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Abstract- This study is entitled Comparison Analysis of Stock Price Before and After Announcement of Business Index 27. The target population is 27 companies, operational variables taken is the stock price 20 days before and after the announcement of business index 27. Processing data is done using SPSS Version 22 Program, the results show there is no difference in stock prices before and after announcements of business index 27 means that the announcement does not affect stock prices, but the relationship between stock prices before and after is very strong.

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I. Introduction

Investment in stocks is one of the most popular forms of investment. Because in addition to being safe but also very profitable, but the stock price itself is very fluctuating and can change because many factors influence it such as the condition of the issuer's fundamentals, management policies and news or rumors. All of that affects the investor's judgment in making his investment. News and rumors are one of the factors that investors consider in predicting how the company's prospects are going forward with the risks faced, whether it can be profitable or detrimental.

Lots of media are often used as sources of information by investors before investing. One of them is the publication of the Business Index -27. *Business Index*-27 is a stock price index publication media collaboration between the Indonesia Stock Exchange (BEI) by Bisnis Indonesia. As an independent party, Bisnis Indonesia daily can manage this index more independently and flexibly, where the selection of index constituents is based on the performance of the issuer with fundamental selection criteria, historical transaction data (technical) and accountability.

There are several criteria in setting a business index 27 (http://britama.com/index.php/indeks-saham-bei/indeks-bisnis-27/):

a) Fundamental Criteria

Fundamental criteria considered in the selection of stocks included in the calculation The Business Index-27 is Operating Profit, Net Profit, Return on Assets (ROA), Return on Equity (ROE) and DER. Especially for issuers in the Banking sector, the LDR and CAR factors will also be considered.

b) Technical Criteria or Liquidity Transactions

The technical criteria considered in the selection of shares included in the calculation of the Business-27 index are the value, volume and frequency of transactions and the number of transaction days and market capitalization.

c) Accountability and Corporate Governance

To improve the quality of the selection of shares included in the business index 27, an index committee was formed, with members consisting of experts in the capital market and academics. The members of the index committee provide opinions in terms of accountability, good corporate governance and stock performance.

Based on the explanation above, the researcher made the title of the comparative analysis of stock prices before and after the announcement of the Business Index -27 for the October 2018 period. In this case, how did the announcement of Business 27 Index affect stock prices.

II. Literature Review

Shares are a form of individual or entity capital participation in a company or limited liability company. So that the participation has the right to claim the company's profits, claims for company assets, and the right to attend the general meeting of shareholders of Darmadji and Fakhuddin (2012), SuadHusnan (2008) and Van Horne, James C. John M. Wachowicz, Jr. (2009)

The stock price determines shareholder wealth. Maximizing shareholder wealth translates into maximizing the company's stock price. The stock price at a given time will depend on the expected future cash flows by the investor (on average) if the investor buys the stock (Brigham and Houston, 2010: 7).

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Stock price that occurs on the stock market at a certain time is determined by the actor market, namely the demand and supply of shares in question in the capital market (Jogiyanto, 2015: 167). Thus the stock price is a price formed from the interaction of the sellers and buyers of shares which are motivated by their expectations of stock dividends.

There are several advantages to investing in stocks: (Irham, 2015: 85):

1. Obtain dividends to be given at the end of each year.
2. Obtain return on capital.
3. Have voting rights for ordinary shareholders.
4. The number of shares owned ownership can be used as an additional warranty or guarantee support.

Then the factors affecting the formation of stock prices (Ali Arifin, 2004: 30):

1. The condition of the issuer fundamental.
2. Law of demand and supply of.
3. Interest rate.
4. Foreign currency.
5. Stock Price Index.
6. News and rumors.

Event studies are studies that study/observe market reactions to an event *(event)* whose information is published as an announcement. *The event study* can be used to test *information content* from an announcement and can also be used to test the market efficiency of half-strong (Jogiyanto, 2017: 643).

Semi strong efficient markets if the said security prices fully reflect *(fully reflect)* all the information published *(all publicly available information)* includes information that is in the financial statements of the issuer company (Jogiyanto, 2017: 607). Information that is published, one of which can be in the form of published information that only affects the security prices of companies that publish the information. This published information is information in the form of announcements by listed companies. This information is generally related to events that occur in *corporate events.*

More specifically the study of events investigates the market response to the information content of an announcement or publication of a particular event. The content of information can be either *good news* or *bad news.* The efficient market hypothesis predicts that the market will give a positive market response to good news, and a negative response to bad news. The market response is reflected in *returns* positive abnormal (good news) and *returns* negative abnormal (bad news).

Market efficiency implies that market participants will move together to follow the changes that occur. The changes that occur are in the form of information that is absorbed or responded to by the market efficiently. Efficiently means that every market actor does not spend a lot of money to get information so that they can react quickly and precisely in forming a new price balance. This new price balance reflects information available on the market. If the market doubts the correctness of information, then a late or earlier response will occur because there are investors who are more daring to speculate and there are investors who prefer to wait until a certain time (Eduardus Tandelilin, 2010: 565).

