



**THE EFFECT OF TRADING ACTIVITIES, MARKET CAPITALIZATION
AND PRICE TOWARDS STOCK RETURN DURING RAMADAN**

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ABSTRACT

The month of Ramadan is one the most renowned religious rituals in the world for more than 1.5 billion Muslims. This study analyzes the effect of Ramadan during the Muslim holy days. This study analyzed the objective using the time frame of three years from 2016 until 2018 which gathered daily stock return for 30 days before Ramadan and 30 days during Ramadan. All stock exchange data is obtained from the Thomson Reuters DataStream database. The sample for this study is 10 top listed banks in selected Islamic countries in Southeast Asia that has highest population of Muslim which is Malaysia, Indonesia and Brunei. However, the data for Brunei is not available with Thomson Reuters, as for that Brunei could not included in this study. Time series approach is used the check the volatility and the significant of Ramadan effect towards stock return. The result reveal that Ramadan has significant positive effect on stock return in Southeast Asia Islamic Countries which indicate that all the independent variables have affect and have a strong positive relationship towards stock return.