# INVESTOR IRRATIONAL TRADING BEHAVIOUR IN MALAYSIAN STOCK MARKET: DAY OF THE WEEK EFFECT

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# ABSTRACT

This study analyses the day of week effect on Malaysia Stock Market for three different market capitalization in FTSE Bursa Malaysia indices series: FTSE Bursa Malaysia KLCI Index (Large Cap), FTSE Bursa Malaysia Mid 70 index (Medium Cap) and FTSE Bursa Malaysia Small Cap Index. Using the most recent data from 23$^{rd}$ November 2009 – 31$^{st}$ December 2018, this study employs OLS method to investigate the effect in Malaysia. It was found that the Monday effect with negative return only presence on FTSE Bursa Malaysia Mid 70 index and FTSE Bursa Malaysia Small Cap Index.

Keywords: Day of the week effect, stock return, Large cap, Medium cap, Small Cap