ABSTRACT

Efficient Market Hypothesis says that efficient market react swiftly to relevant information. If the market is efficient, it will quickly respond to new information so that will quickly reached a new balance price. In capital market emerge phenomenon showing deviation which oppose against efficient market concept (anomaly market). The Anomaly's is January Effect and Size Effect.

The data was employed in this study is secondary data from companies listed in Jakarta Stock Exchange between January 1998 until December 2005. Purposive sampling method is taken and generates 43 stocks as sample. Statistical analysis which used in this study is multiple regression dummy variables for the January Effect and T test for the Size Effect.

From the regression shows result that only in August which have mean of return differ from January's, and January is not the month with the highest return, so that the January Effect is not exist in BEJ. While the T test of the Size Effect shows result that small cap is not different from the larger cap.

Keywords: Market Anomalies, January Effect, Size Effect, Stock Return