

COMPARATIVE ANALYSIS OF SHARIA AND CONVENTIONAL STOCK PERFORMANCE LISTED ON INDONESIA STOCK EXCHANGE IN 2016-2018

ANALISIS PERBANDINGAN KINERJA SAHAM SYARIAH DAN SAHAM KONVENSIIONAL YANG TERDAFTAR DI BURSA EFEK INDONESIA PADA TAHUN 2016-2018

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Abstract : Comparative Analysis Of Sharia And Conventional Stock Performance Listed On Indonesia Stock Exchange In 2016-2018. The purpose of this study is to compare the performance between sharia stock and conventional stock. The sample of this study are 30 sharia stock and 30 conventional stock. Sample were taken using purposive sampling technique. The analytical method used if the data is normally distributed using the Independent Sample T-test, if the data is not normally distributed then uses the Mann Whitney U-test. The results of this study indicate that stock return measurement and sharpe index and treynor index have significant differences only in 2016, whereas in 2017 and 2018 there are no significant differences. The measurement using the Jensen index shows that there are significant differences in 2016 and 2017, where in 2018 there were no significant differences.

Keyword: Stock Performance, Stock Return, Sharpe Index, Treynor Index, Jensen Index

Abstrak : Analisis Perbandingan Kinerja Saham Syariah Dan Saham Konvensional Yang Terdaftar Di Bursa Efek Indonesia Pada Tahun 2016-2018. Tujuan dari penelitian ini adalah untuk mengetahui perbandingan kinerja antara saham syariah dan saham konvensional. Sampel penelitian ini adalah 30 saham syariah dan 30 saham konvensional. Sampel diambil menggunakan teknik *purposive sampling*. Metode analisis yang digunakan apabila data terdistribusi normal menggunakan *Independent Sample T-test*, apabila data terdistribusi tidak normal maka menggunakan *Mann Whitney U-test*. Hasil penelitian ini menunjukkan bahwa pengukuran return saham serta indeks sharpe dan indeks treynor terdapat perbedaan signifikan hanya pada tahun 2016, sedangkan pada tahun 2017 dan 2018 tidak terdapat perbedaan signifikan. Pada pengukuran menggunakan indeks Jensen menunjukkan terdapat perbedaan yang signifikan pada tahun 2016 dan 2017, sedangkan pada tahun 2018 tidak terdapat perbedaan yang signifikan.

Kata kunci: Kinerja Saham, Return Saham, Indeks Sharpe, Indeks Treynor, Indeks Jensen

INTRODUCTION

The company as a business actor aims to gain profits to provide wealth to its owners and develop the reach of its business so that the company experiences an increase. In the process of developing the business scope of the company requires a large

investment, especially in terms of funding. Funding or the acquisition of capital in the company can come from the internal company itself or by getting from outside the company. Funding from outside the company can come from debt, issue stock, issue bonds and other debt securities.

Issuing stock is one way for companies to obtain funding from investors. Stock trading is done through the capital market. the capital market has two functions, namely the economic function to bring investors together with issuers or issuers, and financial functions because they can give returns to investors. The existence of a capital market, economic activity will increase because companies can increase the income and prosperity of the community. (Darmadji, 2006: 11).

In the capital market concept, traded stock can use portfolio analysis with regard to the desire to acquire a group of securities to hold (Elton and Gruber, 1995). Portfolios are categorized as efficient if they have the same level of risk, but are able to produce high levels of profit, or are able to produce the same level of profit, but with a low risk. optimal portfolio is the portfolio chosen by an investor from the many choices available in an efficient collection of portfolios (Tandelilin, 2010).

The development of the capital market in Indonesia is also involved with the rise of the Sharia economy in the shift of the signification of konensional into the Sharia financial system in Indonesia which is an interesting phenomenon for the population of Indonesia which is predominantly Sharia. This began with the establishment of the Jakarta Sharia Index

(JII) on July 3, 2000 which aimed to guide investors who want to invest their capital in Sharia stocks.

Since November 2007, Bapepam & LK (now OJK) has issued a List of Sharia Securities (DES) which lists Sharia Sharia stocks in Indonesia. With the presence of DES, it is expected that it will be easier to find out about Sharia stock because DES is a reference for listing Sharia stock in Indonesia. The existence of DES was followed up by the Indonesia Stock Exchange by launching the Indonesian Sharia Stock Index (ISSI) on May 12, 2011. ISSI constituency consists of all sharia stock listed on the Indonesia Stock Exchange.

