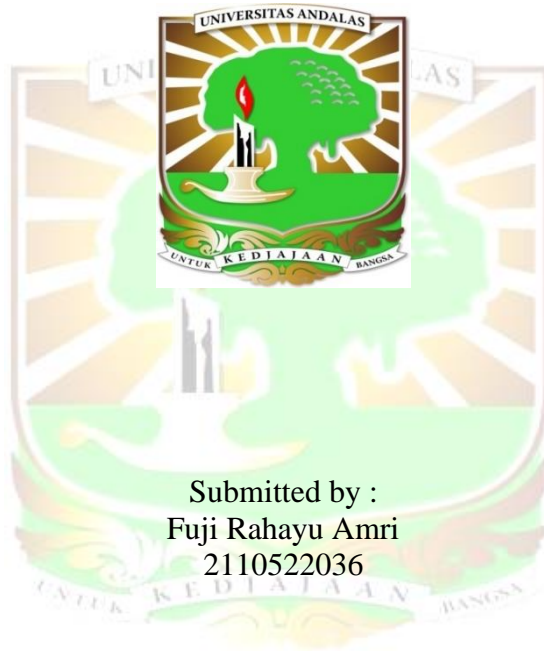


**ANALYSIS OF INVESTOR HERDING BEHAVIOR IN BANKING
INDUSTRY STOCKS LISTED ON THE JAKARTA COMPOSITE INDEX
AROUND FED FUND RATE ANNOUNCEMENT ON SEPTEMBER 2024**

THESIS


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



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Analysis Of Investor Herding Behavior In Banking Industry Stocks Listed On The Jakarta Composite Index Around Fed Fund Rate Announcement On September 2024

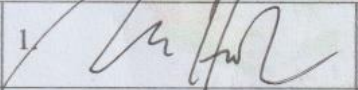

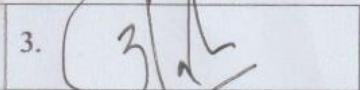
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ABSTRACT

This research aims to analyze herding behavior among investors in banking industry stocks listed on the Jakarta Composite Index (IDX) in the 15 days before and 15 days after the Fed Fund Rate announcement in September 2024. The primary focus of this study is to identify whether there are indications of herding behavior. 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 variable of this research is Absolute Market Return and Squared Market Return. This research is associative research. The data used is daily closing price of companies stock and the closing price of the Jakarta Composite Index. This research uses Regression Analysis to process data and test hypothesis. The result of this research shows that there is no herding behavior on the period before and after the announcement of Fed Fund Rate on September 2024.

Keywords : *Herding Behavior, Fed Fund Rate, Jakarta Composite Index, Cross Sectional Absolute Deviation, banking industry*

This thesis is already examined and passed on April 11th, 2025. This abstract is already approved by supervisor and examiners:

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