CHAPTER V

CLOSING

5.1   Conclusion of the Research

Based on research related with the title comparision of Capital Assets Pricing Model in predicting the stock returns on sharia stock and conventional stock during COVID-19 pandemic period in study case at Jakarta Islamic Index and LQ45 with 19 samples from sharia stock in the Jakarta Islamic Index and 9 samples from conventional stock in the LQ45 in the research period starting from 2nd March 2020 to 28th February 2022. The results that have been obtained by researchers using the Capital Asset Pricing Model method from processed data using the Excel application are:

1. In the research result, in Sharia Stocks there are 13 companies from 19 companies in the Jakarta Islamic Index that get positive returns. The highest stock return is the company from Adaro Energy Tbk and other companies that get positive return are :Aneka Tambang Tbk. ,Barito Pacific Tbk.,Charoen Pokphand Indonesia Tbk,XL Axiata Tbk.,Vale Indonesia Tbk.,Indofood Sukses Makmur Tbk.,Japfa Comfeed Indonesia Tbk,Kalbe Farma Tbk.,Perusahaan Gas Negara Tbk,Bukit Asam Tbk ,Telekomunikasi Indonesia (Persero) Tbk. and United Tractors Tbk. Meanwhile, there are 6 companies that get negative returns. The company are stocks with the lowest average rate of return are Unilever Indonesia Tbk. and other the companies that get negative return are Wijaya Karya (Persero) Tbk., Media Nusantara Citra, Indocement Tunggal Prakarsa Tbk , Indofood CBP Sukses Makmur Tbk

,Chandra Asri Petrochemical Tbk with the stock code is TPIA and Indocement Tunggal Prakarsa Tbk.

2. From Conventional stocks in LQ45 there are 7 companies from 9 companies in the LQ45 that get positive returns. . The highest stock return is the company from Tower Bersama Infrastructure and othere companies that get positive return are Meanwhile, there are 2 companies that get negative returns are H.M. Sampoerna Tbk.company that are stocks with the lowest average rate of return, and the last is Gudang Garam company

3. The average rate of return from LQ45 is 0.014273304 and Jakarta Islamic Index is 0.011943351. it's mean that conventional stock in LQ45 more higher than sharia stock in Jakarta Islamic Index during pandemic COVID -19 from March 2020 to February 2022

4. Based on the research results the average rate of return on the market E(Rm) is higher than the average rate of return on risk-free assets (Rf)

5. In the result of research about sharia stock at Jakarta Islamic Index, there are 10 companies that have beta more than 1 ($\beta>1$) , that's companies are Aneka Tambang Tbk , Barito Pacific Tbk. , XL Axiata Tbk. , Vale Indonesia Tbk. ,Indocement Tunggal Prakarsa Tbk , Japfa Comfeed Indonesia Tbk, Media Nusantara Citra Tbk , Perusahaan Gas Negara Tbk., Chandra Asri Petrochemical Tbk and Wijaya Karya (Persero) Tbk. The highest beta is in the stocks from Perusahaan Gas Negara Tbk. Then there are 8 stocks with beta lower than 1 ($\beta < 1$), it is Adaro Energy Tbk. , Charoen Pokphand Indonesia Tbk , Indofood Sukses Makmur Tbk , Kalbe Farma Tbk. Indofood CBP

Sukses Makmur Tbk, Bukit Asam Tbk. , United Tractors Tbk. with the lowest value beta from company Indofood Sukses Makmur Tbk. and during this research, there are a company that have beta lower than 0 or negative beta ($\beta < 0$) . it is a Unilever Indonesia Tbk company

6. From conventional stocks side, 4 companies that have beta more than 1 ($\beta>1$) , that's companies are Bank Negara Indonesia (Persero) Tbk., Bank Rakyat Indonesia (Persero) Tbk., Bank Tabungan Negara (Persero) Tbk. and Bank Mandiri (Persero) Tbk . The highest beta in the stocks from Bank Tabungan Negara (Persero) Tbk. and there are 5 stocks with beta lower than 1 ($\beta < 1$), it is the company from Bank Central Asia Tbk , Gudang Garam Tbk. , H.M. Sampoerna Tbk. , Tower Bersama Infrastructure Tbk. and Sarana Menara Nusantara Tbk. with the lowest value beta from Tower Bersama Infrastructure Tbk. company during the research period from March 2020 to February 2022.

7. The average of beta from sharia stock in Jakarta Islamic Index is 1.177354421 and the average of beta from conventional stock in LQ45 is 1.449836787. With these results, it can be concluded that the higher average beta ii from LQ45 stock in conventional stocks

8. The expected return from the result of research in sharia stocks show that the best companies to invest during the research period from March 2020 to February 2022 on Jakarta Islamic Index is a company from Perusahaan Gas Negara Tbk with code stocks is PGAS and has the highest expected return, Wijaya Karya (Persero) Tbk. , Barito Pacific Tbk. , Media Nusantara Citra Tbk, Chandra Asri Petrochemical Tbk and the company of Aneka Tambang

Tbk. Meanwhile , the lowest expected return is in companies from Unilever Indonesia Tbk. company .

