

ANALYSIS OF RETURN STOCKS AFFECTED BY STOCK TRADING SUSPENSION IN INDONESIA STOCK EXCHANGE

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ABSTRACT

Suspension is a temporary suspended of shares trading in the Securities Exchange. The termination can be caused due to the request of the Issuer itself or the stock decision in order to provide protection to investors or it may be due to the imposition of sanctions by the Stock Exchange to an Issuer. Information about the suspension is the category of Bad News, in general, will lead to the decline in return stock to the companies that affected by the suspension.

This research is an event study that refers to an occurrence which allegedly that will affect the decision making of investors to buy the shares. The results of the study showed information the suspension of the company cause fluctuations in the return stock suspension and inflicted the negative abnormal return.

Keywords: Event Study, Suspension, abnormal return.

1, INTRODUCTION

The Indonesian capital market is a part of the Asia *emerging market* that more increase the capitalization in each year. Along with the development of technology information, more increase the number of market players in Indonesia Stock Exchange so that there is a need for information disclosure for investors to improve the credibility and market efficiency.

The Indonesian capital market will be more efficient when the faster new information available on the market is reflected in the securities price of the capital markets. The information here consists of historical data information, the published data and private data of the company.

Temporary Suspension of stock trading (*suspend*) by Indonesia Stock Exchange (IDX) is one of the information published by the BEI managers for all issuers in the market. Based on the rule, number III-G Kep-00086/BEI/10-2011 about the revocation of the suspension and the Exchange Membership approval by Indonesia Stock Exchange. The suspension is one of the rights owned by the stock exchange to stop suspend stock trading according to the specified time of securities trading. Against trade activities members of a Securities Exchange as the penalty for violations by the Issuer or a member of the securities exchange, or due to demand from the Issuer exchange member, Bapepam-LK or because of the consideration the exchange. Suspend sanctions provided for Issuers is a category of bad news that can affect the value of stock trading for Issuers so that there is a need clarification or improvement effort for errors that have been done.

The following is a list of Issuers companies that affected suspend sanctions in 2014:

Table 1.1. The list of the Companies (Issuer) affected by the Trading Suspension in 2014

No	The Company Code	The Company Name	No	The Company Code	The Company Name
1	AKSI	Majapahit Securities Tbk	21	HOTL	Saraswati Griya Lestari
2	ALTO	Tri Banyan Tirta Tbk	22	IKAI	Intikeramik Alamasri Industri Tbk
3	APOL	Arpeni Pratama Ocean Line Tbk	23	ITMG	Indo Tambangraya Megah Tbk
4	ARII	Atlas Resources Tbk	24	KARW	ICTSI JASA PRIMA
5	ASBI	Asuransi Bintang Tbk	25	KREN	Kresna Graha Sekurindo Tbk
6	ASIA	Asia Natural Resources	26	LAPD	Leyand International
7	BAJA	Saranacentral Bajatama	27	LINK	PT Link Net Tbk.
8	BALI	PT Bali Towerindo Sentra	28	MAGP	Multi Agro Gemilang

		Tb.			Plantation Tbk
9	BSWD	Bank of India Indonesia Tbk	29	MBSS	Mitrabahtera Segara Sejati Tbk
10	BTEL	Bakrie Telecom Tbk	30	MFMI	Multifiling Mitra Indonesia Tbk
11	BULL	Buana Listya Tama Tbk	31	MREI	Maskapai Reasuransi Indonesia Tbk
12	BUMI	Bumi Resources Tbk	32	MYOR	Mayora Indah Tbk
13	BWPT	Eagle High Plantations Tbk	33	PKPK	Perdana Karya Perkasa Tbk
14	CITA	Cita Mineral Investindo	34	RIMO	PT Rimo International Lestari
15	CPRO	Central Proteina Prima	35	SAFE	Steady Safe Tbk
16	DKFT	Central Omega Resources Tbk	36	SIAP	Sekawan Intipratama Tbk
17	DSFI	Dharma Samudera Fishing Ind. Tbk	37	SIPD	Sierad Produce Tbk
18	FORU	Fortune Indonesia Tbk	38	TMAS	Pelayaran Tempuran Emas Tbk
19	GPRA	Perdana Gapura Prima	39	TRAM	Trada Maritime Tbk
20	GTBO	Garda Tujuh Buana Tbk	40	UNSP	Bakrie Sumatera Plantations Tbk

