SUMMARY

MUHAMMAD BOBBY AFIF NASUTION. Indonesian Property and Real Estate Return Analysis: Comparison of Capital Asset Pricing Model and Fama-French Three Factors Model. Supervised by HERMAN TO SIKGAR dan TRIAS ANDATI.

Property and real estate sector often be considered as leading indicators for a nation’s economic. Property and real estate, experiencing a decline in performance due to several factors such as decline in economic power. This performance decline could lead to increase investor’s doubt in investing to Property and Real Estate, consider these sector are capital intensive. Therefore, additional information to assist investment decision making in property and real estate sectors are required

This research are quantitative research using Capital Asset Pricing Model and Fama-French Three Factors Model method. Total of 31 firms are chosen as samples within research period of 2011 to 2016. This research aim to seek the corellation of micro and macro factors within CAPM and Fama-French Three Factors Model to property and real estate stock return.

Results show that both CAPM and Fama-French Three Factors Model indicate that economic macro factor proxied by IHSG have positive and significant impact to stock return. Three Factor Model also shows that property and real estate sector are dominated by big size firm and high market price firm. Both model consistently able to explain variance of stock return, however in Fama-French Three Factor Model could explain variance better in overall.

Kata kunci: CAPM, FAMA-FRENCH Three Factors Model, Property dan Real Estate,