

ABSTRACT

Earnings Response Coefficient (ERC) is a stock return reaction to any earnings announcements or surprise earnings. ERC is used to measure how much the level of abnormal return on earnings announcements in a company. The profit earned by a company will affect the stock price. Companies that experience an increase in profits will experience an increase in share prices, on the other hand, when companies experience a decrease in profits, the share price will decrease.

This study aims to determine the effect of Islamic social reporting, earnings persistence, and capital structure on earnings response coefficient in manufacturing companies listed on the Jakarta Islamic Index (JII) period 2014-2019. The sample used in this study were 36 samples using purposive sampling. The data in this study were analyzed using descriptive analysis and panel data regression using Eviews 10.

The results of this study indicate that Islamic social reporting, earnings persistence, and capital structure simultaneously influence the earning response coefficient. Partially Islamic social reporting has a negative effect on earnings response coefficient. Partially, earnings persistence and capital structure have no effect on earnings response coefficient.

Keyword: *Earnings response coefficient, Islamic social reporting, earnings persistence, and capital structure.*