Source: IDX 2014

Normally, all market players did not want the loss at the time of the investment. All forms of information are considered in the decision. This also applies to the transaction related to the capital market activity. It better before investing, investors see information in newspaper and news from the internet to be able to predict the future information that will come due to choosing the secure investment required the careful analysis and accurately supported data.

Overreaction Market hypothesis states that investors systematically perform actions that excessive force against an event by specifying the price too high (low) as a reaction to the information in the value of good/bad, so for a while, the stock price will be shifting from the fundamental value (Fama, 1991).

The Capital Market is the compartment for investors to invest with the hope it will gain the profitability of the capital that has been issued. The desire of investors to invest in the capital market is affected by the information obtained by the investor which is used as the guidelines to determine the policy that will be taken. Good information will react positively to emerging markets while conversely wrong information will react negatively in emerging markets.

II. BASIC CONCEPT OF EFFICIENT MARKET

The first concept of the efficient market has been stated and popularized by Fama (1970). In this context what is meant by the market is the capital market and the money market. A market can say efficient when no one, both individual investors and institutional investors will be able to obtain the abnormal return, after adjusted for risk, using existing trade strategy. This means that the stock prices reflect all available information.

According to Fama (1970) form of the efficient market can be grouped into three, known as the efficient market hypothesis. The three forms of efficient markets are (1) had the weak eyes form of the efficient market hypothesis, (2) semi-strong form of the efficient market hypothesis, and (3) strong form of the efficient market hypothesis. Each of the forms of the efficient market is closely related with as far as where the absorption of information occurred in the market.

The expression of the other mentioned that in an efficient market asset prices or securities quickly and fully reflect the available information about the securities or asset. In studying the concept of the efficient market, our attention will be directed to the extent to which and how quickly the information can affect the market which is reflected in the changes in the price of securities. In this case Haugen, (2001) divided into three information groups, namely (1) information in good past stock prices, (2) all public information, and (3) all available

information including inside or private information. Each of the groups of the information reflects the extent of the efficiency of a market. Jones (1998) stated that the price is now share (securities) reflect the two types of information, namely the information that is already known and information that still needs suspicion. The information is already known covers two kinds, namely the past information (e.g. profitability years or the last quarter) and current information as well as Genesis or events that have been announced but still will occur (e.g. the plan of separation share). For example, the information still needs suspicion if many investors believe that interest rates will soon come down, prices will reflect this belief before the actual decline occurs.

Ariani (2010) in the research entitled "The reaction of the Indonesian Capital Market investors to the announcement of bailout Dubai World". The purpose of this research is to know the volatility in the shares of the LQ45 and to test the efficiency of the semi-strong form stock market represented by the shares of the LQ45 recorded in IDX due to the announcement of the bailout Dubai World. The Efficient Capital Market is prices that formed to adjust with the existence information received by investors is the ideal market. In this research, the problem examined how the volatility stocks LQ45 before, during and after the event of the bailout announcement Dubai World and whether there is a significant difference between the average abnormal return before and after the events of the bailout announcement Dubai World which is one of the efficient market indicators. In this research, the method used is the event study method and event date or information that was done by observation is the date of the announcement of the bailout Dubai World which is called as the date event date. The Data used is price index share data and the LQ45 share covering the period August 2009 to January 2010. The results of this research showed that the existence of the bailout announcement Dubai World does not provide a significant impact against the shares return in the LQ45, or there is no abnormal return (excess return), and there is no difference between

the volatility stocks LQ45 significantly. From 45 shares including abnormal in the highest return only reach 0,009726 achieved on day 4 after the event date. The positive abnormal return value for 21 days observation totals only 8 days, while the negative value abnormal return amounted to 13 days. Thus this shows that the capital stock market in Indonesia is the half a powerful, efficient capital market because of the bailout announcement information Dubai World are not reflected in the price and return share the LQ45.

