFA conferences and proceedings, and we look forward to seeing you again.

Bandar Lampung, September 2018

Table of Contents

PREFACE

Table of Contents

ANALYSIS OF EMPLOYEE SATISFACTION ON QUALITY OF HEALTH SERVICES AT PT. PLN (PERSERO) SECTOR PEMBANGKITAN TARAHAN IN SOUTH LAMPUNG **1**

Sapmaya Wulan, Tutut Wijayanti **1**

ANALYSIS OF FOREIGN CURRENCY FLOWS ON JAKARTA COMPOSITE INDEX AND FOREIGN CAPITAL FLOWS ON INDONESIAN BOND MARKET AGAINST RUPIAH EXCHANGE RATE, GOVERNMENT BOND YIELD AND RETURN ON JAKARTA COMPOSITE INDEX IN INDONESIA PERIOD 2011-2017 **21**

Rizka Tania **21**

ANALYSIS OF INFLUENCE OF AUDITOR QUALITY ON EARNINGS MANAGEMENT CASE STUDY OF PUBLIC COMPANIES IN ASEAN **41**

Andala Rama Putra Barusman, Khairudin, Rosmiati Tarmizi, Aminah, Nurdiawansyah **41**

ANALYSIS OF INVESTMENT PERFORMANCE FROM THE PERSPECTIVE OF FOREIGN AND DOMESTIC INVESTORS IN INDUSTRIAL CONSUMPTION GOODS SECTOR **51**

Eman Purbadini, Sulastri, Isnurhadi, K.M. Husni Thamrin, Chica Adela **51**

ANALYSIS OF MARKET STRUCTURE AND BANKING PERFORMANCE IN INDONESIA (CASE STUDY ON COMMERCIAL BANKS LISTED ON IDX PERIOD 2007-2016) **73**

Sergia Louisa Sjahlim **73**

ANALYSIS OF STOCK PRICE SYNCHRONICITY IMPACTS ON TAILS OF RETURN **92**

Axel Emmanuel Benindra, Bona Christanto Siahaan **92**

ANALYSIS OF THE EFFECT OF FAMILY OWNERSHIP AND CORPORATE GOVERNANCE ON RELATED PARTY TRANSACTION **103**

MARKET REACTION TO SOCIAL ETHICS VIOLATION NEWS BY COMPANIES LISTED IN INDONESIA STOCK EXCHANGE **562**

Sekar Arum Probowati Rambe, , Susi Sarumpaet, Dewi Sukmasari **562**

OPEN UNEMPLOYMENT RELATIONSHIP AND INCLUSIVE GROWTH IN BALI **577**

Surya Dewi Rustariyuni , Luh Putu Aswitari **577**

POLITICAL PATRONAGE ON CAPITAL STRUCTURE **604**

Muhammad Istan, Kamaludin **604**

PRICE IMPACT OF FOREIGN AND DOMESTICINVESTOR BLOCK TRADING: A STUDY ON INDONESIA STOCK EXCHANGE **618**

Wirasmi Wardhani, Mamduh M Hanafi, I Wayan Nuka Lantara, Bowo Setiyono **618**

QUALITY OF ACCRUALS, NET WORKING CAPITAL, LEVERAGE AND CASH HOLDING OF PRIVATE COMPANY: THE CASE IN INDONESIA **634**

Tina Miniawati Barusman, Tia Rizna Pratiwi; Ratna Sari **634**

RATIONALITY IN FAITH-BASED INVESTMENT (MAX WEBER: SOCIAL ACTION THEORY APPROACH) **648**

Linda Ariany Mahastanti, Marwan Asri, B.M. Purwanto **648**

SHARIA CAPITAL MARKET: HOW IS INVESTOR BEHAVIOR? **671**

Winda Rika Lestari, Yulianti **671**

STOCK SPLIT AND FIRM VULNERABILITY FOR INSIDER TRADING **683**

Ariandono, L.[86] & Ekaputra, I.A[87] **683**

STRATEGIES TO STIMULATE INVESTMENT PRODUCT'S SALES PERFORMANCE IN RETAIL SEGMENT: CASE STUDY OF STATE OWNED BANK IN INDONESIA **704**

Chesa Desinta Kusumayantie , Alberto D. Hanani **704**

THE ANALYSIS OF MONDAY EFFECT AND WEEKEND EFFECT TOWARDS STOCK RETURN ON BANK SECTOR IN INDONESIA, INDIA, **722**

AND CHINA.

