

INDIVIDUAL INVESTOR TRADING ACTIVITY AND DAY-OF-THE-WEEK ANOMALY – INDIAN EVIDENCE

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Abstract *This paper examines the day-of-the-week anomaly in the Indian stock market. According to efficient market hypothesis, the average returns should be constant all days of the week. The return generation process theory proposes that when calendar time proposition is considered, the return on Monday should be three times that of Friday. On the other hand, when trading time proposition is considered, the returns on all days of the week should be similar. However, prior research on day-of-the-week anomaly provides substantial evidence that the returns on Monday are negative. To empirically test the return generating process theories from the perspective of individual investors in the Indian stock market, we obtain daily buy and sell turnover of individual investors for a period of 16 years. Using the models suggested by French (1980), we test this hypothesis. We perform empirical tests for the full sample period and four sub-sample periods. Our results indicate significant average negative returns on Monday. The sell turnover on Monday is less than the sell turnover on Friday. At the same time, the buy turnover is also negative on Monday. It appears that individual investors stay away and are not much active in the stock markets on Mondays. Moreover, the supply and demand for stocks from individual investors appear to be lower on Mondays. One of the reasons for this may be the individual investors' dependence on broker calls to buy or sell securities in the Indian stock market. We also observe that individual investors take active participation on Tuesdays and Wednesdays, when they receive calls from brokers.*

Keywords: *Efficient Market Hypothesis, Stock Market Anomaly, Day-of-the-Week Effect, Monday Effect, Individual Investors*

JEL Classification: *G14, G40*

INTRODUCTION

One of the most visible anomalies documented in the finance literature is the Monday seasonal (Chan, Leung & Wang, 2004). This inconsistent Monday return pattern is observed across the world's stock markets (French, 1980; Miller, 1988; Lakonishok & Maberly, 1990; Abraham & Ikenberry, 1994; Brooks & Kim, 1997; Onyuma, 2009; Gkillas et al., 2021). Several explanations using return generating process theory, calendar day theory, trading day theory, information processing theory, behavioural finance, broker calls, sell orders and buy orders, and so on, have been developed to justify the puzzling observation that the mean return on Monday is significantly negative and is lower than that of other weekdays.

French (1980) reports that the average stock returns on Mondays are significantly negative and the average for Tuesdays to Fridays are positive. Hirsch (1986) suggests not to buy shares on Monday. Miller (1988) perceives that the low return over the weekend must mean that sell orders are more frequent on Mondays than buy orders, and that this

reverses later in the week. Similarly, Rystrom and Benson (1989) opine that Monday is unlike other days, and argue that stock returns are on average negative on Mondays and positive on Wednesdays through Fridays. Logical exposition for this behaviour is provided by few authors. For example, Dyl and Maberly (1988) suggest that the distribution of "good news" and "bad news" is not even across the week, with a majority of bad news being released after Friday's market closing. Miller (1988) proposes that trades by individual investors are motivated in part by recommendations from stock brokers, who offer their buy recommendations during the week, leaving investors to make their own spontaneous sell decisions over the weekend. Rystrom and Benson (1989) believe that investors are influenced by moods, perceptions, and emotions, which are systematically different on Mondays.

These daily return patterns have triggered a large set of theoretical and empirical investigations (Brooks & Kim, 1997). Lakonishok and Maberly (1990) provide evidence in support of selling pressure on Monday. Abraham and Ikenberry (1994) conclude that "individuals exert

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substantially greater selling pressure on Mondays following negative returns in prior trading sessions". Brooks and Kim (1997) find that large size trades are significantly lower on Monday mornings, and consequently, small size trades represent a larger percentage of trades. In addition, small size trades have a greater percentage of sell orders on Monday.

Prior studies use market indices and stocks as proxy to explain individual investors' behaviour on day-of-the-week. Goud (2022) conducted a study to know the purpose of investment and investment behaviour of individual investors, and observed that demographic variables influence investment decisions. It appears essential to conduct a more comprehensive analysis using individual investors' buy and sell activity on weekdays to explain and confirm their behaviour on Monday.

This paper examines individual investors' behaviour on day-of-the-week using their buy and sell activities on each day of the week. We analyse 16 years' daily buy and sell turnover of individual investors on the Bombay Stock Exchange of India, over the period 2005-2020. In addition, we split these 16 years into four sub-periods and analyse the Monday effect during those sub-periods. We report that, consistent with prior research, there is a significant negative buy activity on Mondays in the individual investors' category during the whole period and the four sub-periods. We also notice that on Mondays, surprisingly, the sell activity is also negative and statistically significant. Furthermore, preliminary analysis shows negative mean buy and sell activities on Thursdays. However, we do not find statistical evidence to support this.