9. The expected return from the result of research in conventional stocks show that the best companies to invest during the research period from March 2020 to February 2022 on LQ45 is a Bank Tabungan Negara (Persero) Tbk and has the highest expected return, Bank Negara Indonesia (Persero) Tbk. company., Bank Rakyat Indonesia (Persero) Tbk., Bank Mandiri (Persero) Tbk company . And the lowest expected return that's companies from Tower Bersama Infrastructure Tbk.

10. The average of expected stock returns from sharia stock on Jakarta Islamic Index is 0.013073406 or 1.3073406% during the period in the research and the average of expected stock returns from conventional stock on LQ45 is 0.016011794 or 1.6011794%, With these results, it can be concluded that the higher average of expected stock returns is LQ45 shares in conventional stocks

11. With the beta , return and expected return from conventional stock at LQ 45 more higher than Jakarta Islamic Index. It can be proven that high risk, high return .

12. There are 9 companies stocks in the Sharia Stock on Jakarta Islamic Index which are classified as Undervalued stock in the research period from March 2020 to February 2022 where the 9 companies stock are Adaro Energy Tbk. with the stock code is ADRO, Aneka Tambang Tbk with the stock code is ANTM, Vale Indonesia Tbk., Indofood Sukses Makmur Tbk., Japfa Comfeed

Indonesia Tbk, Kalbe Farma Tbk., United Tractors Tbk., Bukit Asam Tbk., and Telekomunikasi Indonesia (Persero) Tbk.Where with decision or recommendation for investors in the 9 stocks of this company is to buy or hold .And there are also 10 companies stocks in the Jakarta Islamic Index which are classified as Overvalue stock in the research period from March 2020 to February 2022 where the 10 companies stock are Barito Pacific Tbk, Charoen Pokphand Indonesia Tbk , XL Axiata Tbk., Indofood CBP Sukses Makmur Tbk. Indocement Tunggal Prakarsa Tbk, Media Nusantara Citra Tbk, Perusahaan Gas Negara Tbk. ,Unilever Indonesia Tbk. ,Chandra Asri Petrochemical Tbk and Wijaya Karya (Persero) Tbk..Where the decision or recommendation for investors in the 10 stocks of this company is to sell.

13. From the result , it found that there are 7 companies conventional stocks in the LQ45 which are classified as Undervalued stock in the research period from March 2020 to February 2022 where the 7 companies stock are Bank Central Asia Tbk, Bank Negara Indonesia (Persero) Tbk.with the stock code is BBNI, Bank Rakyat Indonesia (Persero) Tbk., Bank Tabungan Negara (Persero) Tbk., Bank Mandiri (Persero) Tbk, Tower Bersama Infrastructure Tbk., Sarana Menara Nusantara Tbk.. With decision or recommendation for investors in the 7 conventional stocks on LQ45 of this companies is to buy or hold .And there are also 2 companies stocks in the LQ45 which are classified as Overvalue stock in the research period from March 2020 to February 2022 where the 2 companies stock are Gudang Garam Tbk., H.M. Sampoerna Tbk.

with the stock code is HMSP .Where the decision or recommendation for investors in the 2 stocks of this company is to sell.

5.2 Implication of the Research

The Implication of this research are :

1. To Academics

It is hoped that the results of this study can provide an opportunity to contribute to the development of knowledge in the management department in financial management, especially regarding the analysis of Capital Assets Pricing Model in predicting the stock returns on sharia stock and conventional stock during COVID-19 pandemic period with study case at Jakarta Islamic Index and LQ45

2. To Investors and Potential Investors

a. This research can be used as a reference and additional information for investors and potential investors who will invest in stocks

b. For investors who want to invest in the capital market by paying attention to sharia aspects during the COVID-19 pandemic, researchers suggest paying attention to stocks listed on the Jakarta Islamic Index

c. For investors who want to invest in the capital market without paying attention about sharia aspect researchers suggest paying attention to stocks listed on LQ45

d. Researchers suggest that investors choose stocks with an average rate of return (Ri) that is greater than the average rate of return on stock expectations (E[Ri]).

e. For investors who are risk takers, researchers suggest investing in conventional stock on LQ45 and while investors who are risk averse in the capital market, researchers suggest choosing sharia stocks on Jakarta Islamic Index

5.3 Limitation of the Research

The limitation of the this research are :

a. This study only uses monthly time series data for 24 months, from the beginning of the COVID-19 pandemic case appearing in Indonesia in March 2020 until the data processed by researchers until on February 2022.

b. The object studied is only one index from sharia stock, that's Jakarta Islamic Index and one index from conventional shares,that's LQ45

c. The selected research sample data on sharia stock in the Jakarta Islamic Index 19 companies stocks from 43 companies and the research sample selected on conventional stock in LQ45 only 9 companies stocks from 56 observed companies so that ,it did not get maximum research results.

d. The researchers only use the Capital Asset Picing Model theory in this research from many theories about predicting stock returns, such as the APT theory

e. In this study does not explain other factors that can influencing the market.

5.4   Suggestions of the Research

Suggestions that can be given by researchers for further researchers who will use the theory of the Capital Asset Pricing Model method, it is hoped that it can be used as a reference for further research with different samples, research objects and research periods so that there are variations on the basis for making investment decisions so that developments regarding the capital market.