Amirul Mu'minin, Susi Sarumpaet, Dewi Sukmasari **722**

THE COMPETITIVE BLINDSPOTS TO UNSECURED LENDING BUSINESS: CASE STUDY OF A FOREIGN BANK IN INDONESIA **741**

Ratna Mutiarani, Alberto D. Hanani **741**

THE EFFECT OF BANKING RISK IN INDONESIA REGIONAL DEVELOPMENT BANK **755**

Joy Elly Tulung **755**

THE EFFECT OF CHINESE AND INDIAN EONOMIC GROWTH TO STOCK RETURN OF COAL COMPANY IN INDONESIA **773**

Yanuar, Caroline **773**

THE EFFECT OF CORPORATE SOCIAL PERFORMANCE AND FINANCIAL PERFORMANCE WITH CORPORATE SOCIAL RESPONSIBILITY (CSR) DISCLOSUREAS AN INTERVENING VARIABLE TOWARD FIRM VALUE **785**

Fanisya Alya Puteri, Lindrianasari, Ninuk Dewi Kesumaningrum, Faricha **785**

THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON FINANCIAL PERFORMANCE OF INDONESIA STOCK EXCHANGE'S LISTED COMPANIES INCLUDED IN LQ45 **806**

Muhammad Nicko Rahmadano, Herris B. Simandjuntak **806**

THE EFFECT SELF CONTROL AND NON COGNITIVE FACTORS ON FINANCIAL BEHAVIOR AND FINANCIAL WELL BEING **824**

Sarah Samaria Najoan **824**

THE IMPACT OF DIVERSIFICATION OF SEGMENT ON BANK PERFORMANCE: THE MODERATING EFFECT OF COMPLEXITY ENVIRONMENT **841**

Yuliani, Ima Andriyani **841**

THE IMPACT OF GENDER DIVERSITY AND INDEPENDENT DIRECTOR ON BOARD OF DIRECTORS TO STOCK LIQUIDITY **859**

Gama Yuki Amanda **859**

THE ANALYSIS OF MONDAY EFFECT AND WEEKEND EFFECT TOWARDS STOCK RETURN ON BANK SECTOR IN INDONESIA, INDIA, AND CHINA

Amirul Mu'minin[90], Susi Sarumpaet, Dewi Sukmasari

ABSTRACT

This research aims to investigate the difference of returns that happened from Monday to Friday on stock trading, find empirical evidence that occurs on Monday effect on stock trading, and find empirical evidence that occurs in weekend effect on stock trading in Indonesia, India, and China.

This research was an empirical study on trading day and stock returns were done by using the comparative method. This research used samples from 24 bank companies listed in Indonesia Stock Exchange (IDX), 26 bank companies listed in Bombay Stock Exchange (BSE), 10 bank companies listed in Shanghai Stock Exchange (SSE) from January to December 2017. Daily stock return of each bank company analysis technique used one way ANOVA to investigate the difference of return and independent sample t-test to find empirical evidence that occur in Monday effect and weekend effect.

The result showed that there were significant differences between daily stock returns on trading days in a week in Indonesia, India, and China, Monday effect did not exist on stock trading in Indonesia, India, and China, Weekend effect did not exist on stock trading in Indonesia, India, and China in the period 2017.

Keywords: Stock Return, Monday Effect, Weekend Effect

JEL Classification: [example: D43, L12, G32]

Authors should add 1- 3 JEL Classification Number. Information guide for the Journal of Economic Literature ***(***JEL) can be found at https://www.aeaweb.org/jel/guide/jel.php

Faculty of Economics and Business, Universitas Lampung, Indonesia iamamirulmukminin@gmail.com[90]

I. INTRODUCTION

Stock return is a measure which is seen by the investor who will invest in a company. According to Ang (1997) in Adiliawan (2010), the concept of return is the rate of profit which investors enjoyed by an investment that they made. Stock return represents income earned by shareholders as a result of its investment in a particular company, while according to Jogiyanto (2007) return is the result of investment or the rate of return enjoyed by the investor over an investment it does. Thus, stock returns are the rate of return that investor will be obtained on the investment towards stock in the company.

There are many factors to predict the stock return that can be used as a parameter, one of the factor is the financial statement. The investors need information on the financial statement to know the risks to be faced in the investment, return which will be obtained from the investment, and investors also know when to buy or sell stocks. Indirectly through the information will affect every stock trading day and stock return every day, so the return that earned by the investors will be in accordance with the information that received by the investors.

According to efficient market theory, daily stock returns are likely to be the same for each day of five days trade, but the theory is contrary to the phenomenon of the day of the week effect. Day of the week effect is an anomalous phenomenon form the efficient capital market theory. According to this phenomenon, the average daily return is not the same for all days within one trading week. The day of the week effect would be present when returns in some days are higher than other days (Mensah, 2016).

Variations of the day of the week effect phenomenon are the Monday effect and weekend effect. A lot of research both inside and outside the country states that there is a difference in stock returns due to the influence of the day trading. Monday effect states that there is a stock return negative on Monday, while weekend effect states that return positive occurred on Friday (Anwar and Mulyadi, 2009). Phenomena Monday effect and weekend effect are more determined by psychological factors which leads to less rational behavior and economy decisions will be more influenced by emotional factors, behavior psychological, and investor (mood) desires (Rachmawati, 2016).

