

ABSTRACT

This research studies the impact of Indonesia Sustainability Reporting Award (ISRA) announcement to abnormal return and trading value activity. The impact of award publication could be seen from whether there are some differences between abnormal return and trading value activity before and after ISRA announcement.

The research samples are 16 companies which accepted the appreciation of ISRA period 2009-2010. The research data that used is secondary data that consist of daily closing price of shares and daily trading volume with an event period 5 days before announcement and 5 days after announcement by used a market adjusted model for expected return. Hypothese are tested by paired samples t-test.

The result of this research proves that there is no difference abnormal return before and after ISRA 2009-2010 announcement, Trading value activity have no difference before and after ISRA 2009-2010 announcement.

Keyword: Sustainability reporting, ISRA, abnormal return, trading value activity