ABSTRACT

This research attempts to analyze dividend payment impact to price and volume trade of PT Astra International, Tbk. Dividend payment event on June 19, 2008 is the focus of this research. Capital market reaction to that even is measured by stock price and volume changes which occurred around event day. This research use a new data set from Indonesian Stock Market and aimed at testing whether the event has an impact on capital market activity through stock return parameter around that event period. This research tests whether there are abnormal return differences between before and after event day period. To measure the reaction, this research uses ten days before and ten days after as the event period are used as event windows. The result shows that there are abnormal returns in the first and forth day after the event. The result also shows that there is no difference between abnormal return within days before the event and abnormal return within days after the event. The same condition also find in activity volume trade. The result shows that there is no different between activity volume trade within days before the event and after the event. But dividend payment publication shows that there is significant abnormal return, thus it can give information for the investor.

Keywords: *Dividend payment, event study, abnormal return, activity volume trade, capital market.*

DAFTAR ISI

DAFTAR TABEL

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DAFTAR GAMBAR

DAFTAR LAMPIRAN