Wiyanto (2002) in the research entitled "Weak Form Market Efficiency test on cigarette industry stocks in the Jakarta Stock Exchange covering period 1999-2001 (Divination Box-Jenkins Methods and Runs Test)". This research is a test of weak form market efficiency in the cigarette industry stocks in the Jakarta Stock Exchange period 1999-2001. The results of the analysis identify that cigarette industry stock markets in the BEJ categorised in the market are not efficient in the form of weak. This condition can be used by investors to obtain the abnormal return because the price in the past can be used to predict the price in the future.

III. Research Methodology

Research Methodology is the steps of research that will be done in writing a scientific paper. The stages of the research determined first in advance so that the research more focused and provided a clear picture about what steps that must be done.

3.1 Research Period and Place

3.1.1 Research Period

The period observation research was done on these companies before and after the date of suspension cast down by IDX in 2014. Research data used as the Composite Stock Price Index (IHSG) (closing price) and IHSS per issuer 15 days before and after the period of

suspension is obtained through the Indonesia Stock Exchange, with the assumption, there is no corporate action.

3.1.2 Research Place

The research was done on all affected suspension shares with the Composite Stock Price Index (IHSG) and sectoral stock price index (IHSS) in Indonesia Stock Exchange.

3.2 Types of Data

The type of data that is used in this research is secondary data; it is the field research results data obtained by collect data on the company shares that affected suspension on IDX in 2014. According to how collect the data that is needed in this research is in the form of the data time series.

3.3 Data Collection Method

3.3.1 Literature Research

This literature research was done by collecting and reading from various literature, good financial journals and reference in the form of books and newspapers, magazines or the internet and learn the theories related to this research.

3.3.2 Field Research

Field research was done by visiting the Capital Market Reference Center in Indonesia Stock Exchange. The methods used in this field of research is the documentation method; it performs data collection and recording of data that is required in this writing.

3.4 Population and Sample Research

3.4.1 Population Research

The population in this research is all the shares that listing and suspension in Indonesia Stock Exchange in 2014.

3.4.2 Research Samples

The determination of the sample research based on the method purposive sampling with the criteria among others:

1. The companies which listing in Indonesia Stock Exchange.
2. All Companies affected by the suspension in 2014 but revocation sanctions in 2014.
3. The suspension companies that are trading actively in 2014 on the outside of the period of suspension.

Based on the criteria specified and there are only 5 samples companies that worthy meet the criteria include:

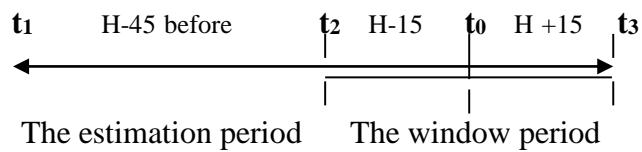
No	Code	Issuer Name
1	BUMI	Bumi Resources Tbk
2	BWPT	Eagle High Plantations Tbk
3	ITMG	Indo Tambangraya Megah Tbk
4	KREN	Kresna Graha Sekurindo Tbk
5	PKPK	Perdana Karya Perkasa Tbk

Source: IDX 2014

3.5 Time Range Selection Patterns with Events Study

The amount of time that used in this research is 75 day, 45 days before the information of the suspension by the Indonesia Stock Exchange. The amount of time the estimation period for

45 days, window period during the 15 day before, when suspension and 15 days after taking the sanctions suspension by IDX in 2014.



