

ABSTRACT

In the capital market, bid and ask are influenced by the amount of information received by investors. The difference in information received gives rise to adverse selection. The existence of adverse selection encourages brokers to increase spreads, resulting in information asymmetry. The difference between the bid price and ask price shows the level of the bid ask spread. This research aims to determine information asymmetry which is suspected to be XBRL, the quality of financial reports, and ownership structure.

This research uses data from banking companies listed on the Indonesia Stock Exchange for the 2020-2022 period. The purposive random sampling technique used resulted in a sample of 75 (seventy five) from 25 (twenty five) companies that experienced information asymmetry and 21 (twenty one) that did not experience it.

The research results show that XBRL, financial quality, and ownership structure simultaneously influence information asymmetry. Meanwhile, only partially the quality of financial reports has a positive effect on information asymmetry, and XBRL, ownership structure partially has a negative effect on information asymmetry.

The novelty of this research is the quality of financial reports as a positive factor in information asymmetry. This is also new for the banking company sector on the IDX. Recommendations for further research are to re-examine other variables in this research and explore the factors that influence information asymmetry.

Keywords: Information asymmetry, financial report quality, ownership structure, and XBRL.