

# The Relationship Between Information Asymmetry and Stock Return in The Presence of Accounting Conservatism

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## Abstract

This study aimed to test the effect of information asymmetry on the stock return in the presence of accounting conservatism in industrial companies listed in Amman Stock Exchange (ASE) in the period from 2006 to 2012. The study found that investors who have private information can benefit from that through achieving outstanding returns, which means that information asymmetry affects the stock return positively, but when taking into consideration the conservative accounting policies practiced by management, this effect was faded.

**Key Words:** Information Asymmetry, Accounting Conservatism, Stock Return

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