

**STUDY OF JKSE STOCK PRICE MOVEMENT USING NEWS SENTIMENT  
ANALYSIS**

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### STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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## ABSTRACT

### STUDY OF JKSE STOCK PRICE MOVEMENT USING NEWS SENTIMENT ANALYSIS

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Stock market prediction has been a popular research for the past few years. Stock price movement is determined by the behavior and the decisions that made by the investors. How can investors make a decision to buy, to sell, or to hold? They act based on the event that is happening that affects the stock itself and there goes the News Sentiment Analysis. Sentiment Analysis of the news articles is one interesting method to predict the stock price movement. The purpose of this research is to see whether there is a significant correlation between news sentiment and stock price movement. This research is using Pearson's Product Moment Correlation Coefficient to test the correlation value between news sentiment and stock price movement. The result shown that all of sectors in JKSE (Jakarta Stock Exchange Composite Index) yielded a positive correlation value between the news sentiment for most of the sectors with "very weak" level of correlation (0.00-0.19) except, in the ^JKCONS (Consumer Goods sector), the value is on the "weak" level with value 0.222 and in the ^JKMING (Mining sector), the value is on the "weak" level with value -0.301.

*Keywords: news sentiment analysis, ihsg, jkse, stock price movement, correlation coefficient.*



## DEDICATION

I dedicate this works for the future of the country I loved: Indonesia. I also dedicate this works for people in stock market field to offer them new solution to a problem: “How can we predict the stock market?”



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