Section 2 of this paper presents prior research in day-of-the-week effect, while section 3 describes the data gathering procedure and models used in the paper. Section 4 reports the empirical findings and in section 5, we draw conclusions.

LITERATURE REVIEW

Rajkumar (2015) examined the connection between the Indian stock market and the three stock markets of the ASEAN countries, viz. Indonesia, Malaysia, and Singapore, using the stock indices data and found that there is a significant short-term unidirectional influence from the Indian stock market to the markets of other countries; no long-run co-integration was found. French (1980) examined two alternate models of the process breeding stock returns under the calendar time hypothesis and trading time hypothesis. He proposed that in accordance to the calendar time hypothesis, the expected stock return for Monday should be three times the expected return for other days of the week. However, after empirical analysis, he concludes that the average return for Monday is significantly negative during each of the five-year sub-periods considered, from the year 1953

to 1977. Pearce (1996) tested the robustness of calendar anomalies in the stock choice of return measure, estimation procedure, and also time period, for the period 1972 to 1994, and observed that the size and statistical significance of the anomalies differ more across return measure, compared to estimation measure. There is robust evidence of weekend effects of the returns in the case of small firm stocks, effects on the day before a holiday, and January effects. However, the calendar anomalies were weaker and wane for returns in the case of large firm stocks post 1986. Lim et al. (2010) investigated the day-of-the-week effect and the twist-of-the-Monday effect and found that Monday exhibits a negative return and shows lower stock returns in a week due to prior bad news. However, the stock returns on Wednesday were high, followed by Friday. They also confirm twist-of-the-Monday effect, in which Monday's returns are influenced by returns of the previous week.

Conflicting the international confirmation, a study conducted in Israel during the period 1977-1990 by Lauterbach and Meyer Ungar (1992) reveal that stock returns were advanced following weekends and holidays, and suggests that there exists a fundamental reparation for the illiquidity and more risk of investing through closure of the market. Another study conducted on four calendar anomalies in five Asian countries by Dhankar and Chakravarty (2006) concluded that the day-of-the-week effect has been found to exist in some countries and the intra-month return regularity in terms of the monthly effect and the turn-of-the-month effect was present in the other market. There was no month-of-the-year effect found in any of the sample markets and the anomalous activities were not permeating.

In general, stock markets are considered to be efficient in the long run, in relation to the immediate assimilation of the known and novel inside information into prices of securities. Desai and Joshi (2021) tested volatility comparison and volatility spillover effects in India with other global indices. Their results indicate that volatility spillover existed from the Indian stock market to the global indices and vice versa. Onyuma (2009) tried to conclude that daily and monthly seasonal anomalies do occur in the stock markets in Kenya by identifying the behaviour of stock investors from 1980 to 2006 using regression analysis; the author found that Monday yields the lowest adverse returns, while Friday and January yield the biggest positive returns. Extensive studies on the day-of-the-week effect were found in the stock markets of Arab countries as well. Kamaly and Tooma (2009) used AR and GARCH models and reveal that one-third of the markets exhibit substantial day-of-the-week effect in returns, two-third demonstrate day-of-the-week effect on volatility, and most effects are absorbed within the start and the end of the trading week. However, the day-of-the-week effect is negligible on volatility in returns for some

stock exchanges in the same country (Gbeda & Peprah, 2018). There was no indication of day-of-the-week effect in one stock exchange; however, there exists a Friday effect in some other exchanges. The markets are inefficient, and the day-of-the-week effect was irrelevant in making investment decisions. Gkillas et al. (2021) premeditated day-of-the-week effect on bid-ask spreads and reveal that stock markets perform in a different way on various days of the week; they found evidence in favour of an international day-of-the-week effect on prices, volatility, and volume.

Stephens et al. (2020) extended the literature on calendar anomalies and conducted a study of investors' reactions to unforeseen price movements in the US equity market; they found that intraday price revolutions are trailed by higher market volatility which caused investors to overreact in the month of October. Jaffe and Westerfield (1985) investigated the day-to-day behaviour of stock market returns for Japan and revealed a pattern dissimilar to the one in the United States. They found the lowest mean returns in the Japanese stock market happening on Tuesdays.

