SUMMARY

SATRIA PRAWIRA DIRGA. Analysis of Effects of Macroeconomic Variables to the Return of Stock Groups in Plantation Sub-sector. Supervised by HERMANTO SIREGAR and BONAR M. SINAGA

Agriculture Import Export Indonesia by sub sector in 2008-2012, the total export value of US $ 32.48 billion came from donations export commodities. Plantation sub-sector was the only commodity giving a positive contribution to the balance of the trade in Agriculture Sector. A large potency in plantation subsector was not balanced to the related investments. The stock market is a source of funding means for the Company to conduct business development, expansion, increase working capital and others. Shares in the product's ability to print high return can not be separated from the risk, so that investment stock products can be referred to as a risky investment instruments. A risk causes of probability of generated profits deviating from the expected profits.

Thus the purposes of this study were: 1) to analyze the influences of the movement of macroeconomic variables (interest rate of SBI, the US Dollar foreign exchange rates, inflation, oil prices and the rate of change of the Composite Stock Price Index) to return and predict individual stock plantation sub-sector; 2) to analyze the effects of movement and forecasting macroeconomic variables to proxy index of selected issuers. Methods of data analysis in this study using the technique of multifactor APT equation model analysis (Multivariate Regression Model), to determine the effect of macroeconomic variables (index of Agriculture, JCI, the exchange rate (RATE), interest rates, crude oil prices and inflation), to stock returns plantation sub-sector group. The results of testing APT were to get how much beta ($\beta$) of each of the macroeconomic variables on individual returns. From beta macroeconomic variables can be formed an estimation model to estimate the new price. The next stage is done formation of share price index estimation model APT as a proxy. Methods of Vector Autoregression (VAR) / Vector Error Correction Model (VECM) is used to study the response of stock returns and risk to changes in macroeconomic variables.

The results showed that the factor of world oil prices had a significantly negative effect on stock returns of plantation. Factors of exchange rates had a significantly positive impact on the issuer's stock returns of AALI, LSIP, SMAR, TBLA and return of the proxy INDEX. SBI Factors had significantly negative effect on the return TBLA. Different matter, SBI factor had a positive effect on return AALI, SMAR and return of the proxy INDEX significantly. Inflation factor had a significantly positive effect on the return TBLA. Inflation factor had a significantly negative effect on the changes in return of INDEX proxy. Factors of Agriculture Index was with significantly positive effects on returns of AALI, LSIP, SMAR, TBLA, UNSP and INDEX proxy, different results showed that return negative SGRO responded significantly positive to the changes in the index factor of Agriculture. JCI factor has a significantly positive on stock returns of AALI, LSIP, SMAR and return of the proxy INDEX.

Based on the research results it can be formulated some managerial implications. Stock returns LSIP, SMAR and TBLA had asymmetric volatility
For investors who want to invest in stocks that have asymmetric pattern as in 3 plantation sector stocks, you should look at the information that is being developed in the capital markets both internal and external, such as the determination of tax, regulatory discretion to commodity exports and imports of farm products, corporate actions by the company.

Macroeconomic factors being important note are oil and Inflation, based on the results of testing the APT and EGARCH shows the change of the two factors had a negative impact on stock returns in plantation. At the current rate of inflation increased investors should buy shares of TBLA, APT and EGARCH test results showed a positive effect on the factors INFLATION TBLA return. SMAR TBLA company and product processing oil into derivative products (stearine, vegetable cooking oil, etc.), in order to optimize value along the chain of integrated operations. While the results of hypothesis exchange rates factors have a negative impact on stock returns, the results showed exchange rates factors had a positive impact on stock returns. This is due to the plantation subsector company sold their products to the export market segmentation was quite large, while the Rupiah depreciated (weakened), the company's revenue will increase. Investors should look at how the movement of the Rupiah against the US Dollar and the company's fundamentals to maximize the expected return and minimize the risk of such shares. Investors should buy AALI, LSIP, SMAR and TBLA Rupiah depreciated (weakened), the company's revenue will increase and followed by the return of its shares. In investing investors should examine the response of each share of shocks macroeconomic factors. Based on the test results IRF UNSP model of stock returns fluctuate in the long term to achieve macroeconomic stability in the face of shocks. IRF test results return TBLA models relatively longer achieve stability in facing macroeconomic shocks.

For the Government, the plantation subsector investment that requires long-term investment capital and risk is relatively large. Therefore, the government must maintain and improve the investment climate in the plantation subsector by means of: 1. Increasing the rate of economic growth in Indonesia, 2. Maintaining the stability of inflation through monetary and fiscal policy, 3. Enforces of the stability of domestic interest rates, 4. Through the Government's policy to support the processing of products derivative, 5. Supporting climate conducive exports through the provision of tax incentives by lowering the tax rates export of plantation, 6. absorption products biofuel (BBN), by promoting the use of products derived biofuel as a complementary form of diesel fuel, 7. Nowadays, the position of Indonesian plantation sector in the international market is still as price takers. As the largest exporter in the world, the Government supports the establishment of a program references Export Check Price (HPE) CPO price cartel.

Keywords: Abnormal return, arbitrage pricing theory, stock index, stock plantation, value weighted index, vector error correction model