RISK AND RETURN EVALUATION OF GLAMOR AND VALUE STOCK PERFORMANCE ON INDONESIAN CAPITAL MARKET

(Study from KOMPAS100 Stock in Indonesian Capital Market Period 2012 – 2016)

THESIS

Presented as Partial Fulfillment of the Requirements

For the Degree of Sarjana Ekonomi (S1) in Management Program

Faculty of Economics University of Atma Jaya Yogyakarta

Compiled by:

Giovan Dharma Nugroho

Student ID Number: 12 12 19668

FACULTY OF ECONOMICS

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Faculty of Economic

University of Atma Jaya Yogyakarta

I hereby recommend that the thesis prepared under my supervision by

Giovan Dharma Nugroho

Student ID Number: 12 12 19668

Thesis entitled

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Advisor,

Alexander Jatmiko Wibowo, S.E., SIP., MSF.

April 10th, 2017

This is to certify that the thesis entitled

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Written by :

Giovan Dharma Nugroho

Student ID Number : 12 12 19668

has been defended and accepted on May 12th, 2017 towards fulfillment of the requirement for the Degree of sarjana Ekonomi (S1) in International Business and Management Program Faculty of Economics, Universitas Atma Jaya Yogyakarta

Examination Committee

Chairman

Drs. C. Handoyo W., MM.

Member

A. Jatmiko Wibowo, SE., SIP., MSF.

Drs. Felix Wisnu I., MBA

Yogyakarta, May 12th, 2017

Dean of Faculty of Economics
Universitas Atma Jaya Yogyakarta

Budi Suprapto, MBA, Ph.D

STATEMENT OF THESIS AUTHENTICITY

I am Giovan Dharma Nugroho sincerely noted that I wrote this thesis with the following title:

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(Study from KOMPAS100 Stock in Indonesian Capital Market Period 2012 – 2016)

is verify my own study and research. The statements, ideas, bibliographies and notes which are noted by others are written stated in the form of notation and references. If in the future, I were proved that I had imitated some parts or the whole of this thesis, then I will be willing to remove the Degree of Sarjana Ekonomi (S1) certificate of graduation from University of Atma Jaya Yogyakarta thus Sarjana Ekonomi (S1) and certificate of graduation that I obtained would be nullified and returned to University of Atma Jaya Yogyakarta.

Yogyakarta, April 10th, 2017

Giovan Dharma Nugroho

PREFACE

First of all, I would like to say thank you in the name of God Almighty for the blessings and strength that God provide can show me and guide me as I can finish this thesis entitled, "**RISK AND RETURN EVALUATION OF GLAMOR AND VALUE STOCK PERFORMANCE ON INDONESIAN CAPITAL MARKET (Study from KOMPAS100 Stock in Indonesian Capital Market Period 2012 – 2016)** as one of fulfillment and requirements for the Degree of Sarjana Ekonomi (S1) in International Business and Management Program, Faculty of Economics University of Atma Jaya Yogyakarta. Therefore, in this opportunity I would like to express my deepest appreciation to the people who always supported me in my journey to finish my study in University of Atma Jaya Yogyakarta. Those wonderful people are:

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The writer realizes that there are still some mistakes in the thesis, therefore the writer asks for forgiveness for the mistakes. Suggestions and comments are very welcome for the improvement of this thesis. Finally, the writer hopes that this thesis can bring advantages and usefulness to the readers.

Yogyakarta, April 10th, 2017

Giovan Dharma Nugroho

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Advisor

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ABSTRACT

Stocks are one of the instrument aspect in the capital market. It can be categorized as Value and Glamor Stock. The differences between the two have many varieties in the analyzing of the performances. There were so many research in the past to analyze these two categories and have differences result based on the purpose. This research aims to determine whether the Value stock portfolio perform better result than the Glamor stock portfolio and also to analyze the risk adjusted performance between Value stock portfolio and Glamor stock portfolio.

The sample of this study using the stock listed in KOMPAS100 in the period of 2012-2016. The formation of the portfolio was taken by the theory of consistent earner strategy by analyzing the Price to Earnings Ratios, Dividend Yield, and Return On Equity on each stock category. Thus developing the portfolio Value and Glamor stock. The calculation of return using the closing price each stock, risk by using the Sharpe ratio, and ANOVA analyze to validate the data and the adjusted risk and return.

The result of this study showed that the Value stock outperform the Glamor stock in term of return and adjusted risk performance in period of 2012-2016 for the stock that listed in KOMPAS100.

Keywords: *Value stock, Glamor stock, Return, Risk adjusted performance, Portfolio*

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Disusun oleh:

Giovan Dharma Nugroho

Student ID Number: 12 12 19668

Pembimbing

Alexander Jatmiko Wibowo, S.E., SIP., MSF.

INTISARI

Saham adalah salah satu instrument perdagangan di pasar modal. Ini bisa dikategorikan sebagai saham *Value* dan saham *Glamor*. Perbedaan keduanya terdapat banyak macam pada analisis performa saham. Ada banyak penelitian terdahulu untuk menganalisis kedua kategori ini dan terdapat banyak hasil berdasarkan tujuannya. Penelitian ini bertujuan untuk menentukan apakah *portfolio* saham *Value* menghasilkan hasil yang lebih baik daripada saham *Glamor* dan juga untuk menganalisis *risk adjusted performance* antara *portfolio* saham *Value* dan saham *Glamor*.

Sampel pada penelitian ini menggunakan saham yang terdapat pada KOMPAS100 periode tahun 2012-2016. Pembentukan portfolio diambil dari teori *consistent earner strategy* dengan menganalisis *Price to Earnings Ratios, Dividend Yield*, dan *Return On Equity* pada setiap kategori saham. Kemudian membentuk kategori saham *Value* dan *Glamor*. Perhitungan *return* menggunakan harga penutupan, resiko menggunakan *Sharpe ratio*, dan analisis ANOVA untuk validasi data.

Hasil penelitian ini menunjukan bahwa saham *Value* lebih tinggi daripada saham *Glamor* pada *return* dan *adjusted risk performance* di periode tahun 2012-2016 untuk saham terdaftar di KOMPAS100.

Kata kunci: saham *Value*, saham *Glamor*, *Return*, *Risk adjusted performance*, *Portfolio*