ABSTRACT

In a financial statement there will be a variety of basic information necessary for consideration in the decision for an investor. The information is important for investors is information on corporate actions. One of the corporate actions that can be done by the company is a reverse stock split. Reverse stock split is one part of the corporate actions undertaken by the company as a strategy in restructuring its share of firms in the market.

The reason companies are taking action reverse stock split is a company that assesses the per share price of his company in the market are too low, so this policy is taken to increase the nominal value per share to be more attractive to be traded. Reverse stock split will affect the company's sales rate of the company's shares. This is because the stock prices of companies that do reverse stock split will increase equivalent to the price of shares in the market, so it can be an attraction for investors to make a transaction.

Thus, this study tries to find out if there was an effect of the reverse stock split, stock trading volume, liquidity and risk stocks. This study uses secondary data companies listed in Indonesia Stock Exchange. The method used in this research is descriptive analysis and verification. In this study, there are 9 (nine) companies listed in Indonesia Stock Exchange implementing a reverse stock split in the 2008-2012 period. Samples were analyzed for 10 days consisting of 5 days before to the reverse stock split and 5 days after the reverse stock split. While the sample taken using sampling techniques nonprobability saturated sampling method.

The results of this study indicate that there is an influence of the reverse stock split, share trading volume and share risk while the reverse stock split has no effect on the liquidity of the stock.

Keywords: Reverse Stock Split, Share Trading Volume, Stock Liquidity, Risk Stock.