This study uses active stock in the bank sector listing on the Indonesia Stock Exchange (Indonesia), Bombay Stock Exchange (India), and Shanghai Stock Exchange (China) in the period 2017. As for the reasons, the banking sector is one of the sectors that attract investors to get a return. When viewed from the role of banking according to Law No.10 Year 1998, then both individuals and companies will always need banking services. UU no. 10 Year 1998 explains that the banking sector has a very important role for the country because this sector has two special properties. First, the bank has the nature as the heart of the country's economy, so it becomes one of the indicators of the country's economic stability. Second, the banking sector also relies on public trust. In addition, the role of the banking industry still dominates the financial system especially in Indonesia with a stock of approximately 77.9% of the total assets of financial institutions (Bank Indonesia, 2013).

The special nature of this banking causes the management of banks supervised and regulated by the government, then the existence of banks will be guaranteed by the government so that investors tend to choose stocks of the banking sector. To implement the role of the bank, the bank obtained funds from three sources, namely from the bank itself, from the community, and from other institutions. For finance operations and expand the business, usually, banks obtain funds from their own capital by selling stocks (Soetanto Hadinoto, 2008: 55-56). And the author chooses Indonesia, India, and China because these country are the top three countries that have the highest total stock profits in the last 15 years (Yahoo Finance, 2015). High stock profits within a country reflect that high economic growth in the country. If a country is able to create higher growth than other countries, it can be concluded that in general, the existing business in the country is developing well compared with other countries (Soetanto Hadinoto, 2008: 55-56).

II. LITERATURE REVIEW

The stock may be defined as a statement of ownership of a person or entity within a limited company or individual. Stocks a reflection of investment decisions, funding (including dividend policy) and asset management (Marcellyna, 2012). Return stock is a document as proof of ownership of a company. If the company obtains profitability, then the stockholder is entitled to the share of the profits distributed or in accordance with the dividends and proportion of ownership. The stock return consists of capital gains and dividend yields. Capital gain is the difference between the selling price

and the buying price of shares per share divided by the purchase price. The dividend yield is dividend per share divided by share purchase price per sheet (Zubir, 2011: 4).

Capital Market Efficiency

The capital market is a meeting between the parties owning excess funds with those who need funds in a way trading securities that generally have more age from one year, such as stocks and bonds (Tandelilin, 2010). The market can be said to be efficient if the price of the securities reflects in full existing information. From this it emphasizes two aspects ie fully reflect which means the price of securities accurately describes the information in the market and that information available meaningful when using the available information, then investors can accurately expose the price of securities (Alteza, 2007).

Anomaly

Anomaly is a form of the phenomenon that exists in the market. In the anomaly, it is found things that should not exist when it is assumed that efficient markets exist. It means that an event can be used to obtain an abnormal return. In other words, an investor is enabled to obtain an abnormal return by relying on a particular event. In anomaly is not only found one type of efficient market form but found in other efficient market forms. It means that the empirical evidence of an anomaly in the stock market appears in all forms of efficient markets, although most are found in semi-strong efficient forms. The testing based on whether or not anomalies use back tested method. In this approach, the researcher conducts tests to answer the question of how the historical price data moves as a consequence of an event or observation. For the strength of a statement or evidence of market anomalies, there needs to be little support. That is, some research must have conclusions that are not much different from each other (Levy in Gumanti, 2011).

Day of The Week Effect

Day of the week effect is the difference between the return of Monday with the other days of the week significantly (Damodaran, 1996). Usually, a significant negative return occurs on Monday, while positive returns occur on other days. The effect of day trading on the stock return is an interesting phenomenon to be noticed. This phenomenon is part of the anomaly of efficient market theory. On the theory of efficient market states that stock returns are not different on every trading day. But the phenomenon of the day of

the week effect states that there is a difference of return for each trading day in a week where on Monday tend to produce a negative return. Monday effect is one of the parts of the day of week effect is seasonal anomalies that occur in the financial market when the stock return is significantly negative on Monday (Mehdian and Perry in Budileksmana, 2006). The anomaly violates the hypothesis of market efficiency of weak form. The weak-market efficiency hypothesis assumes that the information contained in the historical stock price is fully illustrated in the current stock price and the information can not be used to obtain excess return (Rachmawati, 2016). Weekend effect is a late Sunday effect resulting in a symptom showing that stock return on Friday will be higher than other trading days, on the contrary Monday will show a lower return (Tandelilin, 2001).

