ABSTRACT

THE IMPLICATIONS OF INFORMATION ASYMMETRY ON STOCK RETURN
(STUDIES ON COMPANIES LISTED IN SRI-KEHATI INDEX THE PERIOD 2010-2014)

By

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Condition in which the difference between the information that indicated investors may affect the amount of profit from the investment made by the investor. Based on these conditions, this study was conducted to determine the effect of information asymmetry on stock returns received by investors. This study uses the control variables of firm size (SIZE), Return on Assets (ROA), and Earning per Share (EPS). The samples in this study using purposive sampling and obtained a sample of 10 companies that was registered in SRI-KEHATI index. Data analysis technique used is multiple linear regression approach using panel data and using program analysis tools eviews 7. Based on t-test results showed that the variable information asymmetry is partially significant effect on stock returns and firm size variable (SIZE), Return on Assets (ROA), and Earning per Share (EPS) partially no significant effect on stock returns. Based on the results of the F-test shows that there is simultaneously a significant influence between the variables of information asymmetry, firm size (SIZE), Return on Assets (ROA), and Earning per Share (EPS) of the stock returns.

Keywords: Information Asymmetry, Investor, Stock Return