

ABSTRACT

SENDY EKA RINI. *The Influence of Income Smoothing to the Market Reaction with Auditor Quality as Moderating Variable. Empirical Study on Textile and Garment Industry which listed in Indonesia Stock Exchange 2010-2013* (guided by Rilla Gantino).

The purpose of this study is to research the influence of income smoothing to the market reaction. The population is the entire textile and garment companies that listed in Indonesia Stock Exchange 2010-2013. The samples are 15 textile and garment companies that listed in Indonesia Stock Exchange 2010-2013. This study using path analysis.

The result of this study identifies that income smoothing and auditor quality does not significantly affect the market reaction.

Keywords: Income Smoothing, Quality Auditor, Market Reaction.