



## Does the Indonesian Capital Market React to Christmas and New Year Holidays? Evidence from LQ45 Companies (2021–2024)

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**Abstract:** This study examines the stock market reaction to the Christmas and New Year holidays by analyzing abnormal return and trading volume activity for companies consistently listed in the LQ45 Index during 2021–2023. Using a quantitative causal approach and an event study design, the research observes market behavior within a 10 day estimation window and a 10 8day event window surrounding the holiday period. The findings show that abnormal return exhibits limited but notable reactions, with a significant decline observed before the holiday, indicating that investors tend to reduce risk exposure prior to market closure. After the holiday, significant movements still appear, but they remain negative, suggesting that investor activity and confidence have not fully recovered. In contrast, trading volume activity does not show significant differences either before or after the holiday, implying that changes in prices are influenced more by sentiment and price adjustments rather than shifts in trading intensity. These results indicate that the Indonesian capital market demonstrates characteristics of a semi-strong form efficiency, where public information such as national holidays is largely anticipated and absorbed by the market.

**Keywords:** Abnormal Return, Event Study, LQ45 Index, Market Efficiency, Trading Volume Activity

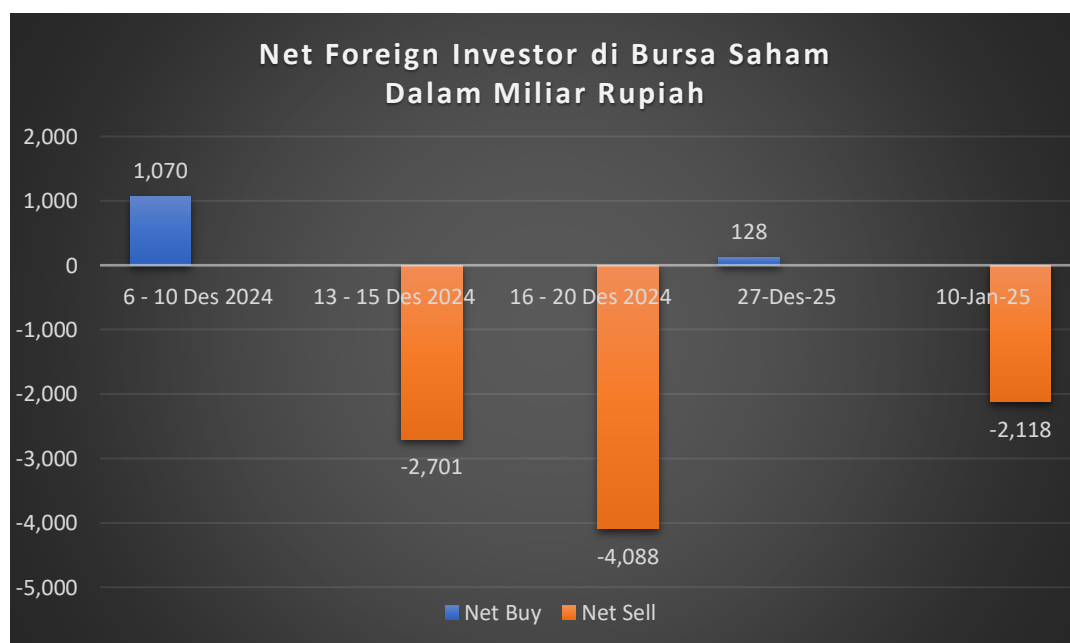
### 1. INTRODUCTION

Surat Keputusan Bersama (SKB) on Libur Nasional and Cuti Bersama for the 2021-2024 period states that Indonesia has an average of 16-23 days of holidays. In 2024, Indonesia will have 16 national holidays and 7 days of collective leave, making it one of the countries with the highest number of national holidays. The following is data on national holidays and collective leave in Indonesia for the period 2021-2024, the following is data on national holidays and collective leave in Indonesia for the period 2021-2024, summarized from the Surat Keputusan Bersama (SKB) of the Menteri Agama, Menteri Ketenagakerjaan, dan Menteri Pendayagunaan Aparatur, Negara dan Reformasi Birokrasi Republik Indonesia.

