ABSTRACT

The Impact of Right Issue and Stock Split Announcement to Stock Liquidity Study at Banking Companies and Financial Institutions in Indonesia Stock Exchange

At the company's Banking and Financial Institutions The volume of trading before the announcement of rights issue and stock split seen an increase but not significant, some even experienced a decrease from the previous day then after that the increase and decrease again. The purpose of this study is to analyze the announcement for the rights issue and stock split and also to analyze how much impact the rights issue and stock split (stock split) on the liquidity of stocks simultaneously and partial.

The method used in this research is descriptive analysis method with quantitative approach. The population used in this study is the Banking and Financial Institutions company listed on Indonesia Stock Exchange. Elections were conducted with purposive sampling with the amount of data as much as five companies that do a rights issue and stock split in the same year or make an announcement within the contiguous. Statistical method used is multiple linear regression to test the classic assumption in advance using the program SPSS 18.0.

The results showed simultaneous rights issue and stock split significant effect on stock liquidity. This means that if the announcement of the Rights issue and stock split performed will increase the stock liquidity of the company (liquid). The results are partially right issue has no significant effect on stock liquidity. This means that if the Right issue be announced or not announced, stock liquidity will continue to increase in the company's (liquid). The results partially Stock splits have a significant effect on Stock Liquidity. This means that if the stock split announcement done so the stock liquidity will increase (liquid). Suggestions for a company that will perform corporate actions, should be noticed again the company's condition or how to improve the circulation of shares.

Keywords : Right Issue, Stock Split, Stock liquidity