

ABSTRACT

EFFECT OF ROE, DER, and PBV RETURN OF STOCK (Case study on industrial Real Estate and Property are listed on the Indonesia Stock Exchange in the year 2004 to 2013)

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This study was conducted to examine the effect of the Return On Equity (ROE), Debt to Equity Ratio (DER) and Price to Book Value (PBV) on stock returns.

The sampling technique used was purposive sampling criteria (1) Corporate Real Estate and Property industries listed in Indonesia Stock Exchange during the period of observation from 2004 to 2013 (2) Publish the financial statements are consistent over the period of observation from 2004 to 2013, and (3) Period of the report financial end every December 31st.

Data obtained from BEI. Obtained a sample of 18 companies. The analysis technique used is multiple regression and hypothesis testing used to test the significance of the partial regression coefficients and to test the significance of the effect together with the level of significance of 5%. It also performed classical assumption which include normality test, multicollinearity, heteroscedasticity test and autocorrelation test. Based on the results of the study found that the variables deviate from the classical assumptions, the normalization step is done by using $\ln(x)$ to be eligible to use a multiple linear regression model.

The results showed that the variable Return On Equity (ROE) and has no effect on stock returns and Property Real estate company in BEI 2004-2013 at the level of significance is more than 0,05 at 0,780. While Debt to Equity Ratio (DER) and Price to Book Value effect on stock returns in real estate and Property IDX 2004-2013 period at the level of significance of less than 0,05 (respectively 0,000). Taken together ROE, DER and PBV significant effect on stock returns and Property Real estate company on the Stock Exchange at the level of less than 0,05 is 0,000. Predictive ability of these three variables on stock returns of 70.5%.

However the results of this study indicate that investors in the period 2004-2013 continue to use the company's fundamental factors as a basis for predicting stock returns in real estate and Property IDX taking into account external factors such as economic conditions, political conditions, and the law.

Keywords: Return On Equity, Debt to Equity Ratio, Price to Book Value, Stock Return