Hari Libur di Indonesia			
Years	Libur Nasional	Cuti Bersama	Total hari Libur
2020	15 hari	7 hari	22 hari
2021	16 hari	7 hari	23 hari
2022	16 hari	4 hari	20 hari
2023	16 hari	11 hari	27 hari
2024	17 hari	10 hari	27 hari

This unique domestic factor is one of the things that influences the dynamics of the capital market in Indonesia, where Indonesia has a relatively high number of national holidays compared to other countries. The high number of national holidays reflects Indonesia's high level of diversity in terms of culture, traditions, and religious celebrations. However, on the other hand, national holidays have an impact on the economy, particularly the capital market. A high number of holidays can affect activity in the capital market because the capital market does not operate during holidays. This is referred to as a calendar anomaly or deviation in a market that occurs due to certain events or holidays. Investors' moods, emotions, or feelings can change in the period before and after holidays, whether they are national holidays or religious holidays. This can influence their investment decisions in the capital market. Generally, the influence in the period leading up to holidays tends to be greater than on normal days (Maretta & Worthington, 2009).

Announcements or information published by companies will certainly have an impact on company securities. Event study theory examines how capital market reactions are influenced by the rapid publication of information or events during the event period. The existence of national holidays in Indonesia, especially long holidays, will affect the capital market, especially considering that there are foreign investors who own a large number of shares in Indonesia. Differences in cultural diversity and history between countries cause variations in economic behavior, especially in response to events such as national holidays and religious celebrations.



*Source: Index Summary on the Indonesia Stock Exchange (IDX)*

During the week of December 6<sup>th</sup>-10<sup>th</sup>, 2024, there was a net buy of 1,070 billion rupiah, which indicates an accumulation of shares by foreign investors, possibly due to positive expectations for market performance towards the end of the year. However, in the following week December 13<sup>th</sup>, 2024, there was a significant change in direction with net selling reaching -2.701 billion rupiah, indicating profit-taking or risk avoidance ahead of the long holiday period. This selling pressure trend continued from December 16<sup>th</sup> to 20<sup>th</sup>, 2024, with net selling increasing even further to -4.088 billion rupiah, reflecting foreign investors' concerns or caution regarding potential market uncertainty during the holiday period. Holidays often create uncertainty in the capital market. To avoid risks when the market is closed and new information cannot be responded to immediately, investors tend to sell their shares and shift their funds to more liquid forms.

A relevant global case in point is Donald Trump's policy announcement on April 2<sup>nd</sup>, 2025, in which Trump officially announced a new tariff package called “Liberation Day” in the form of a 10% base tariff on all imported goods. This policy had an impact on the capital market turmoil, where at the time of the announcement, the Indonesian capital market was closed, so there was no immediate response from domestic investors. When the stock exchange reopened, the IHSG fell by 9.19% in one trading day, reflecting a strong delayed reaction to this global news.

This phenomenon demonstrates that holidays can amplify information risk and influence investor behavior, particularly among foreign investors who hold a significant share in the Indonesian capital market. The fluctuations described above indicate that the Christmas and New Year holidays have an impact on the dynamics of foreign capital flows in the capital market, especially in LQ45 stocks, which are the focus of foreign investment. These significant changes also reflect market information imbalances or information asymmetry, and indicate that the market does not always react directly and efficiently to public information as described in the semi-strong form market efficiency theory.

A few previous studies have examined the effect of holidays on capital market dynamics. Anisa et al. (2020) found that the January Effect did not have a significant effect on abnormal returns and Trading Volume Activity (TVA). Hendrawaty and Huzaimah (2019) also showed that psychological factors and investor habits such as the Monday Effect can influence market behavior, although no significant differences were found between periods. Most previous studies have focused on return variables, while studies related to TVA, especially during religious holidays such as Christmas and New Year, are still limited. For example, Ramdani (2021) examined the effect of religious holidays on returns without including TVA, while

Agrivina and Komara (2022) examined TVA in the context of COVID-19 vaccination, not during national holidays. Based on these research gaps, this study aims to analyze the capital market's reaction to the Christmas and New Year holidays as indicated by differences in abnormal returns and trading volume activity (TVA) in companies included in the LQ45 index. This study is expected to provide a broader understanding of the effect of national holidays on market performance and serve as a reference for investors in formulating investment strategies before and after long holiday periods.