Picture 6 . The Event Study Pattern
Source: Jogiyanto (2009:559)

3.6 Operational Variables Definition

1. Shares return is the rate of return from an investment share. Return on this research is an Issuer return shares.
2. Beta share is returned volatility measurement securities to market return. Beta on this research obtained with how regression ($R_i - R_f$) as dependent variables and ($R_m - R_f$) as independent variables during the period of the estimation before the suspension.
3. Expected Return is the rate of return or expected profit by investors, in this research which was the expected return of an Issuer shares. Expected return is calculated by using the estimation model of the Capital Asset Pricing Model (CAPM).
4. Abnormal Return share is the difference that obtained between the realisation return and expectation return. Abnormal return that calculated in this research is abnormal return before the suspension and abnormal return after the revocation suspension.
5. The event of contains information in this research is the suspension information which is one of the events and needs to be examined the content information and conducted an event study to know whether an abnormal return or not and how quickly the market will react when an abnormal return.

3.7 Analysis Tools

Data analysis method used as follows:

3.7.1 Normality Assumption Test

The assumption normality test is to know whether the data is normally spread. The assumption normality test can be seen by *Augmented Dickey Fueller (ADF)* test.

3.7.2 Formation CAPM Model and Search for Abnormal Return

1. Calculating Stock Return

Calculating the stock return every day during the period of estimation that calculated by using this formula:

$$R_i = \frac{P_t - (P_{t-1})}{P_{t-1}} + D_t$$

Where :

R_i : Return on day t

P_t : Share price (*closing price*) on the day of t (in rupiah)

P_{t-1} : Share price (*closing price*) on the day of t-1 (in rupiah)

D_t : Dividend Share at t period

2. Calculating Daily Market Return

Calculating the daily market return is calculated with the following equation, with market dividend assumption is not counted or considered as zero.

$$R_m = \frac{IHSG_t - IHSG_{t-1}}{IHSG_{t-1}} + D_t$$

Description:

R_m = Market Return

$IHSG_t$ = The securities market price index in the period to-t

$IHSG_{t-1}$ = The price of securities markets in the period to the previous t

D_t = Market Dividend t period

3. Regressing ($R_i - R_f$) and ($R_m - R_f$) to Form CAPM Model

$$(R_i - R_f) = \beta (R_M - R_f)$$

Description :

- $E(R_i)$ = Expected Return
- R_F = Risk-free return assets use SBI
- R_M = Market Return
- B = Securities Beta to-i

4. Calculating Abnormal Return to the Window Period

The calculation of Abnormal Return using the formula :

$$AR_{i,t} = R_{i,t} - E(R_{i,t})$$

Description :

- $AR_{i,t}$ = Securities Abnormal Return to-i
- $R_{i,t}$ = The return happens to securities to-i in the period of the event to-t
- $E(R_{i,t})$ = Securities Expected Return to-i in the event period to-t

5. Calculate the Standardization Abnormal Return

$$ARS_{i,t} = \frac{AR_{i,t}}{KSE_i}$$

Description :

- $ARS_{i,t}$: Standardization Abnormal Return of Securities to-i on the day to-t in the window period
- $AR_{i,t}$: Securities Abnormal Return to-i on the day to-t in the window period
- KSE_i : Estimates Standard Error for securities to-i

6. Calculate Cumulative Abnormal Return

$$CAR_t = \sum AR_{t-1} + AR_t$$

Description :

- CAR_t : Cumulatif Abnormal Return securities to-t in the window period
- $\sum AR_{t-1}$: Total number of Abnormal Return securities before t in the window period
- AR_t : The securities Abnormal return to-t

3.7.3 Average 2 Varies Test

1. In this study using the average 2 varies test with the paired sample t-test by comparing return between before and after the suspension in IDX.

