Abstract and Keywords

This research analyzed the market reaction to stock buyback announcements in 82 Indonesian companies. Using the event study method, this research found that there are positive market reactions in the 2017-2019 period while negative reactions found in the 2020 period. For the determinant for the market reaction, this research found that company size positively correlated to stock performance in Indonesian companies. Meanwhile, short-term liquidity negatively correlated to stock performance.

Keywords: Stock buyback; Cash Distribution; Event Study; Cumulative Abnormal Return.