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# Earning Disclosure and Abnormal Returns: Empirical Evidence from Ho Chi Minh Stock Exchange

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**Abstract:** Earning announcement significantly influences stock price in developed markets while this topic in Vietnam is inconsiderable of interest. This paper investigates the relationship between abnormal returns and earning announcement based on the financial statements of 160 listed firms on the Ho Chi Minh City Stock Exchange over the 2010–2015 period. Using the event study method with 20 days event window before and after the announcement to analyze the reaction of abnormal returns of stock prices in association with earnings announcement. The results indicate that earning announcement has an influence on changes in stock prices, especially on the 4<sup>th</sup> day after the announcement. This finding implies that close watch on earning announcements helps investors anticipate stock price trends. The result also indicates the differences in abnormal returns among various types of industries, although the differences are relatively insignificant. Therefore, listed firms should ensure information transparency through financial statement announcements based on international standards, which provides useful information for investors to invest in its shares.

**Keywords:** Abnormal returns, Earnings announcement, Event study, Securities.

**JEL classification:** G14, G18.

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