According to Eduardus Tandelilin (2010: 566) the types of events that are often encountered in event studies are as follows:

1. *Study of Conventional Events Conventional:* Event studies study the market response to events that often occur and are publicly announced by issuers in the capital market. Some examples of conventional event study include: the earnings announcement, the payment of dividends, rights offerings for shares *(rights* issue), mergers and acquisitions, capital expenditure announcements, *stock* splits, and other similar forms.
2. *Cluster Event Study Cluster:* Event studies or groups study the market response to publicly announced events that occur at the same time and affect a particular group of companies (company clusters). An example of a cluster event is a government announcement that makes regulations on certain industries so that it is expected to have an impact on the company's cash flow in the industry concerned.
3. *Study of Unexpected Events:* The Study of unanticipated *events* is a variant of cluster event studies. This study studies the market response to an unexpected event. Research on unexpected events has not been carried out relatively much, apart from the fact that the nature of events is very rare, not all unexpected events are relevant to the study of events related to the capital market.
4. *Sequential Events Study (Sequental Events):* study of sequential events is also a variant of cluster event study. This study studies the market response to a series of events that occur sequentially in situations of high uncertainty. In this case the speed and accuracy of information is the key to market response.

III. Research Methods

In this study, the object of the research was the stock price before and after the announcement on the business index -27 company for the period October 2018. The operational variable consists of closing stock prices for 20 days before the announcement and 20 days after the announcement of the 27th business index. Then the research method used was descriptive comparative.

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a) The target population

In this study, the target population is all companies in Categories *the reindexs business 27, 2018* published by the Indonesia Stock Exchange in October 2018 and in describing the table as follows:

Table 1: Population Targets

No.	Code	No.	Code
1	ASII	15	INTP
2	ADRO	16	ITMG
3	BBCA	17	KLBF
4	BBNI	18	MIKA
5	BBRI	19	MYOR
6	BDMN	20	PGS
7	BMRT	21	PTBA
8	BSDE	22	PCMA
9	CPIN	23	SMGR
10	HMSP	24	TKIM
11	ICBD	25	TKLM
12	INCO	26	TPIA
13	INDF	27	UNTR
14	INKP		

Source: Business Index 27 October 2018

b) Analysis of Data

Hypothesis Test

Ho: There is no difference in stock prices before and after the Business Index Announcement -27.

Ha: There are differences in stock prices before and after the Announcement of the Business Index-27.

The Statistical Hypothesis:

Ho: $\mu A = \mu B$

Ha: $\mu A \neq \mu B$

The formula is used:

$$t\ count\ = \frac{\underline{x1} - \underline{x2}}{\sqrt{\frac{S1^{\ 2}}{n1} + \frac{S2^{\ 2}}{n2} - 2r\left(\frac{s1}{\sqrt{n1}}\right)\left(\frac{s2}{\sqrt{n2}}\right)}}$$

(Sugiyono, 2014: 122)

Accept Ho and Reject Ha: $-t\frac{1}{2}\alpha \leq t\ count\ \leq t\frac{1}{2}\alpha$

Reject Ho and Accept Ha:

$$-\ t\ count\ \leq\ -t\frac{1}{2}\alpha\ or\ t\ count\ \geq t\frac{1}{2}\alpha$$

IV. Discussion

Based on the results of data processing using the SPSS version 22 program on 27 companies included in the 27-business period of the October 2018 period described in Table 2 as follows:

Table 2: T test Results of Stock Prices Before and After Announcement of Business Index 27 October 2018 Period

Paired Samples Test								
	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Before – After	-23141.18519	101149.33841	19466.19925	63154.53081	16872.16044	-1.189	26	.245

Table 3: Coefisien Corelation

Paired Samples Correlations				
		N	Correlation	Sig.
Pair 1	Sebelum & Sesudah	27	.992	.000

Table 2 the Sig. (2-tailed) is worth 0.245> 0.05. This shows that "Ha rejected" and "Ho accepted" can be stated that the announcement of business index 27 dated October 28, 2018 does not affect the company's stock price. This is in accordance with research by Sutra Manik, et al (2017), Yoga SatyaPurnama and Khairunnisa (2015) RendiSatria and Supatmi (2013), Amirah (2015) AinunRidho et al (2017), Osama El A. And Mervat Hussein (2017)

Then when viewed coefficient of stock price correlation before and after the announcement of business index 27 shows positive and significant, meaning that the stock price that occurs after the announcement is inseparable from the stock price that occurred before the announcement, thus the price that occurs before the announcement is used as the basis for decision making to determine the price shares after the index 27 is announced. Investors remain stock prices before the announcement as a reference to determine the next share price.

Although in table 2 shows a real relationship between stock prices before and after the announcement of business index 27, but this does not result in differences. This indicates that there is no influence of business index announcements 27 on stock prices, and investors still take into account the returns and risks that may occur due to investments made.

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V. Conclusion

Based on the results of research and data processing that has been carried out that the announcements that have been submitted by Indonesian business daily in collaboration with the IDX show no effect on stock prices. So statistically there is no difference in stock prices before and after the announcement of the business index 27. The announcement does not have an impact on stock prices in the company of business index 27 categories on the Indonesia Stock Exchange.

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