

ABSTRACT

ABSTRACT

Many Researches on price and volume reaction associated with earnings announcement have been conducted. Bamber and Cheon (1995) acknowledge that there is a positive relation between the average of magnitudes price and of volume reaction of different relative magnitudes. Nearly quarter of quarterly earning announcements generate price and volume reaction.

While this thesis test reaction of investor of announcement of increase, rise, or decline dividend him around announcing of dividend in the year 2003.

Keywords : *Efficiency Market Hypothesis, Price reaction, volume reaction, dividend announcement*