The general difference between sharia stock and conventional stock lies in the criteria of stock that meet the basic principles of sharia. in general, the Sharia capital market concept states that traded stock must come from a moving company that meets sharia criteria and is free from religious elements, and share transactions are carried out by avoiding various speculative practices.

Measurement of portfolio performance cannot be calculated based on the return of its portfolio, but both must be considered with the existence of a measure of return and risk. Measurements involving

these two factors are called risk-adjusted returns (Jogiyanto, 2014). In measuring portfolio performance through risk-adjusted returns there are 3 measurements, namely sharpe index, treynor index, and Jensen index. These three performance measurements base their analysis on past returns to predict future returns and risks (Samsul, 2006). Sharpe index emphasizes total risk (standard deviation), Treynor index emphasizes systematic risk as measured by beta, and Jensen index emphasizes the difference between the actual rate of return obtained by the portfolio and the expected rate of return if the portfolio is on the capital market line (Jogiyanto, 2009).

Setiawan and Okariza (2013) Showing Measurements using Sharpe Ratio, Jansen Ratio and Treynor Ratio that Sharia stocks and conventional stock have similar performance, namely conventional stock performance has lower systematic risk compared to Sharia stocks. However, measurements using the Treynor Ratio show a higher value than other measurements and have a significant difference.

Rizkiah (2016) Showing statistically there were no significant differences in average returns, market risk, and total risk. Data shows that the return of Sharia stocks is higher in the bull and bear

period. Whereas in the period bear Sharia stocks have a higher risk. Jawadi (2013) Shows the performance of Sharia indexes is superior compared to conventional indices. Based on calculations in the United States there is no significant difference between the performance of Sharia and conventional funds. However, the performance of Sharia funds is more promising and shows a higher level in Europe and the World and there are significant differences.

The choice to invest in the capital market can be done conventionally or sharia. Investors are required to better understand stock performance, so they can make good investment decisions. Based on this, this study aims to compare the performance of Sharia stocks with conventional stock. Based on the background above, the author decided to do research with the title “**Comparative Analysis Of Sharia And Conventional Stock Performance Of Listed On Indonesia Stock Exchange In 2016-2018**”.

Return is the result obtained from investment. Return can be in the form of a realized return that has occurred or an expected return that has not yet occurred. It is expected to occur in the future Jogiyanto (2009: 283). Return can be defined as income presented from initial investment capital. Investment income in this stock is a

profit obtained from the sale and purchase of stock, where if profit is called capital gain whereas if the loss is referred to as capital loss (Samsul, 2006: 291).

H1a: There is a significant difference in returns on Sharia stock and conventional stock in 2016.

H1b: There is a significant difference in returns on Sharia stock and conventional stock in 2017.

H1c: There is a significant difference in returns on Sharia stock and conventional stock in 2018.

The Sharpe method was developed by William F. Sharpe and is often called the reward to variability ratio. Sharpe method aims to find out how much additional investment results obtained for each unit of risk taken. Sharpe's performance measurement is based on the concept of the capital market line as a predictive benchmark, namely by dividing risk premium by the standard deviation. Sharpe index can be used to rank several portfolios based on their performance. The higher the sharpe index of a portfolio compared to other portfolios, the better the performance of the portfolio.

H2a: There is a significant difference in Sharia stock with conventional stock in 2016 (measured by the Sharpe method).

H2b: There is a significant difference in Sharia stock with conventional stock in 2017 (measured by the Sharpe method).

H2c: There is a significant difference in Sharia stock with conventional stock in 2018 (measured by the Sharpe method).

The Jensen Index was developed by Michael C. Jensen. Jensen index is excess returns above or below the securities market line. The Jensen index is easily interpreted as a measure of how many portfolios "beat the market". An index that is positive means that the portfolio gives a return that is greater than the expected return so that it is a good thing because the portfolio has a relatively high return for the level of systematic risk. Conversely, a negative index indicates that the portfolio has a relatively low return for the level of systematic risk.

H3a: There is significant difference in Sharia stock with conventional stock in 2016 (measured by Jensen method).

H3b: There is significant difference in Sharia stock with conventional stock in 2017 (measured by Jensen method).