$$X1 - X2$$

$$T_{count} = \frac{X1 - X2}{\sqrt{\left(\frac{(n_1 - 1)(SD_1^2) + (n_2 - 1)(SD_2^2)}{n_1 + n_2 - 2} \right) \left(\frac{1}{n_1} + \frac{1}{n_2} \right)}}$$

Where:

- \bar{X}_1 = The average abnormal return before Suspension
- \bar{X}_2 = The average abnormal return after Suspension
- SD21 = Standard deviation before Suspension
- SD22 = Standard deviation of Suspension
- N = Number of samples

2. Determine the region of acceptance and rejection of the zero hypothesis (H_0)

 H_0 accepted or H_a rejected if: $t \text{ count} < t \text{ table}$

 H_0 rejected or H_a accepted if: $t \text{ count} > t \text{ table}$
3. Compare t count with t table can conclude based on the statistic test that has done. The author uses the level of trust in 95% or $\alpha = 5\%$.

3.8 Hypothesis Testing

There are 10 samples of the issuer stocks in this research; the research object is the assumption of the company stocks, and there is historical price data.

The hypothesis testing that used in this research are:

1. Normality Test

H_0 : the data normally distributed

H_a : the data are not normally distributed

With the level of confidence 95%, then when

Probability < 0.05 : Reject H_0

Probability > 0.05 : Do not reject H_0

2. The Average Two Different tests t test

H_0 : There is no a significant difference between the average abnormal return on Manufacture stocks between before and after the Suspension.

H_a : There is a significant difference between the average abnormal return on Manufacture stocks between before and after the Suspension.

If H_0 was rejected and H_a accepted means, there is a significant difference between the average abnormal return as a result of Manufacture stocks between before and after the suspension.

IV. RESULT AND DISCUSSION

4.1 Results

4.1.1 Stationary Data Test Result

Before analysis the abnormal return stocks test of the companies that are affected by the suspension, the first thing has to do is testing the stationary data. The stationery data test used to test the data behaviour that will be used. Stationary data has the tendency of the data variation is not great and approaching the average value, instead of the data is not stationary have larger variation data with the average value (Insukindro, 1991).

The regression using data not stationary in general has a value R-square which is relatively high, but having the statistic value of the low Durbin Watson. That will affect the regression happens to be spurious or irregular so that the coefficient regression assessor will not efficient, and the regression forecasts will be missed then the result is not valid (Insukindro, 1991).

The research variables used in this research are: The *Return* IHSG value, The Daily SBI Rate, And the return of each company with the code company among others: BUMI, BWPT, ITMG, KREN, PKPK.

The stationery data test using the unit root tests by using the model of the Augmented Dickey Fuller (ADF) using the statistic EVIEWS 8.1 program.

The result of stationery data test summarized in the Table IV.1 among others:

The table IV.1. Test results Stationary

Variable	ADF (Prob. Value)	
	t	Prob.
RIHSG	-6.281056	0.000
SBI	-7.128417	0.000
Return BUMI	-9.594286	0.000
Return BWPT	-7.929213	0.000
Return ITMG	-3.593008	0.000
Return KREN	-5.578658	0.000
Return PKPK	-7.767663	0.000
Test Critical Value		
1%	-3.519050	
5%	-2.900137	
10%	-2587409	

Source: Processed Data

Based on the table IV.1, seen that all variables data that used stationary on the initial level and significant at the alpha level 1%. It shows that the variable data used does not have the unit roots.

4.1.2. The formation of Expected Return (E(R))

The formation of the expected return model in this research using CAPM model with fluently time data during 52 days before the suspension. The steps which applied in the formation of each company expected among others:

1. Determine the return of each company using historical data of each company stock price changes in the estimation period 52 days research.

