CHAPTER V

CONCLUSION, IMPLICATION, AND LIMITATION

5.1 CONCLUSION

Based on the results of data analysis and hypothesis testing, it can be concluded as follows:

1. There is no significant difference of information asymmetry before the IFRS convergence in Indonesia and Singapore.

2. There is no significant difference of information asymmetry after the IFRS convergence in Indonesia and Singapore.

3. There is no significant difference of information asymmetry before and after the IFRS convergence in Indonesia.

4. There is a significant difference of information asymmetry before and after the IFRS convergence in Singapore.

5.2 IMPLICATION

With the implementation of IFRS convergence in Indonesia and Singapore is expected the better quality of accounting information. It is intended that the financial statements provide high quality of information and can be used globally. It is recommended for Indonesia to upgrade the level of IFRS like Singapore for the better quality of accounting information and reduce the information asymmetry. And it is also recommended to similar studies and use more samples from other industries that are better to represent the

conditions of Indonesia Stock Exchange and Singapore Exchange or the capital markets of other countries to be added in general.

5.3 LIMITATION

This study has some limitation that may be a suggestion for further research:

1. The method to measure the asymmetry of information in this study is only relative bid ask spread proxy. For further research, it is recommended to use other proxies.

2. Financial companies are the only sample used in this research. For further research, it is recommended to add more samples from other industries.

3. The bid-ask data in Singapore is hard to get even from Singapore Exchange and Yahoo Finance. For further research, it is recommended to search the data from other sites.