

ABSTRACT

This event study to test the market reaction to the announcement of the change in the company's shares LQ45 Index from 2010-2015. The population in this study are all the company's shares in the LQ45 index from 2010-2015. This sampling using purposive sampling method. The research sample obtained is 99 shares of companies consisting of 51 shares of companies that enter into LQ45 and 48 out of the company's shares LQ45 index. Testing this hypothesis using the test one sample t-test. Test results on the first hypothesis dimenunjukkan their positive market reaction on the shares of companies that enter into LQ45 Index, accepted. The second hypothesis which showed a negative market reaction on the company's shares out of the LQ45 Index, accepted.

Keywords: abnormal return, signaling theory, efficient market and expected return,