ABSTRACT

Some factors such as the publicity of accounting information, dividend, and ex-dividend date can affect return. However, there is a different trend toward stock return with existing theory. If the announcement contains information, therefore the market is hoped to react as soon as the announcement is received. Stock return is proved by price changes of securities, which is commonly measured by the size of abnormal return.

This study intends to examine the efficiency of Kompas-100 index in 2017 by analyzing the impact of three events associated with the dividend announcements on stock returns. The three events considered are accounting information announcement, cash dividend announcement and ex- dividend date. The research period is 19 days, consisting of eight days before the date of the event announcement, a day of the event announcement and eight days after the event announcement.

This research is using a descriptive type of research. Data that used are secondary data that gathered from sample of the research on 42 companies that listed on KOMPAS-100 index obtained by using purposive sampling. The market reaction in this research is measured by abnormal return which is standardized and through the statistic test process. The research method used to hypothesis test is paired sample t-test and the model used to calculate abnormal return is the Market Adjusted Model.

The results of the study using the paired sample t-test technique show that there is no significant differences in abnormal returns to the events of accounting information and there are significant differences in abnormal returns to the events of dividend announcements and ex-dividend dates in the 2017 Kompas-100 Index.

Keywords: Dividend, Kompas -100, Abnormal Return, Event Study