## **2. LITERATURE REVIEW**

### **Event Study**

Event studies are studies that examine the impact of capital market reactions to events/incidents based on announced information. Event studies can be used to test the impact of announced information and to test the semi-strong form of the efficient market hypothesis (Hartono, 2017). The information published may include:

1. Information that comes from within the company (corporate action), where the information only affects the share price of the company that published the information.
2. Information published by external parties such as regulations issued by the government or regulators, which will have an impact on the share prices of several companies.
3. Information published by external parties, whether the government or regulators, which can have an impact on all issuing companies.

Hartono (2017) states that event studies aim to analyze market reactions to certain events by looking at changes in stock returns and trading volume activity (TVA) around the date of the event. In this study, the indicators used to determine the impact of an event are abnormal stock returns and trading volume activity.

### **Market Efficiency Theory**

If security prices reflect all relevant information quickly, the market is considered efficient. Capital markets are more efficient if security prices can be revealed more quickly. The more efficient a market is reflected by how quickly it reacts to new information. It is very difficult in an efficient market for individual investors to earn consistent profits above the market average, known as abnormal profits because existing prices are a reflection of available information (stock prices reflect all available information), (Fama, 1970). Furthermore, Fama categorizes efficient market forms into three or what is often referred to as the efficient market hypothesis.

1. *Weak Form Efficiency*, in the weak form of market efficiency, technical analysis cannot be used by market participants to predict a future stock price based on prior information because historical data does not affect prices.
2. *Semi-strong Form Efficiency*, Semi-strong market efficiency is a condition where prices do not just reflect past values, but also include all information in the company's financial statements such as earnings, dividends, stock splits, mergers or acquisitions, and other information that has an impact on the company's cash-flow.
3. *Strong Form Efficient Market (Strong form Efficiency)*, The strong form efficient market defines that the existing price is a reflection of existing information, be it public information or private information, in other words all public information and private information is already included in the existing price.

There should be no opportunity for abnormal returns in an efficient market as all information is already reflected in the stock price. However, the existence of abnormal returns is evidence of market anomalies, which rejects or weakens the theory of market efficiency. Abnormal return is the difference between actual return and expected return. If the difference is positive then the investor gains profit, while if it is negative then it experiences a loss.

A common form of market anomaly is the January Effect, which is the tendency of stock prices to rise in the first week of January as a result of investors' portfolio adjustments after the year-end holidays. Generally, stocks will lose money when sold at the end of December and bought back in early January, this condition triggers an abnormal return, which is the difference between the actual return and the expected return. Apart from price, the market reaction is also reflected in changes in Trading Volume Activity (TVA) because the response to holiday information can cause changes in the level of stock trading volume, (Fajriah, et al, 2021).

### **Holiday Effects**

Holiday effect refers to the performance of the stock exchange which is influenced by holiday events by considering various factors, including the development of trading transactions, values, and stock prices. In line with this, a phenomenon in the stock exchange that often arises is the January effect, which is a condition where stock returns at the beginning of the year tend to be higher than in other months.

The January effect phenomenon was first introduced by Rozeff and Kinney (1976) who found a seasonal pattern in stock returns, where there is a significant increase in the early weeks of January compared to other months. This pattern is often attributed to the efforts of investors to sell shares at the end of the year for tax savings, and buy back shares at the beginning of the

following year, which in this case causes an increase in the price of the stock. Other factors that encourage investor behavior in the January effect phenomenon are psychological factors, where investors tend to be more optimistic at the beginning of the year, as well as increased trading activity along with the entry of new funds in the capital market. So, the January effect is not only limited to seasonal patterns but as a sign that there are psychological factors that can affect the pattern of stock movements at the beginning of the year.

### **Abnormal Return**

Abnormal return or abnormal return is the difference between the actual return and the normal return, the normal return is the expected return (the return expected by investors), the reason can be the appearance of information or events that can affect investor reactions and change the value of the company which is reflected by an increase or decrease in stock prices. (Hartono, 2017). Realized return or actual return is the return that occurs in period  $t$  which is the difference between the current price relative to the previous price or can be calculated by the formula  $(P_{i,t} - P_{i,t-1}) / P_{i,t-1}$ , meanwhile the expected return is the return that must be estimated.