III. METHODS

This study is an empirical study of trading day and daily bank stock returns in the period from 2017 in Indonesia Stock Exchange (Indonesia), Bombay Stock Exchange (India), and Shanghai Stock Exchange (China). The method that uses in this research is comparative research, it is to know the difference of stock return on every trading day. Test of this study using a different test that aims to find the difference between two or more data samples. Indonesia, India, and China became the three countries which have the highest total stock profits in the last 15 years (Yahoo Finance, 2015).

Table 1 Stock return Data in The Last 15 Years

No	Country	Stock Return (%)
1	Indonesia	721.37
2	India	428.3
3	Russia	358.89
4	Brazil	205.14
5	China	110.73
6	South Korea	102.95
7	Singapore	50.88
8	USA	47.65
9	Germany	43.35
10	England	4.75
11	Japan	-10.69

The sample is part of the population whose characteristic will be investigated or part of the population that is considered capable of representing the entire population. The sample was chosen by using purposive sampling method, where there is a limit of criteria in sampling. The sampling criteria are bank companies that have complete data of daily stock price in 2017.

Testing The First hypothesis

Testing the first hypothesis that states there are differences in returns that occur on Monday to Friday is done by one way ANOVA. The testing steps are as follows (Gozali, 2005):

a. Hypothesis formulation :

   H*a*: bj = 0 There is a difference in returns that occur on the day Monday to Friday.

b. The confidence level used was 95% (α = 0.05) with degrees of freedom n1 + n1-2.

c. The conclusion to reject and accept H_a, based on hypothesis formulation, namely:

   If Signification Value < 0.05, then H_a is accepted

Testing The Second Hypothesis

The second hypothesis testing is done by independent test sample t-test with the following test steps (Agustina, 2014) :

a. Hypothesis formulation

   If *Ha*: μ ≠ 0 there is a difference between Sunday stock return and Friday stock return.

b. The confidence level that used is 95% (α = 0.05) with degrees of freedomn1 + n1-2.

c. Hypothesis testing criteria:

Calculates the t-test by comparing the differences between the two of average value with the standard error of the average difference and the sample or formula can be written as follows:

$$t = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{S^2_{gb}\left[\frac{1}{n_1} - \frac{1}{n_2}\right]}}$$

$$S^2_{gb} = \frac{(n_1 - 1)s_1^2 + (n_2 - 1)s_2^2}{(n_1 + n_2) - 2}$$

Explanation :

t : distribution value

$\bar{X}_1$: first sample average value

$\bar{X}_2$: second sample average value

S_{gb}^2 : estimated population variance combined

n_1 : first population sample size

n_2 : second population sample size

s_1^2 : first sample variance

s_2^2 : second sample variance

d. The conclusion to reject and accept H_a, based on hypothesis formulation, namely:
   If Sig (2-tailed) > 0.05, then H_a is accepted
   Monday effect occurs when the average Monday's return is negative and significant.

Testing The Third Hypothesis

The third hypothesis testing is done by independent test sample t-test with the following test steps :

a. Hypothesis formulation
   If *Ha*: μ ≠ 0 there is a difference between Sunday stock return and Friday stock return.

b. The confidence level that used is 95% (α = 0.05) with degrees of freedomn1 + n1-2.

c. Hypothesis testing criteria:
   Calculates the t-test by comparing the differences between the two of average value with the standard error of the average difference and the sample or formula can be written as follows:

$$t = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{S_{gb}^2 \left[\frac{1}{n_1} - \frac{1}{n_2}\right]}}$$

$$S_{gb}^2 = \frac{(n_1 - 1)s_1^2 + (n_2 - 1)s_2^2}{(n_1 + n_2) - 2}$$

Explanation :

t : distribution value

$\bar{X}_1$: first sample average value

$\bar{X}_2$: second sample average value

S_{gb}^2 : estimated population variance combined

n_1 : first population sample size

n_2 : second population sample size

s_1^2 : first sample variance

s_2^2 : second sample variance

d. The conclusion to reject and accept H_a, based on hypothesis formulation, namely:

If Sig. (2-tailed) < 0.05, then H_a is accepted.

The weekend effect occurs when the average. Weekend's return is positive and significant.

IV. RESULTS

The results section summarizes the data collected for study in the form of descriptive statistics and also reports the results of relevant inferential statistically analysis (e.g., hypothesis tests) conducted on the data. You need to report the results in sufficient detail so that the reader can see which statistical analyses were conducted and why, and to justify your conclusions. Mention all relevant results, including those that are at odds with the stated hypotheses (American Psychology Association 2001: 20).

There is no fixed recipe for presenting the findings of a study. We will, therefore, first consider general guidelines and then turn our attention to options for reporting descriptive statistics and the results of a hypothesis test.