H3c: There is significant difference in Sharia stock with conventional stock in 2018 (measured by Jensen method).

The Treynor method is a portfolio performance measure developed by Jack Treynor, and this index is often referred to as reward to volatility. Portfolio performance on the Treynor index is seen by connecting the level of portfolio returns with the risk of the portfolio. The difference with the sharpe index is the use of the securities market line as a predictor, and not the capital market line as in the sharpe index. The assumption used by Treynor is that the portfolio is well diversified so that the risks considered relevant are systematic risks.

H4a: There is a significant difference in Sharia stock with conventional stock in 2016 (measured by Treynor method).

H4b: There is a significant difference in Sharia stock with conventional stock in 2017 (measured by Treynor method).

H4c: There is a significant difference in Sharia stock with conventional stock in 2018 (measured by Treynor method).

RESEARCH METHOD

Type Of Research

This research is a comparative descriptive study. Descriptive research is research conducted to determine the value of independent variables, either one or more variables (independent) without making comparisons, or connecting with other variables (Sugiyono, 2014: 53). Comparative research is research that compares the state of one or more variables in two or more different samples, or two different times (Sugiyono, 2014: 54).

Place And Time Research

This research was conducted at Yogyakarta State University. The time for conducting this research was conducted in January-March 2019.

Research Subjects

The population in this study is stock listed on the Indonesia Stock Exchange and for Sharia stocks listed on the Indonesia Sharia Stock Index.

Procedur

The study was conducted using stock prices, which can be obtained through <http://finance.yahoo.com> and then calculates returns, sharpe index, Jensen index, and treynor index.

Data Collection Techniques

The data used in this study is secondary. The technique used to collect data is documentation by retrieving data from IDX.com to find out the list of stocks listed on IDX and ISSI and <http://finance.yahoo.com> to find out the stock price, while the stock price used is adjusting closing price monthly.

Data Analysis Techniques

In statistical testing, this study uses the Independent Sample T-test for normally distributed data, while the Mann Whitney U-test if the data is not normally distributed.

RESEARCH RESULT AND DISCUSSION

Result

The following are the results of the average descriptive statistical test:

Table 1. Average descriptive statistical test

	2016	2017	2018
Return sharia	0.0044	0.0002	- 0.0083
Return Conven	0.6233	0.0287	0.0144
Sharpe Sharia	-0.0245	-0.2955	- 0.1109
Sharpe Conven	0.1323	0.7376	0.2751
Jensen Sharia	-0.0088	-0.0186	- 0.0043
Jensen Conven	0.0461	0.0224	0.0130
Treynor Sharia	0.0011	0.1511	- 0.0024
Treynor Conven	0.0102	0.0265	- 0.0065

Source : Secondary Data, Process in 2019

The following is a summary of the results of the Independent Sample T-test and Mann Whitney U-test:

Table 2. Different Test Results

Hypothesis	Sig.(2-tailed)
H1a Return 2016	.001
H1b Return 2017	.802
H1c Return 2018	.117
H2a Sharpe Index 2016	.021
H2b Sharpe Index 2017	.171
H2c Sharpe Index 2018	.408
H3a Jensen Index 2016	.000
H3b Jensen Index 2017	.017
H3c Jensen Index 2018	.391
H4a Treynor Index 2016	.041
H4b Treynor Index 2017	.574
H4c Treynor Index 2018	.836

Source : Secondary Data, Process in 2019

Hypothesis 1a is accepted because Sig has a value of <0.05 which is 0.001. That is, there are significant differences between Sharia stock returns and conventional stock.

Hypothesis 1b is not accepted because Sig has a value > 0.05 which is 0.802. That is, there is no significant difference between Sharia stock returns and conventional stock.

Hypothesis 1c is not accepted because Sig has a value > 0.05 which is 0.117. That is, there is no significant difference between Sharia stock returns and conventional stock.

Hypothesis 2a is accepted because Sig has a value of <0.05 which is 0.021. This means that there are significant differences between the sharpe index of Sharia stocks and conventional stock.

Hypothesis 2b is not accepted because Sig has a value > 0.05 which is 0.171. This means that there is no significant difference between the sharia sharpe index and conventional stock.

Hypothesis 2c is not accepted because Sig has a value > 0.05 which is 0.408. This means that there is no significant difference between the sharia sharpe index and conventional stock.