2. Determine the value of the free risk-return using the daily standard value of interest rate in the Certificates Bank Indonesia during estimation period.
3. Determine the return of the market that uses the data changes of Composite Stock Price Index (IHSG) during the estimation of the research period.
4. The formation of CAPM model by forming an equation regression:

$$R-R_f = (R_m-R_f) \cdot \beta + a$$

From the equation model be obtained Beta (β) value produced can be used as the former model of CAPM in order to get the Expected Return ($E(R)$) value with equation:

$$E(R) = R_f + (R_m-R_f) \cdot \beta$$

The formation results of each equation regression using EVIEWS 8.1 can be seen on the attachments 1.1 with expected return model of each company as follows:

$$E(R) = R_f + \beta (R_m-R_f)$$

$$E(R_{BUMI,t}) = R_f + 0.007742 (R_m - R_f)$$

$$E(R_{BWPT,t}) = R_f + 0.118507801625 (R_m - R_f)$$

$$E(R_{ITMG,t}) = R_f + 0.0788356271004 (R_m - R_f)$$

$$E(R_{KREN,t}) = R_f + 0.000621 (R_m - R_f)$$

$$E(R_{PKPK,t}) = R_f + 0.011955 (R_m - R_f)$$

4.1.3. The Calculation Results of the Abnormal Return and Abnormal Cumulative Return

The calculation results of the abnormal return of each company uses the difference between the realization return with the expected return model ($R-E(R)$) can be seen in the table IV.2.

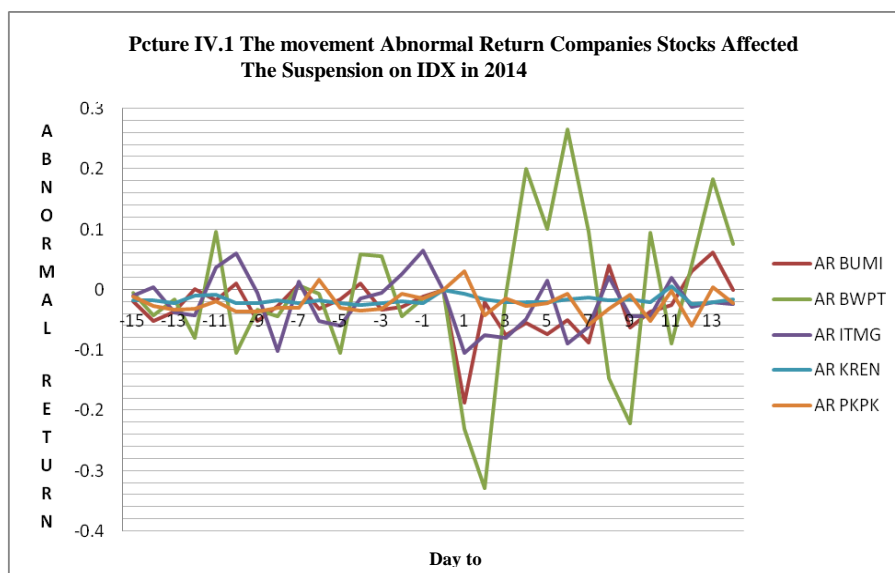
The table IV.2 Abnormal Return the Companies Affected by the Suspension in 2014

The day to	AR BUMI	AR BWPT	AR ITMG	AR KREN	AR PKPK
-15	-0.00717	-0.08851	-0.17203	-0.01809	-0.01472
-14	-0.01948	-0.00548	-0.01037	-0.01764	-0.01058
-13	-0.05266	-0.04209	0.003401	-0.01686	-0.0269
-12	-0.03673	-0.01531	-0.03854	-0.0222	-0.03311
-11	0.001252	-0.08053	-0.04304	-0.00934	-0.032
-10	-0.01753	0.096458	0.036166	-0.0078	-0.01832
-9	0.00976	-0.10557	0.06026	-0.02197	-0.03632
-8	-0.05143	-0.03262	-0.00482	-0.02195	-0.03636