Reporting Research Results

Before doing hypothesis test analysis, this research should be analyzed using descriptive analysis first. In this research, descriptive analysis is needed to know the description of the daily stock return of bank sector company in 2017. To be able to know it is by calculating the mean, minimum value, maximum value, and data deviation standard. Description of the average return of Monday to Friday can be seen in table 2 (Indonesia), 3 (India), and 4 (China) below:

Table 2 Descriptive Statistical Analysis Results (Indonesia)

	N	Minimum	Maximum	Mean	Std. Deviation
Monday	24	-0.01405	0.00788	0.00053	0.00454
Tuesday	24	-0.01558	0.00997	-0.00086	0.00511
Wednesday	24	-0.00503	0.01405	0.00159	0.00402
Thursday	24	-0.00125	0.01914	0.00320	0.00445
Friday	24	-0.00697	0.01824	0.00223	0.00476
Valid N (listwise)	24				

Table 3 Descriptive Statistical Analysis Results (India)

	N	Minimum	Maximum	Mean	Std. Deviation
Monday	26	-0.00298	0.00554	0.00111	0.00214
Tuesday	26	-0.00862	0.00454	-0.00019	0.00289
Wednesday	26	0.00026	0.01369	0.00333	0.00288
Thursday	26	-0.00323	0.00369	0.00052	0.00148
Friday	26	-0.00413	0.00782	0.00047	0.00267
Valid N (listwise)	26				

Table 4 Descriptive statistical analysis results (China)

	N	Minimum	Maximum	Mean	Std. Deviation
Monday	10	0.00015	0.00205	0.00109	0.00069
Tuesday	10	-0.00077	0.00387	0.00125	0.00130
Wednesday	10	-0.00218	0.00180	-0.00042	0.00138
Thursday	10	-0.00336	0.00012	-0.00093	0.00104
Friday	10	-0.00218	0.00152	0.00017	0.00105
Valid N (listwise)	10				

Testing The First Hypothesis

Testing the first hypothesis which using one way ANOVA is done to know the difference of return which happened on Monday to Friday trading on stock trading in Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange.

But, the criteria of data can be tested with one way ANOVA if the data have similar or homogeneous.

Table 5 Test of Homogeneity of Variances

	Indonesia	India	China
Levene Statistic	0.184	2.340	1.337
df1	4	4	4
df2	115	125	45
Sig.	0.945	0.059	0.271

As shown in table 5, for Indonesia, obtained Levene statistic number is 0.184 with significance or probability (Sig.) of 0.945. Because the significance value is higher than 0.05, it can be concluded that the data is the same or homogeneous. For India, obtained Levene statistic number is 2.340 with significance or probability (Sig.) of 0.059. Because the significance value is higher than 0.05, it can be concluded that the data is the same or homogeneous. For China, obtained Levene statistic number is 1,337 with significance or probability (Sig.) of 0.271. Because the significance value is higher than 0.05, it can be concluded that the data is the same or homogeneous. Next, the data is tested in One way ANOVA obtained the following results:

Table 6 One Way ANOVA Result

	Indonesia	India	China
Sum of Squares	0.000	0.000	0.000
Df	4	4	4
Mean Square	0.000	0.000	0.000
Sig.	0.029	0.000	0.000

Based on one way ANOVA output above, in Indonesia, known that Sig. value. amounted to 0.029 < 0.05, so it can be concluded that the average stock return on each day in Indonesia is significantly different. In India, known that Sig. value. amounted to 0.000 < 0.05, so it can be concluded that the average stock return on each day in India is significantly different. In China, known that Sig. value. amounted to 0.000 < 0.05, so it can be concluded that the average stock return on each day in China is significantly different.

Thus, the first hypothesis which stated that there is a difference of stock returns from Monday to Friday in Indonesia, India, and China, it is accepted.

Testing The Second Hypothesis

The second hypothesis states that Monday effect and weekend effect on stock trading on Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange resulted in negative stock return at the weekdays and positive at the weekends. This test is done by independent sample t-test. The independent sample t-test uses two independent groups, the stock return on Monday with the return of Friday, so there is no link between one group and another. The objective is to analyze whether or not there is a difference between the average stock return on Monday and the average stock return on Friday in the bank sector companies.

As with other parametric statistic tests, the independent sample t-test using the data requirements used should be normally distributed. Normality test can be done with one-sample Kolmogorov-Smirnov. The goal is to know the normally distributed t-test testing. The results of the normality test can be seen in the following table 7, 8, and 9:

Table 7 Normality test result (Indonesia)

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		24
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.00375115
Most Extreme Differences	Absolute	.157
	Positive	.093
	Negative	-.157
Test Statistic		.157
Asymp. Sig. (2-tailed)		.132[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

As shown on the calculation of the normality test in table 7, by using the one-sample Kolmogorov-Smirnov test, it can be seen that Kolmogorov-Smirnov value for the residual variable is 0.157 and Asymp value. Sig. (2-tailed) for the unstandardized variable of 0.132 is greater than α value of 0.05, so the data used is in a normal distribution and feasible using statistic test as a parametric data analysis technique.

