ABSTRACT

TIARA SUCI SETYANDARI. Analysis of Internal and External Factors’ Influence Over Stock Return (Case Study Mining Companies Listed on Indonesia Stock Exchange during 2007 – 2011). Under direction of HERMANTO SIREGAR and HENDRO SASONGKO

The purpose of this research was to analyze the influence of internal and external factors over stock return. This research uses mining companies listed on Indonesia Stock Exchange from 2007 to 2011 as samples. As for the variables, this research uses Current Ratio (CR), Return on Equity (ROE), Price Book Value (PBV), and Financial Leverage (FL) for internal factors; also inflation for external factors. Because of this research’s period coincided with 2008 crisis, researcher added crisis as dummy variable. There are two approaches used in this research, descriptive analysis to analyze mining companies’ financial performance during 2007 - 2011 and econometric analysis to analyze the influence of each variable over stock return. Based on several tests using EViews 6, this research uses Fixed Effect Method as model. The research shows that the ROE, PBV, FL, inflation, and crisis variables have significant effect on mining companies’ stock return.

Keywords: Internal Factors, External Factors, Stock Return, Mining Companies.