-7	-0.02766	-0.04452	-0.10187	-0.01716	-0.03031
-6	0.008381	0.008089	0.013008	-0.02218	-0.02903
-5	-0.03209	-0.00672	-0.05253	-0.01763	0.01754
-4	-0.01648	-0.10493	-0.05974	-0.02195	-0.0296
-3	0.010389	0.058568	-0.01486	-0.02513	-0.03448
-2	-0.0327	0.054887	-0.00488	-0.02192	-0.03144
-1	-0.02939	-0.04346	0.025585	-0.01913	-0.00563
0	-0.01107	-0.01474	0.06458	-0.02232	-0.01473
1	0	0	0	0	0
2	-0.18745	-0.23025	-0.10477	-0.0066	0.031009
3	-0.02037	-0.3291	-0.07591	-0.01558	-0.04258
4	-0.0757	-0.00776	-0.08038	-0.02039	-0.01338
5	-0.0547	0.200331	-0.04909	-0.02092	-0.02583
6	-0.07438	0.101356	0.015113	-0.02117	-0.02141
7	-0.05058	0.265889	-0.0892	-0.01616	-0.00697
8	-0.08711	0.096542	-0.06101	-0.01354	-0.05752
9	0.039919	-0.1471	0.021619	-0.01686	-0.03112
10	-0.06232	-0.22171	-0.04481	-0.01641	-0.00796
11	-0.03701	0.093852	-0.04411	-0.02125	-0.05088
12	-0.02564	-0.08914	0.018749	0.005765	-0.00156
13	0.031228	0.041946	-0.02848	-0.02296	-0.05925
14	0.061592	0.183173	-0.02041	-0.02081	0.004281
15	-0.00032	0.07532	-0.02328	-0.01654	-0.02235

Source: processed data

The calculation results of the abnormal return company can also be seen in the picture IV.1, which shows the movement of abnormal return stocks which fluctuate before and after the suspension on the companies.



Source: processed data

In the picture, IV.1 showed that BWPT share has the movement of abnormal fluctuation return stock greater after the civil suspension revocation compared with the other stocks. This shows the influence of suspension information more has the real impact on investors in BWPT shares that do the transaction stock trading. Based on the calculation results of abnormal return stock of each company can be determined the cumulative value of abnormal return stocks enumerates the value of abnormal return from 15 days before the suspension and 15 days after suspension revocation as shown in Table IV.3.

The table IV.3. The results of the calculation Cumulative Abnormal Return the companies affected by Suspension on IDX in 2015.

The Period	CAR BUMI	CAR BWPT	CAR ITMG	CAR KREN	CAR PKPK
Before suspension	-0.30461	-0.36648	-0.29966	-0.30328	-0.366
After taking the suspension	-0.6128	-0.08794	-0.68989	-0.26469	-0.32611

Source : The Data processed

The table IV.3 shows that there are two types of emitting companies which have the cumulative impairment of abnormal return stocks after a suspension, specifically the shares of BUMI (Bumi Resources Tbk) and ITMG (Indo Tambang Raya Megah Tbk). While the others three types stocks experiencing the cumulative value abnormal return stock which increased, specifically the shares of BWPT (Eagle High Plantations Tbk), KREN (Kresna Graha Securindo Tbk), and PKPK (Prime Paper Mighty).

The calculation of abnormal return the entire company shares affected by the suspension can also be calculated using the approach the average abnormal return (AAR) and the cumulative average abnormal return (CAAR) all companies affected by the suspension which can be seen in the table IV.4.

The table IV.4 The results of the calculation the *Average Abnormal Return* (AAR) and *Cumulative Average Abnormal Return* (CAAR) The Companies which Affected by Suspension on IDX in 2014.

