SUMMARY

INGRIT. Analysis Influencing Factors of Dividend Policy on Mining Companies in Period 2011-2015. Supervised by HERMANTO SIREGAR and FERRY SYARIFUDDIN.

Stock market has important role for Indonesian economy, also as a tool of capital funding for company obtained from citizen and investor. Along with economic growth, the needs of energy is growing. Mining sector is one of economic pillar in Indonesia as a energy source which is really needed for economic growth. Mining sector has unique characteristics, commonly long-term, high risk, tend to high uncertainties in company funding. In recent years, Indonesia mining sector has funding problem caused by coal price fluctuation, crude oil, energy and metal. This problem caused short-term and long-term debt for company operational funding. That problem also effected the fluctuation of stock price year to year.

In stock market activity, investors have expectation from their investment, which called dividend. Dividend is cash distribution, other asset, obligation or other kind of evidence which stated company debt to investor in one company, as a portion from several stocks owned by investor. Company must have policies to dividend sharing and retention. Dividend policy is company decision to determine how much and what kind of return or dividend should be given or retention of earning for future investment.

This research used descriptive and econometric methods. Variables used in this research are dividend payout ratio, current ration, debt to equity ratio, return on assets, credit investment interest rate, exchange rate, mining stock market index, and industry production index. Data are collected from Indonesian Stock Exchange (IDX). Those data are used to computed research variables from 2011 to 2015. Analytical tools used is panel data with *Fixed Effect Model* using E-views software version 9.0.

Based on research result, mining company listed at Indonesian Stock Exchange (IDX) can be concluded current ratio effect to *dividend payout ratio*, *debt to equity ratio* to *dividend payout ratio* obtained coefficient effect 0.032 with Probability (0.010) less than alpha (1%, 5%, and 10%), *current ratio* has positive and significant to *dividend payout ratio*, *debt to equity ratio* to *dividend payout ratio* has coefficient effect 0.37 with Probability (0.000) less than alpha (1%, 5%, and 10%) then *debt to equity ratio* has positive and significant to *dividend payout ratio*, *return on assets* to *dividend payout ratio* obtained coefficient effect 0.037 with Probability (0.007) less than alpha (1%, 5%, and 10%) then *return on assets* has positive and significant to *dividend payout ratio*, credit investment interest rate to dividend payout ratio obtained coefficient -4.468 with Probability (0.000) less than alpha (1%, 5%, and 10%) then credit investment interest rate has negative and significant to *dividend payout ratio*, exchange rate to *dividend payout ratio* obtained coefficient 0.250 with Probability (0.460) more than alpha (1%, 5%, and 10%) then exchange rate has positive and not significant to *dividend payout ratio*, mining stock price index to *dividend payout ratio* obtained coefficient effect 0.173 with Probability (0.000) less than alpha (1%, 5%, and 10%) then mining stock market price index has positive and significant to *dividend payout ratio*, industry production index to dividend payout ratio obtained coefficient effect 1.406 with Probability (0.000) less than alpha (1%, 5%, and 10%) then industry production index has positive and significant to *dividend payout ratio*

Keywords: *dividend payout ratio*, mining sector, panel data