### **Abnormal Return Before Christmas and New Year Holiday**

As the long holiday season nears, investors tend to be more cautious due to the uncertainty during the closed bourse period. This condition encourages some investors to sell to secure portfolios, resulting in selling pressure and a potential decline in stock prices. Subekti and Rahmawati (2020) show that trading activity increases ahead of the holiday, which indicates selling pressure and a potential decline in returns. Victoria et al. (2021) also found significant differences in returns in certain non-trading periods, reinforcing the notion of a pre-holiday market reaction. Based on these studies, the proposed hypotheses are:

H1: There is a decrease in Abnormal Return on the shares of companies in the LQ45 index ahead of the Christmas and New Year Holidays.

### **Abnormal Return After Christmas and New Year Holiday**

After a long holiday, investors generally return to active transactions to adjust their portfolios and respond to information that emerged during the closed stock exchange period. This activity can increase the demand for shares, thereby driving up prices. Zakiyah et al. (2018) show a significant difference in abnormal returns after an event, while Victoria et al. (2022) found a difference in returns on days outside normal trading. These findings support the notion of a positive market reaction after a holiday period. Based on this study, the proposed hypothesis is:

H2: There is an increase in abnormal returns on company stocks in the LQ45 index after the Christmas and New Year Holidays.

### **Trading Volume Activity**

Trading volume is the total number of shares traded at a certain time, the greater the trading volume, the greater the interest of investors to trade in the company's shares. Meanwhile, the high volume of stock trading transactions does not always indicate a high stock price either, this volume value can change along with events that can be caused by internal and external influences on the company, Ifa (2020) in (Triono et al, 2021).

### **Trading Volume Activity (TVA) Before Christmas and New Year Holiday**

Before a holiday, investors usually complete or adjust transactions to anticipate risks during the stock exchange closure, thus driving an increase in trading activity. Subekti and Rahmawati (2020) found significant differences in TVA ahead of religious holidays, while Hood and Lesseig (2017) also noted clear volume changes around market holiday periods. Based on these findings, the proposed hypothesis is:

H3: There is an increase in Trading Volume Activity (TVA) in the shares of companies in the LQ45 Index ahead of the Christmas and New Year Holidays.

### **Trading Volume Activity (TVA) After Christmas and New Year Holiday**

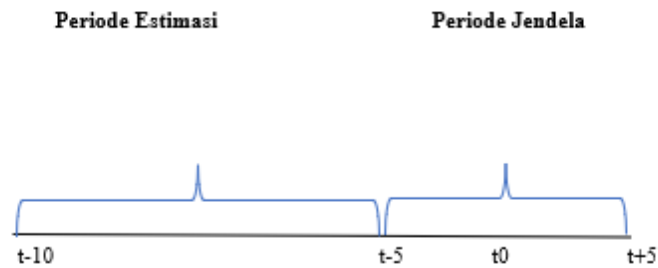
After the holiday period, investors tend to postpone transactions to analyze market conditions first, so trading activity usually decreases. Subekti and Rahmawati (2020) found that trading volume tends to decrease after holidays, while Hood and Lesseig (2017) also noted a significant decrease in TVA in the period after the market reopened. Agrivina and Komara's (2022) research also shows differences in TVA before and after non-normal days, indicating changes in trading behavior due to certain events. Based on these findings, the proposed hypothesis is:

H4: There is a decrease in Trading Volume Activity (TVA) in the shares of companies in the LQ45 Index after the Christmas and New Year Holidays.

## **3. RESEARCH METHOD**

This study employs a quantitative method aimed at testing hypotheses and addressing the research questions through numerical data analysis. The approach used is a causal quantitative approach, which examines cause–effect relationships to identify how the dependent variable is influenced by the independent variables. The research design applied is an event study, a method used to analyze market reactions to specific information announced at a particular point in time (Hartono, 2017).

