#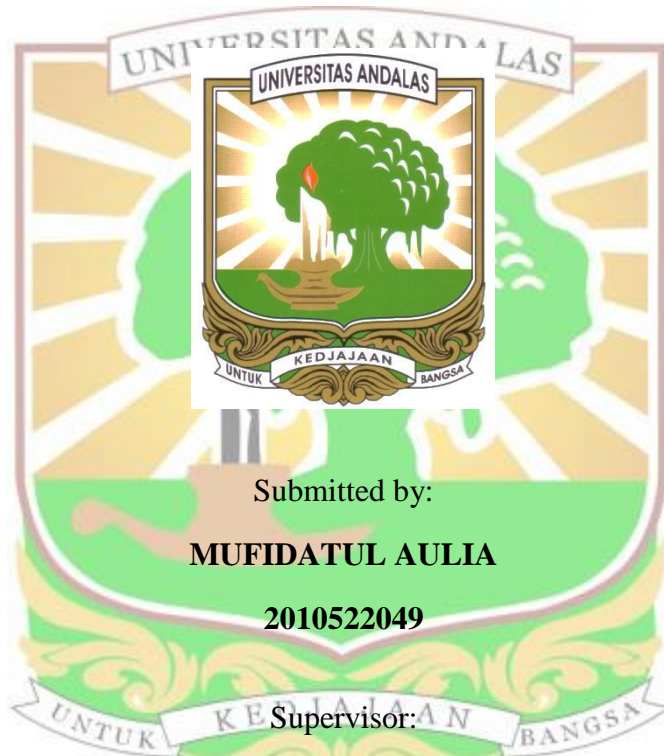 ANALYSIS OF INVESTOR HERDING BEHAVIOR IN THE INDONESIA STOCK MARKET IN 2019-2023 (CASE STUDY ON SRI-KEHATI AND JAKARTA ISLAMIC INDEX)

## THESIS

Submitted as Partial Requirements to Achieve Bachelor's Degree in Undergraduate Study Program Department of Management Faculty of Economics and Business Andalas University

Submitted by:

**MUFIDATUL AULIA**

**2010522049**

Supervisor:

**Fajri Adrianto, S.E., M.Bus (Adv)., Ph.D.**

**INTERNATIONAL MANAGEMENT STUDY PROGRAM**

**DEPARTMENT OF MANAGEMENT**

**FACULTY OF ECONOMIC AND BUSINESS**

**ANDALAS UNIVERSITY**

**PADANG**

**2024**

# ABSTRACT

This research aims to analyze the indications of investors' herding behavior on the SRI-KEHATI and Jakarta Islamic Index in the Indonesia Stock Market during 2019-2023. The model used to detect herding in this model proposed by Chang et al. (2000) which is Cross-Sectional Absolute Deviation (CSAD). The dependent variable of this research is Cross-Sectional Absolute Deviation (CSAD). The independent variables of this research is Absolute Market Return and Squared Market Return. This reseach is associative research. The population in this research are companies that have been listed on SRI-KEHATI and Jakarta Islamic Index from 2019 to 2023, using purposive sampling method to determine the sample. The data used is daily closing price of companies stock and the closing price of the SRI-KEHATI and Jakarta Islamic Index from 2019-2023. This research uses Quantile Regression Analysis to process data and test hypotheses. The result of this research shows that when market conditions are down (bearish) there is the existence of herding behavior while market conditions are up (bullish), there is no herding behavior.

**Keywords : Herding Behavior, CSAD, Market Return, SRI-KEHATI, Jakarta Islamic Index**