The day to	AAR	CAAR
-15	-0.06355	-0.06355
-14	-0.13511	-0.19866
-13	-0.14589	-0.34455
-12	-0.16366	-0.50821
-11	0.088974	-0.41923
-10	-0.09384	-0.51307
-9	-0.14718	-0.66025
-8	-0.22152	-0.88177
-7	-0.02173	-0.90351
-6	-0.09143	-0.99494
-5	-0.2327	-1.22764
-4	-0.00551	-1.23315
-3	-0.03605	-1.2692
-2	-0.07203	-1.34123
-1	0.00172	-1.33951
0	0	0
1	-0.49806	-0.49806
2	-0.48354	-0.9816
3	-0.19761	-1.17921
4	0.049791	-1.12942
5	-0.00049	-1.12991
6	0.102979	-1.02693
7	-0.12264	-1.14957
8	-0.13354	-1.28311
9	-0.35321	-1.63632
10	-0.0594	-1.69572
11	-0.09183	-1.78755
12	-0.03752	-1.82506
13	0.207826	-1.61724
14	0.01283	-1.60441
15	-0.25098	-1.85539

Source: Processed Data

The table IV.4 shows that there are fluctuations in the value of the average abnormal return in overall stocks before and after the suspension. The cumulative value of the average abnormal return share before and after the suspension event is negative and the more declining showed, in general, the investors have a negative sentiment against the shares of affected suspension companies.

4.1.4. Test results vary two average of t Test

Two different tests the average t-test is used to see the difference in the average from the results of abnormal return before and after the suspension event of company shares that affected suspension companies. The results of the vary two the average abnormal return stocks affected by the suspension test can be seen in the Table IV.5.

Table IV.5 Test Results Vary Two the average Abnormal Return Shares affected by Suspension in BEI Year 2014

Test for Equality of Means Between Series

Sample: 1 15
Included observations: 15

Method	df	Value	Probability
t-test	28	0.600183	0.5532
Satterthwaite-Welch t-test*	19.01101	0.600183	0.5555
Anova F-test	(1, 28)	0.360219	0.5532
Welch F-test*	(1, 19.011)	0.360219	0.5555

*Test allows for unequal cell variances

Test results vary 2 average shows the results of t-tests that are not significant with probability 0,5532 greater than significant rank 10% indicates that there is no distinction of significant abnormal return before and after the suspension.

This shows the initial hypothesis (Ho) which indicates there is no difference in the average abnormal return before and after the suspension event received, while the final hypothesis indicates there is a difference of the average abnormal return before and after the suspension event rejected.

4.2. Discussion

The overall research results using the expectations model of the *Capital Asset Pricing System* (CAPM) with the average two different test methods *sample t-test* showed that the value of

the probability t-count greater than the probability t-table with the greater significance than 0,10. This result received the initial hypothesis that says there is no difference between the average abnormal return share before and after the suspension event that happened in the company. There is no difference between the average abnormal return shares occurred shows in the information that has been absorbed by the market so the investors do the anticipation on stock price changes.

The results of this research also support the previous research which stated that the capital market in Indonesia Stock Exchange efficient, which means that the price has capital markets reflects the information content that occurs in markets.

V . CONCLUSION AND SUGGESTIONS

V.1 Conclusion

Based on the results and the discussion of the research done so it can be taken some conclusions among others:

1. Test stationery test results with the ADF test indicates that the overall variable used is stationary with the level of the smaller significance from 0,01, which means the research of data used does not have the roots of the unit which may cause lead to the spurious regression.
2. The results of the abnormal's cumulative return share value before and after the negative value suspension showed negative sentiment market against the suspension information on the companies affected by the suspension.
3. Test results from 2 *vary the average sample t-test from the Average Abnormal Return (AAR)* shows that there is no difference significant *AAR* between before and after the

suspension event indicates that the information has been absorbed by the market and investors have been anticipating the changes of return shares in BEI. The situation supports the previous research which stated that the Indonesian capital market is located on the efficient condition.

V.2. Suggestions

1. When the perpetrators of the investment take a decision to invest in the capital market preferably first seek clarity regarding the information that is going on related to the type of shares that will be invested in.
2. The suspension event is the event that occurs as a result of an error by the company causing negative sentiment in the market. The company should avoid the suspension by following the rules that have been set by the managers of the capital market.

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