



MEASUREMENT OF LONG RUNG INITIAL PUBLIC OFFERINGS
(IPOS) TOWARDS PRICING PERFORMANCE USING
BUY-AND-HOLD-ABNORMAL-RETURN (BHAR)
STRATEGY

NORZAWANAH BINTI NAWAN
2014302221

BACHELOR OF BUSINESS ADMINISTRATION
WITH HONOURS (FINANCE)
FACULTY OF BUSINESS ADMINISTRATION
UNIVERSITI TEKNOLOGI MARA
KOTA KINABALU, SABAH

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TABLE OF CONTENTS

DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF FIGURES	viii
LIST OF TABLES	viii
LIST OF ABBREVIATIONS	ix
ABSTRACT	x
CHAPTER 1: INTRODUCTION	
1.0 Background of study	1
1.1 Problem statement	2
1.2 Research Objectives	4
1.3 Significant of study	4
1.4 Scope of study	7
1.5 Limitation of study	8
1.6 Chapter Summary	9

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction	10
2.1 Theory of Study	13
2.2 Literature Review	14
2.3 Chapter Summary	18

CHAPTER 3: DATA AND METHODOLOGY

3.0 Introduction	19
3.1 Data Description	19
3.2 Data Collection Methods	21
3.3 Measurement of Variables	22
3.4 Conceptual Framework	24
3.5 Research Design	25
3.6 Sampling Design	25
3.7 Data Software	26
3.8 Empirical Analysis Framework	26
3.9 Research Hypothesis	27

ABSTRACT

This paper in investigate the relationships between market volatility, offer price to book value, offer price, and issue proceeds toward buy-and-hold abnormal returns (BHAR) strategy. The purpose of the study is to measure the performance of the IPOs price in the long-run. The data collected in order to obtain the result is retrieved from Kuala Lumpur Stock Exchange (KLSE) which comprises of 173 total observations from the period of 1st March to 28th April 2017. These IPOs has reached 1 year anniversary from their listing day in the public trading. The result was found that offer price to book value and issue proceeds are able to explain the pricing performance of the IPO. While, the market volatility and offer price do not have a relationship towards the pricing performance. Based from the findings, both problem statements have been answered. It can be concluded that the daily data able to predict the pricing performance of the IPOs.