

## **ABSTRACT**

Dwi Kurnia Dinianto, 2012 THESIS. Title: "The Analysis of Difference Return and Trading Stock Volume Activities Before and After Announcement of Change Composition Sri-Kehati Index (2009-2012)"

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Stock is one form of investment where the shares are securities as proof of participation or individual and institutional ownership in a company. By that evidence the holder or owner of the shares have the right to claim on income and assets of the company. One of the advantages of stock investing is capital gains, where capital gains are profits when the shares are sold in the capital market at a price higher than the purchase price. Change in stock price occurred partly because of the lack of information about the company itself, so that the market responds accordingly to the information. Changes of composition of the index are also public information in the stock market is considered as a signal or information from the company to demonstrate the performance and prospects of the company in the future, so that it can influence the market reaction.

The focus of this research is to find a significant difference in returns and trading stock volume before and after the announcement of the changing composition Sri-Kehati Index, during the period November 2009 to October 2012 period. By using purposive sampling method in sampling with the sample of the criteria is a company that out and come in the event of changes in the composition of the issuer in Sri-Kehati Index conducted every half, until the 14 companies in the sample. This research using paired sample T-test program SPSS version 11.5 for windows with the 0.05.

The results of this research prove that there is no significant difference in returns and stock trading volume activity before and after the announcement of changes in the composition of Sri-Kehati Index for all the study period. It can be concluded that the announcement of changes in the composition of Sri-Kehati Index has no information content that can be an impact on investor preferences in making their investment decisions. No difference presumably because Sri-Kehati Index is a new index that the investors have yet to use Sri-Kehati Index as the benchmark investment.