DATA AND METHODOLOGY

Prior research presented in the literature review section uses index values, daily turnover, odd-lot trades, bid-ask spreads, and so on to measure the Monday anomaly. Using those data, individual investors' behaviour on weekdays is gauged. We take a different data series. We use individual investors' buy and sell turnover on each day of the week. This provides a different and more meaningful view of the weekend effect, and adds a new dimension to the examination of the puzzle of the individual investors' behaviour.

The present study tests the process generating stock returns by comparing the buy and sell turnover for different days of the week. We use the Bombay Stock Exchange of India's database to obtain individual investors' turnover in the equity cash segment. The study period is from January 1, 2005, to December 31, 2020. The sample contains 3,950 daily observations. Furthermore, we partition the 16 years' data into four sub-periods of four years each. Each sub-period contains an average of 985 trading days. We propose that if individual investors' selling decisions are influencing the negative returns on Monday, then sell turnover should be higher on Monday compared to the remainder of the week. In addition, we also propose that the buy turnover should be lower on Monday compared to the remainder of the week. An alternative to the above two propositions would indicate that individual investors are not influencing returns on Mondays.

In the statistical tests that follow, we report the mean returns for each day of the week for the full sample period and the four sub-sample periods. We test the null hypothesis that the

mean daily return is equal to zero by using the t-test. We use multiple linear regression with dummy variables to test whether the expected return would be the same for each day of the week. We use the following models to measure daily returns and test our hypotheses.

Daily Return equation

$$R_t = (P_t - P_{t-1}) / P_{t-1} * 100 \quad \text{Eq1}$$

Regression equation

$$R_t = \alpha + \gamma_2 d_{t2} + \gamma_3 d_{t3} + \gamma_4 d_{t4} + \gamma_5 d_{t5} + \epsilon_{ti} \quad \text{Eq2}$$

EMPIRICAL RESULTS

The summary statistics for the buy turnover and sell turnover of the 3,950 observations, from 2005 to 2020, are presented in Tables 1a and 1b, respectively. Inspection of the mean returns for the 16 years indicates that the expected return for buy turnover and sell turnover were not persistent through the week. The return for Monday was negative and lower than the average return for any other day over the 16-year period. We find some contradiction in the mean return on Thursday as well. Of the 16 years' mean, the return was negative for 11 years and positive for five years, for both buy turnover and sell turnover. Tuesday has the highest positive return followed by Wednesday and Friday. In addition, results for each of the sub-periods (2005-2008, 2009-2012, 2013-2016, and 2017-2020) indicate that the expected return for buy turnover and sell turnover were not continuous through the week (see Tables 2a to 2e). The mean return for Monday was negative, Thursday was inconsistent, and positive for the other three days of the week.

Furthermore, the t-statistics shown in Tables 2a to 2e indicate that the hypotheses that Monday's expected return in buy turnover and sell turnover were positive can be rejected during any four-year sub-periods, at a five per cent significance level. Similarly, the buy turnover returns for the full 16 years, with a mean of -6.56 per cent, and the sell turnover returns, with a mean of -7.58 per cent, allow rejection of the hypotheses at the five per cent significance level. In contrast, the t-statistics values indicate that the hypotheses that Thursday's expected return in buy turnover and sell turnover were positive cannot be rejected during any four-year sub-periods or for the full 16-year period, at a five per cent significance level. This result indicates that the negative mean returns shown in the summary statistics on Thursday do not receive any statistical support to reject the null hypothesis.

A close observation of the difference between the buy turnover and sell turnover returns on Monday and the returns

