

ABSTRACT

This research aims to investigate the influence of auditor switching as independence and stock liquidity as dependence variables. First investigation, it examines the influences of auditor switching on stock liquidity. Secondly, it analyzes the difference in influences between voluntary auditor switching and mandatory auditor switching on stock liquidity.

This study used secondary data. The population consists of manufacture firms listed on the Indonesia Stock Exchange. Sampling method used in this study is purposive sampling and obtained 167 observations. Multiple regression analysis used to be analysis technique.

The results of this study show that auditor switchces had positively significant influence on stock liquidity. while, mandatory auditor switching and voluntary auditor switching have no difference influenced on stock liquidity.

Keywords : auditor switching, mandatory auditor switching, voluntary auditor switching, stock liquidity