Table 8 Normality test result (India)

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		26
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.00181060
Most Extreme Differences	Absolute	.122
	Positive	.093
	Negative	-.122
Test Statistic		.122
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Based on the calculation of the normality test at table 8, by using the one-sample Kolmogorov-Smirnov test, it can be seen that Kolmogorov-Smirnov value for the residual variable is 0.122 and Asymp value. Sig. (2-tailed) for the unstandardized variable of 0.200 is greater than α value of 0.05, so the data used is stated normal distribution and feasible using statistic test as a parametric data analysis technique.

Table 9 Normality test result (China)

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		10
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.00056834
Most Extreme Differences	Absolute	.213
	Positive	.104
	Negative	-.213
Test Statistic		.213
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Based on the calculation of the normality test in table 9, by using the one-sample Kolmogorov-Smirnov test, it can be seen that Kolmogorov-Smirnov value for the

residual variable is 0.213 and Asymp value. Sig. (2-tailed) for the unstandardized variable of 0.200 is greater than α value of
0.05, so the data used is stated normal distribution and feasible using statistic test as a parametric data analysis technique.

After seeing the normality test results from the three countries it is known that the data is normally distributed, then test independent sample t-test. The results of independent sample t-test can be seen in the following table 4.10:

Table 10 Independent Sample t-test result

Equal variances assumed	Indonesia	India	China
F	2.436	12.455	0.135
Sig.	0.125	0.001	0.718
T	-1.027	0.160	3.136
Df	46	50	18
Sig (2-tailed)	0.310	0.874	0.006
Mean Difference	-0.00112	0.00007	0.00108

As shown in table 10 above, it can be seen that the value of significance of 0.125 > 0.05. Based on the results of descriptive analysis shows that average stock return on Monday (0.00053) is not the lowest. Nevertheless, the lowest average daily stock return is on Tuesday, it is -0.00086. It can be concluded Ha is rejected means that average stock return on Monday in Indonesia is not lower than the average stock return on other days.

In India, it can be seen that the value of significance of 0.001 < 0.05. Although based on the independent sample t-test shows that Ha is accepted, but if seen in descriptive analysis, Monday (0.00111) is not the day with the lowest average stock return. Nevertheless, the lowest average daily stock return is on Tuesday, it is -0.00019. It can be concluded that Ha is rejected, means that the average stock return on Monday in India is not lower than the average stock return on other days.

In China, it can be seen that the value of significance of 0.718 > 0.05. Based on the results of descriptive analysis shows that average stock return on Monday (0.00109) is not the lowest. Nevertheless, the lowest average daily stock return is on Thursday, it is -0.00093. It can be concluded that Ha is rejected means that average stock return on Monday in China is not lower than the average stock return on other days.

Therefore, the second hypothesis which states Monday effect on stock trading in Indonesia, India, and China is rejected.

Testing The Third Hypothesis

The third hypothesis states that there is a weekend effect on stock trading on the Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange which resulted in a positive and highest stock return on the weekend. For testing this hypothesis using independent sample t-test, which is to analyze whether or not the difference between the average stock return on Friday with average stock return on other days on the bank sector companies.

Table 11 Independent Sample t-test result

Equal variances assumed	Indonesia	India	China
F	1.987	14.978	0.031
Sig.	0.165	0.000	0.861
T	1.022	-1.295	-0.194
Df	46	50	18
Sig (2-tailed)	0.312	0.201	0.848
Mean Difference	-0.00111	-0.00072	-0.00008

As shown in table 11 above, it can be seen that the value of significance of 0.165 > 0.05. Based on the results of descriptive analysis shows that average stock return on Friday (0.00223) is not the highest. Nevertheless, the highest average daily stock return is on Thursday, it is 0.00320. It can be concluded that Ha is rejected means that average stock return on Friday in Indonesia is not highest than the average stock return on other days.

In India, it can be seen that the value of significance of 0.000 < 0.05. Although based on the independent sample t-test shows that Ha is accepted, but if seen in descriptive analysis, Friday (0.00047) is not the day with the highest average stock return. Nevertheless, the highest average daily stock return is on Wednesday, it is 0.00333. It can be concluded that Ha is rejected, means that the average stock return on Friday in India is not higher than the average stock return on other days.

In China, it can be seen that the value of significance of 0.861 > 0.05. Based on the results of descriptive analysis shows that average stock return on Friday (0.00017) is not the highest. Nevertheless, the highest average daily stock return is on Tuesday, it is 0.00125. It can be concluded that Ha is rejected means that average stock return on Friday in China is not higher than the average stock return on other days.