Table 1a: Client Buy – Summary Statistics

Day	Monday			Tuesday			Wednesday			Thursday			Friday		
Year	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.
2005	-4.53	22.63	51	1.85	16.62	51	5.43	16.33	49	0.53	13.33	49	1.18	12.98	49
2006	-9.29	32.68	49	7.64	14.92	49	4.10	13.75	49	3.14	14.66	49	1.41	17.43	51
2007	-7.53	19.95	52	7.22	11.19	47	5.34	13.57	50	0.37	13.84	52	-2.91	20.54	48
2008	-7.71	13.27	50	0.85	25.35	52	6.07	21.84	52	-1.44	13.34	43	-0.33	12.14	49
2009	-15.34	52.91	45	15.50	64.34	48	3.73	13.65	51	-0.28	12.14	51	-1.99	15.69	47
2010	-6.78	31.20	51	7.74	14.56	51	4.92	12.63	49	-2.00	13.49	52	-1.22	22.60	48
2011	-10.77	14.33	50	8.33	22.23	50	-1.46	27.92	49	-1.65	12.68	47	3.59	17.47	51
2012	1.32	46.32	51	7.51	21.91	49	2.78	16.49	47	-1.05	19.10	49	3.65	13.69	51
2013	-5.65	28.83	50	8.84	22.84	53	1.76	16.48	46	2.39	26.13	51	-1.16	23.97	48
2014	-5.40	30.06	49	5.99	14.78	49	1.17	16.32	52	-3.43	23.42	46	6.26	23.14	47
2015	-8.52	12.26	51	8.10	10.14	50	-1.35	19.84	51	-2.98	9.28	49	5.23	17.48	46
2016	-8.01	12.37	47	7.25	20.96	48	1.31	21.13	50	-0.18	16.13	50	0.58	17.64	51
2017	5.10	55.07	47	-6.82	49.91	50	12.43	51.53	52	-5.19	65.02	51	-4.20	40.37	48
2018	-7.25	15.24	53	3.24	16.22	48	-1.38	22.84	50	0.74	12.58	47	3.56	23.39	48
2019	-5.80	17.36	46	1.54	25.75	50	1.58	14.10	47	-2.30	14.71	50	6.65	22.01	51
2020	-9.30	42.18	48	-3.11	21.79	50	5.70	40.03	53	-2.47	41.11	52	10.50	37.51	47
2005-2020	-6.56	30.99	790	5.06	27.26	795	3.30	23.84	797	-0.98	24.50	788	1.93	22.48	780

Table 1b: Client Sell – Summary Statistics

Day	Monday			Tuesday			Wednesday			Thursday			Friday		
Year	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.
2005	-3.21	27.29	51	-0.11	22.41	51	7.44	20.27	49	-1.41	16.55	49	1.94	15.84	49
2006	-10.80	32.70	49	7.40	16.36	49	4.82	14.34	49	2.97	15.33	49	2.68	16.99	51
2007	-9.76	20.77	52	7.98	12.17	47	4.78	14.59	50	1.00	13.59	52	-1.45	22.05	48
2008	-8.32	13.56	50	1.46	26.01	52	5.84	22.37	52	-1.72	14.61	43	0.23	13.50	49
2009	-17.39	52.27	45	15.64	63.31	48	5.82	17.41	51	-1.74	17.99	51	-0.61	15.95	47
2010	-6.73	31.95	51	7.50	15.92	51	4.20	15.33	49	-1.23	16.67	52	-1.14	27.11	48
2011	-11.43	15.03	50	8.78	25.58	50	-1.41	30.63	49	-2.93	13.42	47	4.79	18.99	51
2012	-2.86	48.71	51	10.09	23.77	49	3.64	19.52	47	-1.89	22.24	49	5.42	20.70	51

Day	Monday			Tuesday			Wednesday			Thursday			Friday		
Year	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.	Mean	Std. Dev.	Obvr.
2013	-6.23	30.14	50	5.65	22.49	53	3.76	14.19	46	4.96	27.38	51	-1.25	26.92	48
2014	-3.76	34.37	49	2.45	21.81	49	1.23	19.17	52	-4.01	27.36	46	8.02	28.18	47
2015	-8.95	19.33	51	4.56	12.47	50	2.39	25.13	51	-3.35	21.67	49	5.78	26.17	46
2016	-8.70	13.65	47	5.79	19.41	48	2.05	15.09	50	2.34	18.87	50	-0.21	22.32	51
2017	7.26	56.93	47	-5.74	52.02	50	14.54	56.37	52	-8.48	59.67	51	-6.37	41.81	48
2018	-9.41	18.25	53	3.44	15.18	48	-4.09	25.69	50	4.31	23.71	47	5.14	32.33	48
2019	-3.51	24.92	46	-2.47	34.97	50	6.42	38.35	47	-4.39	32.95	50	6.19	37.16	51
2020	-17.61	54.04	48	2.70	31.56	50	5.57	47.30	53	-1.12	45.72	52	12.05	52.30	47
2005-2020	-7.58	33.88	790	4.64	29.39	795	4.21	27.82	797	-1.03	27.36	788	2.57	28.01	780