In an event study, the observation period consists of an estimation window and an event window. This study applies a 10-day estimation window and an 11-day event window, comprising 5 days before and 5 days after the event date. This timeframe is selected under the assumption that investors have received and responded to the information within this period, allowing for a more accurate analysis of the market reaction surrounding the holiday event.



### Population and Sample

Population: <b>LQ45 index companies</b>		<b>45</b>
Sampel:		
1.	Companies that are consistently included in the LQ45 index since 2021-2024	32
2.	Companies that have complete historical data on stock prices and trading volume	32
3.	Total research years	4
4.	Total observation data	128

### Abnormal Return

Event studies analyze the abnormal return of securities that may occur due to the announcement of an event. Abnormal return is the difference between actual return and expected return.

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

$AR_{i,t}$  = Abnormal return

$R_{i,t}$  = Actual return

$E(R_{i,t})$  = Expected return

### Actual Return

$$R_{it} = \frac{(P_{it} - P_{it-1})}{P_{it-1}}$$



$R_{it}$  = Actual return

$P_{it}$  = Stock price on date t

$P_{it-1}$  = Stock price on date t-1

### ***Expected Return***

$$R_{ij} = R_{m,t}$$

$$R_{mt} = \frac{IHSG_t - IHSG_{t-1}}{IHSG_{t-1}}$$

$R_{it}$  = Actual return

$R_{mt}$  = Market return in estimation period t

$IHSG_t$  = Jakarta Composite Index (IHSG) on day t

$IHSG_{t-1}$  = Jakarta Composite Index (IHSG) on day t-1

### **Trading Volume Activity (TVA)**

Trading Volume Activity helps capture the market's reaction to specific information such as national holidays by analyzing changes in stock trading volume (Wati et al., 2022).

$$TVA_{it} = \frac{\sum \text{Shares traded in period } t}{\sum \text{Shares outstanding in period } t}$$

## **4. RESULT AND DISCUSSION**

### ***Descriptive Statistics Analysis***

Descriptive statistical analysis is used to provide an overview of the data, represented by the maximum value, minimum value, mean, and standard deviation.

***Tabel 1 Descriptive Statistics Average Abnormal Return.***

Hari	N	Rata-rata pada <i>Non- Window Period</i>	Rata-rata pada <i>Window Period</i>	Std. Deviation Pada <i>Non window Period</i>	Std Deviation pada <i>Window Period</i>
T-5	128	-0,00011	0,00004	0,00741	0,01846
T-4	128	-0,00011	-0,00266	0,00741	0,01615
T-3	128	-0,00011	-0,00705	0,00741	0,00740
T-2	128	-0,00011	-0,00076	0,00741	0,10568
T-1	128	-0,00011	0,06883	0,00741	0,78076

T+1	128	-0,00011	-0,00033	0,00741	0,02978
T+2	128	-0,00011	-0,00346	0,00741	0,00740
T+3	128	-0,00011	-0,00662	0,00741	0,01761
T+4	128	-0,00011	-0,00284	0,00741	0,01623
T+5	128	-0,00011	-0,00232	0,00741	0,02181

Overall, the results of these descriptive statistics show that in the event period (window period) abnormal returns tend to change, especially on T-1 which recorded the highest average positive abnormal return of 0.06833 with the highest deviation as well. This shows that one day before the holiday there is a fairly strong market reaction, possibly due to the behavior of investors who make year-end transactions. After the holiday, abnormal returns tend to be negative, although the value is relatively small and close to zero, so it can be said that the market is stable again.

**Tabel 2** Descriptive Statistics Average Trading Volume Activity (TVA).

Hari	N	Rata-rata pada Non- Window Period	Rata-rata pada Window Period	Std. Deviation Pada Non window Period	Std Deviation pada Window Period
T-5	128	0,00640	0,00853	0,05040	0,07500
T-4	128	0,00640	0,00355	0,05040	0,02209
T-3	128	0,00640	0,00739	0,05040	0,06458
T-2	128	0,00640	0,00325	0,05040	0,02226
T-1	128	0,00640	0,00307	0,05040	0,02285
T+1	128	0,00640	0,00329	0,05040	0,02613
T+2	128	0,00640	0,00312	0,05040	0,03052
T+3	128	0,00640	0,00203	0,05040	0,00981
T+4	128	0,00640	0,00251	0,05040	0,01365
T+5	128	0,00640	0,00277	0,05040	0,01251

Overall, the average TVA in the window period is slightly higher than the non-window period, but with a greater degree of spread in the data. This indicates that while there are no

large spikes in average trading volume activity, there is a tendency for the market to be more active and volatile before and after the holidays.

