

ABSTRACT

ABNORMAL RETURN ANALYSIS BEFORE AND AFTER BONUS SHARE ISSUE IN INDONESIA STOCK EXCHANGE YEAR 2007-2008

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Capital market development is an alternative financing diggers capital, where capital market instruments traded. Stock trading activity in the stock market can be influenced by the presence of corporate action taken by the issuer in order to meet certain goals One form of corporate action taken is the issuance of bonus shares. The bonus shares are new shares issued by companies as rewards to the holders of old shares from the capitalization of share premium. Problems in this study is whether in the form of efficient markets is weak, whether there is abnormal return before and after the issuance of bonus shares and whether there is a significant difference in abnormal return before and after the issuance of bonus shares in companies that distribute bonus shares in BEI years 2007 to 2008. The purpose of this study is to determine the efficiency of the market which is marked by the stock price randomly (random) and know the level of significance of differences in abnormal returns before and after the issuance of bonus shares. The hypothesis presented in the form of efficient market is weak and there were no significant differences before and after the issuance of bonus shares in the sample period. The object of research is that issuers listed on the Stock Exchange and the issuance of bonus shares in 2007-2008 as many as eight issuers.

Methods of analysis were performed using the analysis of return calculation with market expectations that the model established by using OLS regression techniques (ordinary least square). The analysis tools are descriptive and quantitative analysis through t test using two different test methods on average by one sample t test to test whether the abnormal return is zero (0) in the window period and methods of test for independent samples to test whether there difference in abnormal return before and after the issuance of bonus shares during the period of observation.

Based on test results of test series showed that the average overall significance of issuers who do bonus shares issue worth less than (α) 5%, which means that the data are spread by unrandom or stock price movements do not occur randomly. Thus we can say that the market is not efficient in weak form, which means that the company's stock price can be easily estimated by the investors, but not easy for investors to get the abnormal return. Results showed that the t-calculated value is smaller than t-table (2.365) with significantly greater than 0.05 at keperayaan level of 95% and $df = k-1 = 8-1 = 7$. This means that there is no significant difference in average abnormal return before and after the issuance of bonus shares. Thus the issuance of bonus shares, contains very little information that caused the market reaction is indicated by the abnormal return is not significant and the issuance of bonus shares does not add to prosperity for shareholders.