

The Effect of Rupiah Return Sharia Shares

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Abstract

Data obtained from IDX monthly Statistic and the official website of Bank Indonesia with the time period January 2011 - December 2014. The population of this research are 21 companies in the Consumer Goods Industry Company category. After passing through several stages of selection sampling purpose is to see stocks go into in Jakarta Islamic Index (JII) consistently over the observation period, the data showed representative sample of three companies. Statistical is using multiple linear regression to obtain an overall description of the relationship between one variables to the other.

The results showed that the variables of Rupiah has no effect on the stock return of sharia either partially or simultaneously. This result indicate that the Rupiah can not be used as a reference in determining the investment strategy for investors in their funds in the stock market.

Keywords: *Rupiah, Syari'ah Stock Return*

1. Introduction

Stock is one investment instrument that is still a magnet for investors to invest. Investors expect every stock purchased can generate returns. Return the result obtained from an investment, an investment that is expected from the stock Syari'ah are the type of long-term investments that have a good return, kosher, durability and sustainability.

In Islam, the business and investment activities is highly recommended, of course, by investing in accordance with Islamic principles, business ethics must remain guided by the norms and morality prevailing in the Islamic economic system derived from the Qur'an and Sunnah, Islam does not prohibit the possession of the individual, but the wealth of income that focused on a handful of people should be avoided as mentioned in the Qur'an.

Islam is not a religion that is anti investments even though it does not specifically give a special sense of the investment, Islam teaches that the existing resources not only saved, but produced so as to provide benefits for many people. By doing so, the investment as one of the economic activity will have the advantage of essentially include the principles of Shari'ah if the benefits of the world and the hereafter.

Business and investment activities is something that is highly recommended as Prophet, who is a trader, a business ethics must remain guided by the applicable norms and morality activities there are four normative grounding in the ethics of Islam is monotheism, justice, free will and responsibility. By doing so, the investment as one of the economic activity will have a spiritual feel of when to include sharia norms in its implementation. Invest in sharia, the advantages to be gained not only in the form of personal gain but can benefit the wider community so as not to accumulate wealth acquired or enjoyed by a few people but spread wealth and prosperity will be achieved.

Stock is one type of investment that has a high risk, because investing in stocks there is no certainty of returns to be received by investors in the future. The investors who will play the stock should consider some analysis so that the expectations of investors to obtain huge returns can be obtained by looking at the risk level of the shares to be purchased, it can be a form of return of capital gain or dividend. The concept of return is the rate advantage enjoyed by an investor on an investment that is done, then it is clear that any investment in the form of long term and short term The main objective is to benefit the so-called return.

In the graph above it can be seen that the rupiah exchange rate movements of the Year 2011 until July 2015 continue to weaken. Since 1997 Indonesia has adopted a free floating exchange rate (free floating exchange rate system) in which the position of the rupiah exchange rate is determined by market mechanisms. As a result of currency

Rupiah has depreciated quite sharply and reached its lowest value in May 1998 amounted to Rp 14,900/ dollar US14. From the empirical data above is interesting to study the effect of the rupiah exchange rate against the

company's stock price in trading activity in the stock market. The current share price is likely to be influenced by psychological pressure buyers or sellers of the stock itself, causing many speculators are buying shares with the method of "chance". It could be that investors make a profit as much as possible can also achieve substantial losses. To prevent that it will be assessed a study of factors affecting stock returns, especially Islamic syari'ah shares listed on the Jakarta Islamic Index (JII) as a reference material for investors in making an investment strategy. This study will examine further another effect of stock return of sharia by using the influence of the exchange rate, and examine the effect of financial leverage as measured by Debt to Equity Ratio (DER) of Islamic stocks on industrial enterprise consumer goods registered in Jakarta Islamic Index (JII). In accordance with the background of this problem, so this study can be formulated research questions . *"How Rupiah partial effect on stock return of sharia in the consumer goods industry company registered in Jakarta Islamic Index (JII)?"*

2. Analysis Theory

2.1 The Islamic Capital Market and Capital Market Conventional

The capital market is a meeting between investors and companies for business development of the company that was given and investments from investors by purchasing shares of the company, the investors would get a return of the purchase of shares invested. Basically the capital market is a bridge that connects between the owner of the funds to the fund so that it can be said that the capital market is a vehicle for investment and funding sources for the user rides funds. The fundamental difference between Islamic capital markets and capital markets conventionally can be seen from the transaction and its mechanism, while the value of the stock index of sharia to the value of stock index conventionally located on the criterion of share issuers must meet the basic principles of sharia, stock price movement sharia of issuers already categorized according to syaria'ah The stock is an investment instrument that is still a magnet for investors who will invest in the capital market. By having a stock, investors have been taking part in the construction and developments of a company, especially the problem of capital, in return for the investor, the company has an obligation to distribute profits in the form of dividends.