Hypothesis 3a is accepted because Sig has a value of < 0.05 which is 0,000. That is, there are significant differences between the Sharia stock index and conventional stock index.

Hypothesis 3b is accepted because Sig has a value of < 0.05 which is 0.017. This means that there are significant differences between the Sharia stock index and conventional stock index.

Hypothesis 3c is not accepted because Sig has a value > 0.05 which is 0.391. That is, there is no significant difference between the Sharia stock index and conventional stock index.

Hypothesis 4a is accepted because Sig has a value < 0.05 which is 0.041. This means that there are significant differences between the sharpe index of Sharia stocks and conventional stock.

Hypothesis 4b is not accepted because Sig has a value > 0.05 which is 0.574. This means that there is no

significant difference between the sharia sharpe index and conventional stock.

The 4c hypothesis is not accepted because Sig has a value > 0.05 which is 0.836. That is, there is no significant difference between the Sharia stock treynor index and conventional stock.

Discussion

Stock return is the first variable to be tested. Return can be interpreted as the level of profit enjoyed by investors for the investment made. A return that produces a high value can be said that the stock is getting better. In 2016, the average value of Sharia stock returns was 0.00444 and in conventional stock yielded an average value of stock returns of 0.6233. From these results it can be said that the average Sharia stock return in 2016 was lower than conventional stock. Tests conducted on differences in Sharia stock returns with Conventional stock in 2016 resulted in a significant difference.

In 2017 the average value of Sharia stock returns was 0,00028 and in conventional stock yielded an average value of stock returns of 0.0287. From these results it can be said that the average Sharia stock return in 2017 is lower than Conventional stock. Tests conducted on differences in Sharia stock returns with Conventional stock in 2017 resulted in a not significant difference.

In 2018 the average value of Sharia stock returns was -0.00837 and in conventional stock yielded an average value of stock returns of 0.0144 . From these results it can be said that the average Sharia stock return in 2018 is lower than conventional stock. Tests conducted on differences in the returns of Sharia stock with Conventional stock in 2018 resulted in no significant differences.

Based on these results in accordance with Abdul (2014) study which found that there was a significant difference between Sharia stock returns and Conventional stock. In the research conducted by Setiawan (2013), it was found that the value of Sharia stock returns was lower compared to Conventional stock, and the differences between the two showed no significance. In the research of Al-Khazali (2013) found that there was a significant difference between Sharia stock returns and Conventional stock. The low performance of Sharia stock has a reason for a pessimistic view of Sharia based investment, this pessimistic view is based on the fact that stock that comply with Sharia principles experience a limited economy. This has two reasons, firstly, Sharia principles limit the ability of companies to obtain external financing, and both Sharia principles limit investment opportunities so that company revenues have the potential to decrease.

The Sharpe index is the second variable to be tested. Sharpe index can be interpreted as how much additional investment results obtained for each unit of risk expressed by Standard Deviation. A Sharpe index on a stock that produces a high value can be said that the stock is getting better. In 2016 the average value of Sharia stock Sharpe index was -0.02457 and in Conventional stock the average value of the Sharpe index was 0.1323 . From these results it can be said that the average Sharia stock Sharpe index in 2016 was lower than Conventional stock. Tests conducted on differences in the Sharpe index of Sharia stock with Conventional stock in 2016 resulted in a significant difference.

In 2017 the average value of the Sharia stock Sharpe index was -0.2955 and in Conventional stock the average value of the Sharpe index was 0.7376 . From these results it can be said that the average Sharia stock Sharpe index in 2017 is lower than conventional stock. Tests conducted on differences in the Sharpe index of Sharia stock with Conventional stock in 2017 resulted in a not significant difference.

In 2018 it produced an average value of Sharia stock Sharpe index of -0.11093 and in conventional stock the average value of the Sharpe index was 0.2751 . From these results it can be said that the average Sharia stock Sharpe index

in 2018 is lower than Conventional stock. Tests conducted on the differences in the Sharpe index of Sharia stock with Conventional stock in 2018 resulted in a not significant difference.

Based on these results in accordance with Jawdi (2013) research which found that there were significant differences between the measurement of the Sharpe index of sharia stock and Conventional stock. In a study conducted by Albaity (2008), it was found that the measurement value of the Sharpe index of Sharia stock was lower compared to Conventional stock. In the research of Setiawan (2013) found that the measurement value of the Sharpe index of Sharia stock was lower than Conventional stock. Conventional stock are superior compared to Sharia stock, also because Conventional stock are traded more often than Sharia stock.