### *Independent Sample Test*

**Tabel 3** Uji Hipotesis Abnormal Return (AR).

Periode	Mean- Non- window Period	Mean Window Period	Mean Difference	Sig. (2- tailed)	Keterangan
<b>T-5</b>	0,00012	0,00005	0,00016	0,928	No Significant
<b>T-4</b>	0,00012	-0,00266	-0,00255	0,113	No Significant
<b>T-3</b>	0,00012	-0,00116	-0,00094	0,073**	Significant**
<b>T-2</b>	0,00012	-0,00076	-0,00085	0,945	No Significant
<b>T-1</b>	0,00012	0,06883	0,08895	0,32	No Significant
<b>T+1</b>	0,00012	-0,00014	-0,00022	0,768	No Significant
<b>T+2</b>	0,00012	-0,00347	-0,00335	0,048*	Significant*
<b>T+3</b>	0,00012	-0,00663	-0,00651	0,423	No Significant
<b>T+4</b>	0,00012	-0,00284	-0,00273	0,085**	Significant**
<b>T+5</b>	0,00012	-0,00233	-0,00221	0,278	No Significant

### *Description:*

(\*): indicates significance level at  $\alpha < 0.05$  (5%)

(\*\*): indicates significance level at  $\alpha < 0,10$  (10%)

Based on the results of hypothesis testing on abnormal returns, only three days around the Christmas and New Year holidays show significance. At T-3, the abnormal return is significant at the 90% confidence level ( $p = 0.073$ ) with an average of -0.00705, indicating a decrease in returns due to investor selling before the holiday to avoid risk during the stock exchange closure. This finding supports H1 and is consistent with the research of Subekti & Rahmawati (2020) which shows a similar pattern before religious holidays. This result is also in line with the findings of Kozlowski & Lytle (2023) and Batta (2023) which show that seasonal patterns, including the January effect, still appear in global markets, although their strength varies across periods and types of stocks. The period leading up to the year-end holidays is often a moment for investors to structure portfolios, thus triggering abnormal return differences.

Further hypothesis testing found that abnormal returns were significant not only at T-3, but also at T+2 and T+4, suggesting that the market reaction did not occur exactly on the event day. This is in accordance with the event study theory and Jogiyanto's (2017) explanation, that the market can react before or after the event due to anticipation or delay in information absorption. Therefore, the results of this study are consistent with the half-strong form of market efficiency, where national holiday information is not immediately fully reflected in stock prices.

The result indicates that Indonesia's capital market is close to semi-strong form efficiency. Public information such as Christmas and New Year holidays have generally been reflected in prices, although there are still abnormal returns on certain days due to psychological dynamics and investor behavior.

In the post-holiday period, significant abnormal returns appear on T+2 and T+4. At T+2, the significance value of 0.048 ( $\alpha < 0.05$ ) with an average of -0.00347 indicates selling pressure as investors have not fully reactivated after Christmas, so the market is still in the transition phase towards the New Year. At T+4, the abnormal return was also significant ( $p = 0.085$ ) with an average of -0.000284. This decline is thought to be influenced by profit taking and year-end portfolio adjustments (window dressing), so selling pressure still dominates even though trading has normalized. This finding does not support H2 which predicts an increase in abnormal returns after the holiday. Instead, the market shows a downward pattern. This result is consistent with various previous studies which state that seasonal effects, including the January Effect, do not always appear consistently (Hendrawaty & Huzaimah, 2019; Kozlowski & Lytle, 2023; Batta, 2023). The decrease in the consistency of seasonal anomalies is influenced by increasing market efficiency, information disclosure, and increasingly rational investor behavior. Other studies (Hood & Lesseig, 2017; Anisa et al., 2020) also show that investor attention tends to decrease around holidays so that post-holiday abnormal returns are not always positive.