Therefore, the third hypothesis which states Monday effect on stock trading in Indonesia, India, and China is rejected.

V. DISCUSSION

Based on the data analysis result above, the research has to be discussed to give an explanation and interprets to result of research which has been analyzed to answer the research question is as follows:

In Indonesia, the first hypothesis used one way ANOVA analysis, it can be concluded that the first hypothesis is accepted because there is a difference on stock return on Monday to Friday. This is indicated by a significance value of 0.029 < 0.05. The second hypothesis used independent sample t-test analysis, it can be concluded that the second hypothesis is rejected because there is no Monday effect in Indonesia. This is indicated by a significance value of 0.125 > 0.05. This may be caused by the mood factor of investor after the holidays has a tendency to buy stock, so demand increases which cause stock prices also increase, and also because the company did not announce bad news until the close of Friday and responded to the market on Monday. The third hypothesis used independent sample t-test analysis, it can be concluded that the third hypothesis is rejected because there is no weekend effect in Indonesia. This is indicated by a significance value of 0.165 > 0.05. This could be due to investors moving aggressively in the transaction after obtaining information from the previous days. And it could also be because investors tend to take profit taking action to face the holidays. This research is in line with Sularso (2011) and Kurniawan (2012) which found that there is a significant difference between daily stock return in companies on trading days in one week in Indonesian stock exchange, then in these researches did not find Monday effect and did not find a weekend effect.

In India, the first hypothesis used one way ANOVA analysis, it can be concluded that the first hypothesis is accepted because there is a difference on stock return on Monday to Friday. This is indicated by a significance value of 0.000 < 0.05. The second hypothesis used independent sample t-test analysis. This is indicated by a significance value of 0.001 < 0.05, Although based on the independent sample t-test shows that Ha is accepted, but if seen in descriptive analysis, Monday (0.00111) is not the day with the lowest average stock return. Nevertheless, the lowest average daily stock return is on Tuesday, it is -0.00019. This may be caused by the mood factor of

investor after the holidays has a tendency to buy stock, so demand increases which cause stock prices also increase, and also because the company did not announce bad news until the close of Friday and responded to the market on Monday. So, it can be concluded that the second hypothesis is rejected because there is no Monday effect in India. The third hypothesis used independent sample t-test analysis. This is indicated by a significance value of 0.000 < 0.05, although based on the independent sample t-test shows that Ha is accepted, but if seen in descriptive analysis, Friday (0.00047) is not the day with the highest average stock return. Nevertheless, the highest average daily stock return is on Wednesday, it is 0.00333. This could be due to investors moving aggressively in the transaction after obtaining information from the previous days. And it could also be because investors tend to take profit taking action to face the holidays. So, it can be concluded that the third hypothesis is rejected because there is no weekend effect in India. This research is in line with Singhal (2009) which found that there is a significant difference between daily stock return in companies on trading days in one week in Indonesian stock exchange, then in these researches did not find Monday effect and did not find a weekend effect.

In China, the first hypothesis used one way ANOVA analysis, it can be concluded that the first hypothesis is accepted because there is a difference on stock return on Monday to Friday. This is indicated by a significance value of 0.000 < 0.05. The second hypothesis used independent sample t-test analysis. It can be concluded that the second hypothesis is rejected because there is no Monday effect in China. This is indicated by a significance value of 0.718 < 0.05. This may be caused by the mood factor of investor after the holidays has a tendency to buy stock, so demand increases which cause stock prices also increase, and also because the company did not announce bad news until the close of Friday and responded to the market on Monday. The third hypothesis used independent sample t-test analysis. It can be concluded that the third hypothesis is rejected because there is no weekend effect in China. This is indicated by a significance value of 0.861 < 0.05. This could be due to investors moving aggressively in the transaction after obtaining information from the previous days. And it could also be because investors tend to take profit taking action to face the holidays. This research is in line with Perez (2017) which found that there is no a significant difference between daily stock return in companies on trading days in one week in Indonesian stock exchange, then in these researches did not find Monday effect and did not find a weekend effect.

VI. CONCLUSION

The result of the first hypothesis test (H_1) shows that there is a significant difference between the stock return on trading days in one week on Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange in 2017. Thus the first hypothesis that there is a difference in stock returns from Monday to Friday in Indonesia, India, and China. It is accepted.

The second hypothesis test result (H_2) shows that there is no Monday effect on stock trading in Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange in 2017, It is proved through the results of the independent t-test test calculation where there is no significant difference between the average stock return on Monday, where the average stock return on Monday is negative, but the average stock return on Monday is not the lowest. For Indonesia and India the lowest stock returns occurred on Tuesday, and for China, the lowest stock return occurred on Thursday. Thus the second hypothesis that occurs Monday effect on stock trading in Indonesia, India, and China are rejected.