Dwi Prasetyo Budi and M.Nurmantyo. Influence Fundamentals and Systematic Risk of Stock Return Against Sharia. Journal. 2012. Faculty of Economics, University of Trisakti Investors can have the ease of investing money to buy shares of a company. Investors can own shares by way of a good buy in the primary market and the secondary market or stock exchange. But not all shares issued by the issuer and the exchange in effect meet the rules of sharia so that investors who wish to invest in shares of sharia must be careful, then on July 3, 2000 was introduced Jakarta Islamic Index (JII).

One that is being conducted in order to develop the Islamic capital market is conducting a study on the preparation of the road map Islamic capital market. The study is expected to be a reference for the development of the Islamic capital market in the future, both in terms of regulation, products or professions and institutions related to the Islamic capital market.

2.2 Shares Sharia'ah

Islamic stocks is proof of ownership of a company that type of business, goods, services provided and contract and the way management does not conflict with the principles of syari'ah

The criteria listed issuer Islamic securities listed on the Indonesia Stock Exchange (BEI), the type of issuers that are contrary to Islamic principles between lain33: Gambling and games that are categorized as gambling. Trade prohibited under sharia, among others: Trades that are not accompanied by delivery of goods / services. Trade with the supply / demand false. Usurious financial services, among others:

Interest-based banks .Company interest-based payments .Buying and selling risk which contain elements of uncertainty (gharar) and gambling (gambling).Produce, distribute, trade and supply among others: Goods or services of illicit substance. Goods or services forbidden not because his substance, which is specified by the DSN-MUI, and conduct transactions that contain an element of bribery (risywah) Do not exceed the financial ratios as follows: Total interest-based debt to total equity of no more than 82% (interest-based debt that was comparable to the total of not more than 45% -55%) Total interest income and other income is not kosher compared with total revenue of not more than 10%.

Issuers issuing Islamic securities ensuring that its operations meet Islamic principles and have shariah compliance officer. If the issuer publishes the Islamic securities at any time does not meet the requirements, the securities issued by itself is not classified as Islamic securities.

Through the Capital Market Supervisory Agency (Bapepam) and the Financial Services Authority (FSA), the government set the shares of what is included in the List of Islamic Securities (DES). List of Islamic securities will be reviewed periodically based on the Annual Financial Statements and the Annual Financial Report of the issuer or public company. List of Islamic securities is based on the criteria of Islamic securities as stipulated in the regulations on the criteria for the issuance of Islamic securities and will be valid until the enactment of a new list of Islamic securities by the chairman of Bapepam and the FSA. 2.8 Jakarta Islamic Index (JII) Jakarta Islamic Index is a stock index in Indonesia Stock Exchange based on Islamic principles. This stock index introduced by BEI and *Danareksa* Investment Management (IDM) on July 3, 2000. JII calculation methodology similar to that used for calculating the Composite Index is based Market weighted average index value by using the formula

3. Methodology

3.1 Types and Sources of Data

The data used in this research is secondary data, time series data for the variable stock returns as well as data on company financial performance of companies in the consumer goods industry registered in JII a sample of the data in the form of the exchange rate over the period 2011-2014, the data obtained from Indonesia Stock Exchange (IDX) monthly Statistic of Indonesia Stock Exchange, the annual report on the consumer goods industry company registered in Jakarta Islamic Index (JII). Periodization of data using the use of data per month in the period January 2011 - December 2014

3.2 Population

The population in this study are as many as 21 companies engaged in consumer goods industries listed in the List of Islamic Securities (DES) in 2011-2014. Sampling technique uses probabilistic sampling methods. Probabilistic sample a sampling method that takes into account aspects of chances in the election of members of the sample. Each member has an equal chance to be sampled. The purpose of using this method is that the sample obtained according to desired criteria so that the data obtained representative. Here's a sample of the required criteria.

- a) consumer goods industry company registered in Jakarta Islamic Index In the period 2011 – 2014
 - b) shares of the issuer actively traded each month during the period 2011-2014
 - c) Publish and always present financial statements during the period of observation year period 2011 – 2014
- Here's a list of Islamic Securities (DES), which is listed on the Stock Exchange Indonesia (BEI)

3.3 Method of collecting data

Methods of data collection using secondary data analysis method that analyzes the data that have been published by the relevant institutions. According to the type of data that is required is secondary data and samples used, then the period of data collection used by technical documentation that is based on financial statements published by the Stock Exchange through the Indonesian Capital Market (ICMD) and the Jakarta Stock Exchange(JSX) month period of 2011 - 2014. Data stock returns obtained by calculation using the formula of the stock price data at ICMD, while data DER obtained by quoting directly from the JSX monthly Statistics on Islamic stocks in the consumer goods industry and data exchange rupiah obtained from the official website of Bank Indonesia

4. Research Result

The following data were obtained from the Indonesia Stock Exchange (IDX) Monthly Statistics as reference analyses stock returns in the period of observation for the rupiah exchange rate against the dollar was obtained from the official website of Bank Indonesia

The above data indicate that the data used in this study as many as 144 samples of data. It can be seen from the table above that the stock returns during the observation period, namely from the year 2011 - 2014

changes are very slow rise which only amounted to 0.0226 or by 2.26%, it indicates that the stock prices of the companies sampled in this study not experience significant price increases and stagnant, it can be seen from the standard deviation of stock returns that have a value of 0.06466 or 6.46%, which means that the movement of this stock returns tend to remain and have increased slightly.