### Trading Volume Activity (TVA) Hypothesis Test

**Tabel 4** Independent T-test Trading Volume Activity (TVA).

Period	Mean <i>Non- window Period</i>	Mean <i>Window Period</i>	<i>Mean Difference</i>	Sig. (2- tailed)	Description
<b>T-5</b>	0,00640	0,00853	0,00213	0,790	No Significant

<b>T-4</b>	0,00640	0,00355	-0,00285	0,559	No Significant
<b>T-3</b>	0,00640	0,00739	0,00099	0,891	No Significant
<b>T-2</b>	0,00640	0,00325	-0,00315	0,519	No Significant
<b>T-1</b>	0,00640	0,00307	-0,00333	0,498	No Significant
<b>T+1</b>	0,00640	0,00329	-0,00311	0,503	No Significant
<b>T+2</b>	0,00640	0,00312	-0,00328	0,493	No Significant
<b>T+3</b>	0,00640	0,00203	-0,00437	0,337	No Significant
<b>T+4</b>	0,00640	0,00251	-0,00389	0,400	No Significant
<b>T+5</b>	0,00640	0,00277	-0,00363	0,435	No Significant

Based on the results of statistical tests with the independent t-test method on the Trading Volume Activity (TVA) variable, the significance results are  $> 0.05$  on each observation day T-5 to T + 5, therefore it is concluded that there is no significant difference in Trading Volume Activity (TVA) in comparison between non-window periods (window period). The test results show that Hypothesis 3 could indicate that it cannot be accepted, because there was no significant increase in trading volume activity (TVA) in the pre-holiday period. This indicates that investors do not make excess transactions as a form of risk anticipation during the holidays, so trading activity remains at normal levels. This finding is in line with Hood and Lesseig (2018) who noted a decrease in trading volume before and after the holiday due to decreased investor participation, as well as research by Al-Khazali et al. (2018) which showed stable liquidity and low volatility during the religious period. After the holiday, a similar pattern is also found. All significance values at T+1 to T+5 are above 0.05, indicating that there is no significant change in TVA even though on average there is a slight decrease in transaction activity. Therefore, Hypothesis 4 is also unacceptable, as the market shows no significant reaction to the Christmas and New Year holidays. This result supports Yunita and Rachmawati (2021) and Hood and Lesseig (2018), who concluded that holidays are not strong enough to drive significant changes in trading volume.

Generally, the stable TVA of LQ45 stocks reflects the characteristics of the index which consists of highly liquid companies that are not easily influenced by seasonal sentiment. This finding is also consistent with the semi-strong form of market efficiency

## 5. CONCLUSION AND SUGGESTIONS

The results of the hypothesis testing on Abnormal Return (AR) and Trading Volume Activity (TVA) indicate that the market shows a limited reaction to the Christmas and New

Year holidays. A significant abnormal return is only found at T-3 before the event, with a negative mean value, suggesting that investors engage in pre-holiday selling to avoid risks during market closure supporting H1. After the holiday, abnormal returns at T+2 and T+4 also show significance but remain negative, indicating downward pressure rather than the expected post-holiday increase; thus, H2 is not supported. Meanwhile, TVA does not show any significant differences before or after the holiday, implying that trading activity remains stable and that price changes around the event are driven by sentiment rather than shifts in transaction volume. These findings suggest that the Indonesian capital market, particularly LQ45 stocks, operates in a semi-strong form of market efficiency, where public information such as national holidays is already anticipated and absorbed into prices. As a result, the holiday period does not trigger substantial changes in trading behavior, and market reactions remain limited and predictable.

Future studies may consider using alternative models to calculate abnormal returns, such as the mean-adjusted model or the market model, which can provide more accurate estimates of expected returns. Researchers may also expand the scope beyond the LQ45 index by examining different sectors within the IHSG, as each sector may respond differently to holidays or economic events. In addition, future research could explore other events with longer holiday durations or major economic announcements—such as interest rate decisions, elections, or fiscal policy changes—to determine whether market reactions are consistent across various types of events.

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