Measurement of stock performance using the Jensen index is the third variable to be tested. In 2016, the average value of the Sharia stock index was -0.00887 and in conventional stock the average value of the Jensen index was 0.04615. From these results it can be said that the average Sharia stock index in 2016 was lower than Conventional stock. Tests conducted on the differences in the Sharia stock index with Conventional stock in 2016 resulted in a significant difference

In 2017 the average value of the Sharia stock index is -0.01867 and in conventional stock the average value of the Jensen index is 0.0224. From these results it can be said that the average Sharia stock index in 2017 is lower than conventional stock. Tests conducted on differences in the index of Sharia stock indices with Conventional stock in 2017 resulted in a significant difference.

In 2018 the average value of the Sharia stock index is -0.00431 and in conventional stock the average value of the Jensen index is 0.0130. From these results it can be said that the average Sharia stock index in 2018 is lower than conventional stock. Tests conducted on the difference in the Sharia stock index with Conventional stock in 2018 resulted in no significant differences

Based on these results in accordance with Jawdi (2013) research study which found that there was a significant difference between the measurement of the Sharia stock index with Conventional stock. In the study of Albaity (2008) who found that the value of measuring Sharpe index of Sharia stock was lower than Conventional stock. In the research of Setiawan (2013) who found that there was no significant difference between the measurement of the Sharia stock index and the Conventional stock. And the measurement value of the

Sharia stock index is lower than Conventional stock

Measurement of stock performance using the Treynor index is the fourth variable to be tested. In 2016, the average value of Sharia stock Treynor index was 0.00116 and in conventional stock the average value of the treynor index was 0.0102. From these results it can be said that the average Sharia stock Treynor index in 2016 was lower than conventional stock. Tests conducted on the differences in the Sharia Treynor stock index with conventional stock in 2016 resulted in a significant difference.

In 2017 the average value of the Sharia stock Treynor index was 0.15117 and in conventional stock the average value of the treynor index was 0.0265. From these results it can be said that the average Sharia stock treynor index in 2017 is higher than Conventional stock. Tests conducted on the difference in Sharia stock treynor index with Conventional stock in 2017 resulted in no significant differences.

In 2018 the average value of the Sharia stock Treynor index was -0.00247 and in conventional stock the average value of the Treynor index was -0,0065. From these results it can be said that the average Sharia stock Treynor index in 2018 is higher than conventional stock. Tests conducted on the difference in the Sharia Treynor stock index with conventional

stock in 2018 resulted in no significant differences.

Based on these results according to the research of Jawdi (2013) who found that there was a significant difference between the measurement of Sharia Stock Treynor index and Conventional stock. And the measurement value of Sharia Treynor stock index is greater than Conventional stock. In the study of Albaity (2008) who found that there was no significant difference between the measurement of Sharia stock Treynor index and Conventional stock. The measurement value of the Sharpe index of Sharia stock is lower than Conventional stock. In the research of Setiawan (2013) who found that the measurement value of the Sharia stock Treynor index was lower than Conventional stock. The difference between Sharia stock and conventional stock can be caused by market fluctuations, market fluctuations can be caused by government policies, world oil prices or inflation represented by beta, beta reflects sensitivity to markets, variations in beta values also indicate that Sharia stock are less sensitive against the market than Conventional stock. According to Karim (2014) the most plausible reason that made the performance of Sharia stock improved was due to the prohibition of *gharar*, usury risk, and worries

CONCLUSION AND SUGGESTION

Conclusion

This study shows that stock return measurement and sharpe index and treynor index have significant differences only in 2016, whereas in 2017 and 2018 there are no significant differences. The measurement using the Jensen index shows that there are significant differences in 2016 and 2017, whereas in 2018 there were no significant differences. On the average results of stock performance based on return, sharpe index, and Jensen index shows that conventional stock have a better average than Sharia stocks. however, the treynor index for 2017 and 2018 shows that Sharia stocks have a better average performance than conventional stock.

Suggestion

Future research is expected to use the same or more detailed observation period so that performance measurements can describe the past performance of each stock. By using weekly data or daily data so it can be seen from changes in price in more detail.

For investors as a consideration tool for investing, so they can invest their funds in the right stock choices by choosing stock that have a high index value.

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