Data Rupiah has an average 1.0350E4 with a standard deviation of 1257.64579 with the value of the deviation of the data, which showed a high fluctuation of variable data rupiah exchange rate against the US dollar and unpredictable during the observation period.

From the calculation that the influence of independent variables on the dependent variables only 0.1%. This suggests that the effect of Debt to Equity Ratio (DER) and Rupiah against the US dollar have an impact on stock returns sharia on consumer goods industry company registered in Jakarta Islamic Index (JII) by 0.1%, while 99% are influenced by factors Other not included in the regression model as a factor country in macro, market sentiment factors as well as the political situation in the country and the company's fundamentals such as Earning Per Share (EPS), Net in profit margin (NPM), price to book value (PBV), Return Of Assets (ROA), Return Of Investment (ROI). See very little influence of the independent variable on the dependent variable

5. Conclusion

This study attempts to investigate how the effect of the exchange rate against the return of Islamic stocks on industrial enterprise consumer goods recorded in Jakarta Islamic Index (JII), based on the calculation results of multiple linear regression showed that the variables Rupiah no significant effect either partially or simultaneously so entire hypothesis is rejected. The results of the analysis are as follows: Effect of the exchange rate against the US dollar against the return of Islamic stocks of 0.137 with a significance level of 0.891 then $t = 0.137$ will be compared with table 1,282 it can be seen that t count $<$ table which means H_2 denied that the rupiah exchange rate against 90 US dollar did not have a significant effect on stock return of sharia in the consumer goods industry company registered in Jakarta Islamic Index (JII) in the observation period January 2011 - December 2014.

The study found that its F account value is 0.065 with a significance of 0.937, while F table is equal ($= 2$ db1 and db2 = 141) = 3.00 so F account $<$ F table then so H_0 is accepted that means variable Rupiah against the US Dollar has no effect significantly to variable stock return of sharia in the consumer goods industry company registered in Jakarta Islamic Index (JII) in the period January 2011 - December 2014. From the calculation that the influence of independent variables on the dependent variables only 0.1%. This suggests that the effect of the rupiah exchange rate against the US dollar have an impact on stock returns sharia on consumer goods industry company registered in Jakarta Islamic Index (JII) by 0.1%, while 99% are influenced by other factors not included in the regression model

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Figure 1 Graph Rupiah in 2011 - July 2015

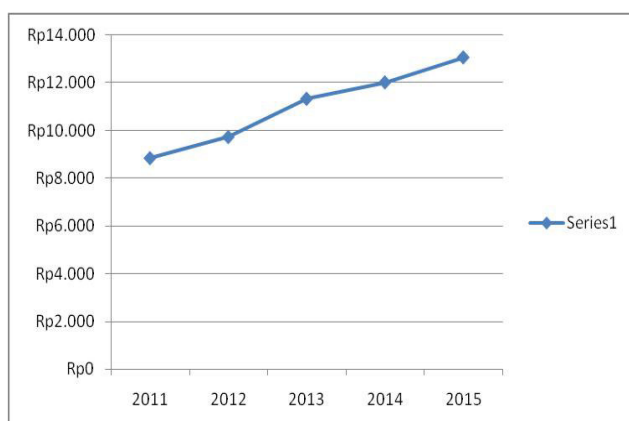


Table 3.1 Population Research

No	Kode Saham	Nama Penerbit Efek
1	AQUA	PT Aqua Golden Mississippi Tbk
2	DVLA	PT Darya Varia Laboratoria Tbk
3	ICBP	PT Indofood CBP Sukses Makmur Tbk
4	INAF	PT Indofarma Tbk
5	KAEF	PT Kimia Farma Tbk
6	KDSI	PT Kedawung Setia Industrial Tbk
7	KICI	PT Kedaung Indah Can Tbk
8	KLBF	PT Kalbe Farma Tbk
9	LMPI	PT Langgeng Makmur Industri Tbk
10	MERK	PT Merck Tbk
11	MRAT	PT Mustika Ratu Tbk
12	MYOR	PT Mayora Indah Tbk
13	PYFA	PT Pyridam Farma Tbk
14	ROTI	PT Nippon Indosari Corpindo Tbk
15	SKLT	PT Sekar Laut Tbk
16	SQBB	PT Taisho Pharmaceutical Indonesia Tbk
17	STTP	PT Siantar TOP Tbk
18	TCID	PT Mandom Indonesia Tbk
19	TSPC	PT Tempo Scan Pacific Tbk
20	ULTJ	PT Ultra Jaya Milk Industry and Trading Company Tbk
21	UNVR	PT Unilever Indonesia Tbk

Source: Indonesia Stock Exchange (BEI)

Table 3.2 Sample Company Examined

No	Kode Saham	Nama Penerbit Efek
1	ICBP	PT Indofood CBP Sukses Makmur Tbk
2	KLBF	PT Kalbe Farma Tbk
3	UNVR	PT Unilever Indonesia Tbk

Source: Data Processed