Stock split, fraksi perdagangan, dan likuiditas saham di Bursa Efek Jakarta

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Abstrak

Companies often split their stocks to adjust prices and increase liquidity. This paper investigates the impact of stock split on stock liquidity in the Jakarta Stock Exchange. Liquidity Is measured using two Interrelated proxies. First, we use relative bid-ask spread (RS) to measure two-dimension liquidity: immediacy and width. Second, we use depth to relative spread (DTPS) ratio to measure the more complete or three-dimension liquidity: immediacy, width.and depth. We deduce the impact of stock split on liquidity will depend on the tick size after the split. To examine, we divide the sample into two groups. The first group consists of stocks experiencing tick size decline, white the second group consists of stocks traded using the same tick size after the split. Our investigations confirm that stock split enhances two-dimension liquidity, only if the split reduces stock tick size. In other words, stock split does not improve two-dimension liquidity if it does not decrease the tick size. Moreover, because of market depth and relative spread trade-off, stock split does not promote three-dimension liquidity, regardless of its effect on the tick size.