Table 2a: One Sample T-Test Results for the Period 2005-2020

Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Clients Buy					
Mean	-6.56	5.06	3.30	-0.98	1.93
Std. Dev.	30.99	27.26	23.84	24.50	22.48
t-statistics	-5.95	5.24	3.91	-1.13	2.39
df	789	794	796	787	779
p-value	0.00	0.00	0.00	0.26	0.02
Clients Sell					
Mean	-7.58	4.64	4.21	-1.03	2.57
Std. Dev.	33.88	29.39	27.82	27.36	28.01
t-statistics	-6.29	4.45	4.28	-1.06	2.57
df	789	794	796	787	779
p-value	0.00	0.00	0.00	0.29	0.01

Table 2b: One Sample T-Test Results for the Period 2005-2008

Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Clients Buy					
Mean	-7.24	4.28	5.25	0.71	-0.13
Std. Dev.	23.01	18.10	16.67	13.81	16.09
t-statistics	-4.48	3.34	4.45	0.72	-0.11
df	201	198	199	192	196
p-value	0.00	0.00	0.00	0.47	0.91
Clients Sell					
Mean	-8.00	4.06	5.72	0.28	0.88
Std. Dev.	24.57	20.32	18.18	15.05	17.29
t-statistics	-4.63	2.82	4.45	0.26	0.72
df	201	198	199	192	196
p-value	0.00	0.01	0.00	0.79	0.48

Table 2c: One Sample T-Test Results for the Period 2009-2012

Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Clients Buy					
Mean	-7.65	9.71	2.50	-1.24	1.11
Std. Dev.	38.89	35.95	18.68	14.50	17.69
t-statistics	-2.76	3.80	1.87	-1.21	0.88
df	196	197	195	198	196
p-value	0.01	0.00	0.06	0.23	0.38
Clients Sell					
Mean	-9.36	10.44	3.09	-1.92	2.22
Std. Dev.	39.55	36.48	21.53	17.76	21.13
t-statistics	-2.76	4.03	2.01	-1.53	1.48
df	196	197	195	198	196
p-value	0.01	0.00	0.05	0.13	0.14

Table 2d: One Sample T-Test Results for the Period 2013-2016

Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Clients Buy					
Mean	-6.89	7.58	0.70	-0.98	2.65
Std. Dev.	22.48	17.87	18.49	19.85	20.82
t-statistics	-4.30	6.00	0.53	-0.69	1.76
df	196	199	198	195	191
p-value	0.00	0.00	0.60	0.49	0.08
Clients Sell					
Mean	-6.91	4.63	2.32	0.11	2.98
Std. Dev.	25.69	19.39	18.90	24.18	26.01
t-statistics	-3.78	3.37	1.73	0.06	1.59
df	196	199	198	195	191
p-value	0.00	0.00	0.09	0.95	0.11

Table 2e: One Sample T-Test Results for the Period 2017-2020

Weekday	Monday	Tuesday	Wednesday	Thursday	Friday
Clients Buy					
Mean	-4.42	-1.33	4.72	-2.37	4.13
Std. Dev.	36.33	31.32	35.89	39.87	31.94
t-statistics	-1.69	-0.60	1.87	-0.84	1.80
df	193	197	201	199	193
p-value	0.09	0.55	0.06	0.40	0.07
Clients Sell					
Mean	-6.00	-0.56	5.69	-2.54	4.24
Std. Dev.	42.42	35.98	43.89	43.00	41.64
t-statistics	-1.97	-0.22	1.84	-0.84	1.42
df	193	197	201	199	193
p-value	0.05	0.83	0.07	0.41	0.16

for the other days of the week depicts that the returns on Monday, for the full period and four sub-periods, is negative. It is also observed that the mean return on Tuesdays was high among the weekdays, followed by Wednesday and Friday.

The lower turnover for Monday, relative to the other days of the week, suggests that neither the trading time nor the calendar time model are an accurate description of the return generation process. If the trading time model was correct, the expected return would be the same for each day of the week. We test this hypothesis with a regression equation. In our regression, R_i is the return to the individual investors' buy and sell, and the dummy variables indicate the day of the week on which the return is observed (d_{t2} = Tuesday, d_{t3} = Wednesday, and so on). The expected return is measured by α , while γ_2 through γ_5 represent the difference between the expected return for Monday and the expected return for each of the other days of the week. If the expected return is the same for each day of the week, the estimates of γ_2 through γ_5 will be close to zero, and an F-statistic measuring the joint significance of the dummy variables should be insignificant. The estimates of regression equation for buy turnover are

presented in Table 3a and for sell turnover are presented in Table 3b.