The second hypothesis test result (H_3) shows that there is no weekend effect on stock trading in Indonesia Stock Exchange, Bombay Stock Exchange, and Shanghai Stock Exchange in 2017, It is proved through the results of the independent t-test test calculation where there is no significant difference between the average stock return on Friday, where the average stock return on Friday is positive, but the average stock return on Friday is not the highest. For Indonesia, the highest stock return occurred on Thursday, for India the highest stock return occurred on Wednesday, and for China, the highest stock return occurred on Tuesday. Thus the third hypothesis that occurs weekend effect on stock trading in Indonesia, India, and China are rejected.

The samples chosen in this study which only use the banking sector companies have not been able to reflect the conditions of exchanges in Indonesia, India, and China comprehensively. The period used is also relatively short its only one year, so it can not be observed influence variation between time. To verify the consistency of Monday effects and weekend effect comprehensively, subsequent studies can use the entire population of the issuer, and the use of longer periods is recommended for further research.

REFERENCES

Adiliawan, Novy Budi. 2010. Pengaruh Arus Kas dan Laba Kotor terhadap Harga Saham (Studi Kasus Pada Perusahaan Manufaktur di Bursa Efek Indonesi). (Skripsi). Univesitas Diponegoro.

Agustina, Nessia. 2014. Pengaruh Beta Saham Terhadap Return Saham Hari Senin dan Jumat pada IDX30. *Jurnal Ilmu Ekonomi Manajemen*. STIE MDP.

Alteza, Muniya. 2007. Efek Hari Perdagangan terhadap Return Saham: Suatu Telaah atas Anomali Pasar Efesien. *Jurnal Ilmu Manajemen*, Vol. 3, No. 1, 31-42.

Anwar and Mulyadi. 2009. The Day of The Week Effect in Indonesia, Singapore, and Malaysia. *MPRA Journal.* MPRA Paper No. 16873.

Budileksamana, Antariksa. (2006). Fenomena *The Monday Effect* di Bursa Efek Indonesia. *Jurnal*, SNA VII Solo.

Damodaran, Aswath. 1996. *Investment Valuation*. University Edition. Jonh Wiley and Sons. Inc.

Ghozali,Imam. 2011. *Aplikasi Analisis Multivariate Dengan Program IBM*.SPSS 19. Edisi Kelima. Semarang: Universitas Diponegoro.

Gumanti, Tatang Ary. 2011. *Manajemen Investasi: Konsep, Teori, dan Aplikasi*. Jakarta: Mitra Wacana Media.

Jogiyanto. 2007. *Teori Portofolio dan Analisis Investasi*. Edisi Kelima. Yogyakarta: BPFE.

Kurniawan, Arief Adhy. 2012. Analisis Pengaruh Hari Perdagangan Terhadap Return Saham Perusahaan Bidang Telekomunikasi Yang Terdaftar Di Bursa Efek Indonesia. Jurnal Probisnis Bol. 5 No. 2, 2 Agustus 2012.

Marcellyna, Fica. 2012. Pengaruh Earning Per Share (EPS) terhadap Harga Saham LQ-45 di Bursa Efek Indonesia. *National Journal*. STIE MDP.

Mensah, Bokpin, Antwi. 2016. Time Your Investment on The Ghana Stock Exchange (GSE). *African Journal of Economic and Management Studies.*Vol. 7 Issue: 2.

Rachmawati, Suci. 2016. Analisis Monday Effect dan Weekend Effect pada Return Saham LQ 45 di Bursa Efek Indonesia. (Skripsi).Universitas Negeri Yogyakarta

Singhal, Ankur *et al.* 2009. Weekend Effect of Stock Returns in the Indian Market. *Great Lakes Herald*. Indian Institute of Technology.

Soetanto, Hadinoto. 2008. *Bank Strategy on Funding and Liability Management*

(Strategi Pendanaan Bank dan Manajemen Pasiva). Jakarta: PT Elex MediaKomputindo.

Sularso, Havid *et al.* 2011.Analisis Monday dan Weekend Effect pada Saham Perusahaan LQ 45 di Bursa Efek Indonesia. *National Journal*. Univeristas Jendral Soedirman.

Supranto. (2001). Statistik Teori dan Aplikasi. Edisi VI. Jakarta: Erlangga.

Tandelilin, Eduardus. 2001. Analisis Investasi dan Manajemen Risiko. Edisi Pertama. Yogyakarta: BPFE.

_____, Eduardus. 2010. *Portofolio dan Investasi*. Edisi Pertama. Yogyakarta: Kanisius.

Zubir, Zalmi, 2011, "Manajemen Portofolio Penerapannya Dalam Investasi Saham, Jakarta : Salemba Empat.

www.bi.go.id
www.bseindia.com
www.english.sse.com.cn
www.idx.co.id
www.yahoofinance.com