

ABSTRACT

One of the the most attractive products in capital market is stock. To publish it, is one of option when a company decides to increase their funding also provides advantages for investors. Before investing, accounting information is something that should be known by investors to reduce the risk of investment failure. Where one of information is corporate action stock split.

This research will do a comparison of trading volume activity measured for measuring liquidity and abnormal return will be compared between before and after the stock split.

The research design is event study research used secondary data. This study uses sample 6 listed companies conducting stock-split period 2013-2014. The dependent variable used is Liquidity and Abnormal Return, while the independent variable is a stock split. Hypothesis testing is done by using different test Paired T-Test with significance level (α) 5%. Analysing the data using statistical data processing software SPSS for windows 16:00

Different test results Paired Sample T-test for trading volume activity and abnormal return shows that there was no significant difference between the liquidity before and after stock split event on companies conducting stock split at Indonesia Stock Exchange period 2013-201 and there was no significant difference between the abnormal return before and after stock split event on companies conducting stock split at Indonesia Stock Exchange period 2013-2013

Based on this study, the investor should conduct an evaluation of the policies issued by the company one of which is a stock split, because if the same policy was reissued will possibly arise liquidity and significant abnormal return.

Keywords : *Stock Split, Trading Volume Activity, Abnormal Return*