The results indicate that the observed returns vary with the trading time model during all the sub-periods and full period examined, from 2005 to 2020. The F-statistic, testing the hypothesis that γ_2 through γ_5 are zero, is significant at the five per cent significance level. The results indicate that for a large class of prior distributions, the expected buy turnover and sell turnover returns from Friday to Monday were probably negative over the period 2005 to 2020. Our results contradict prior research findings that on Monday there will be aggressive selling pressure from individual investors. We notice that on Monday, individual investors are not actively participating in the market. Neither are they aggressively selling the stocks, nor are they aggressively buying. In other terms, we observe that the demand and supply for stocks from individual investors on Monday is lower than on other days. Our results indicate that individual investors are very active on Tuesdays and Wednesdays, but not on Monday. Their participation in the cash segment is low on Thursdays, due to the options settlement day.

Table 3a: Client Buy Category Regression Equation Result

Panel Years	α	γ_2	γ_3	γ_4	γ_5	R^2	F-Statistic	df
2005-2020	-6.564	11.629	9.866	5.581	8.491	0.024	24.245	-43,945
	-0.925	-1.306	-1.305	-1.309	-1.312			
2005-2008	-7.243	11.524	12.491	7.955	7.112	0.059	15.347	-4,986
	-1.256	-1.782	-1.78	-1.796	-1.787			
2009-2012	-7.651	17.366	10.152	6.409	8.757	0.041	10.612	-4,982
	-1.932	-2.729	-2.736	-2.725	-2.732			
2013-2016	-6.893	14.469	7.59	5.918	9.544	0.054	13.869	(4,979)
	-1.422	-2.003	-2.006	-2.013	-2.024			
2017-2020	-4.419	3.085	9.14	2.049	8.551	0.011	2.629	-4,983
	-2.529	-3.559	-3.542	-3.55	-3.577			

Table 3b: Client Sell Category Regression Equation Result

Panel Years	α	γ_2	γ_3	γ_4	γ_5	R^2	F-Statistic	df
2005-2020	-7.576	12.216	11.791	6.542	10.148	0.023	23.539	-43,945
	-1.046	-1.476	-1.476	-1.48	-1.484			
2005-2008	-8.002	12.06	13.72	8.285	8.883	0.057	15.019	-4,986
	-1.365	-1.937	-1.935	-1.952	-1.942			
2009-2012	-9.357	19.795	12.443	7.434	11.577	0.049	1.624	-4,982
	-2.045	-2.888	-2.896	-2.885	-2.892			
2013-2016	-6.91	11.536	9.229	7.019	9.891	0.03	7.595	(4,979)
	-1.639	-2.309	-2.312	-2.321	-2.333			
2017-2020	-6.001	5.442	11.687	3.461	10.243	0.011	2.661	-4,983
	-2.979	-4.191	-4.171	-4.181	-4.213			

CONCLUSION

This paper examines the day-of-the-week anomaly from the Indian individual investors' perspective. Under the return generating process, the returns should be equally distributed over all the trading days of the week. To test this hypothesis, we obtain the daily buy-and-sell turnover of individual investors for a period of 16 years. We observe that during the period studied, the daily buy-and-sell turnover returns are inconsistent among different days of the week. The average return for Monday was significantly negative during each of the four sub-periods and during the full period. On the other hand, we observe that the average return on Tuesday, Wednesday, and Friday are significantly positive. The returns on Thursday are impulsive. The persistently negative returns for Monday appear to be evidence of market anomaly. The results obtained in this paper tell only part of the story from the perspective of the individual investors. It is to be kept in mind that the role of individual investors in the Indian stock market is minimal. Investments in the Indian stock market are dominated by foreign portfolio investors, domestic institutional investors, and to some extent, brokers. We opine that before jumping to conclusions about the Monday anomaly in the Indian stock market returns, one needs to study the turnover patterns of other categories of investors, i.e., foreign portfolio investors, domestic institutional investors, and proprietary traders. Such studies extend the knowledge presented by this paper. As institutional investors make informed judgements, their activities on different days of the week may be different from that of the individual investors' buying or selling behaviour. Future research can be conducted in this area.

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