

## ***ABSTRACTION***

### **Hung Li. Dividend Announcement Effect Of Stock Price Changes on Companies Listed on the Stock Exchange.**

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This study aims to prove the effect of dividend announcements on stock price changes. Companies that made the study sample were classified according to the distribution of dividends for three consecutive years. A total of 64 companies made 192 research samples so that the data are studied. Once the share price finished the recording process, then followed by calculation of abnormal return of each company. Then do the calculation the average abnormal return. Data were tested for normality testing, testing heterokedastisitas, and paired two-sample test to test the research hypothesis that there is. Of all the tests performed we got the result that the dividend announcement effect on stock price changes.

Key words: dividend announcements, stock price changes