

SUMMARY

MOHAMAD IQBAL MAULANA. Analysis of Factors that Affect the Systematic Risk of Stocks of Property and Agriculture Sector in Indonesia Period 2012-2016. Supervised by TONY IRAWAN and TB. NUR AHMAD MAULANA.

For investors, stock investing in Indonesia Stock Exchange is full of uncertainty. This uncertainty is indicated by the fluctuation of stock prices. In this regard, one of the efforts that investors can take to maximize profits from their stock investment is to consider the level of risk of their investment as the basis for making investment decisions. The risks faced by investors in stock investments are divided into two types of risks, those are systematic risk and non-systematic risk. Non-systematic risk can be controlled by investors by diversifying portfolios, so when investors evaluating stock investment risk, they will tend to pay attention to systematic risks that can't be controlled or eliminated through portfolio diversification.

This study aims to analyze the effect of Degree of Economic Leverage (DEL), Degree of Operating Leverage (DOL), and Degree of Financial Leverage (DFL) on the property and agriculture sector in Indonesia. In this study, researcher used secondary data, those are weekly common stock return and weekly market return published by Indonesia Stock Exchange, for determining beta coefficients. Subsequently, sales, EBIT, EAT, and annual inflation are utilized to calculate DEL, DOL, and DFL. The companies used as research samples are companies that publish their financial statements during the period of 2012 to 2016, the company has a positive beta value and is not greater than 3, and the company has positive EBIT and EAT values. Based on these criteria, 25 companies, 20 property sector companies and 5 agriculture sector companies were obtained.

Based on study results in the property sector, only DEL and DFL variables that have a significant positive effect on the systematic risk of stocks, while the DOL variable doesn't have a significant effect on systematic risk. In the agriculture sector, only the DEL and DOL variables have a significant negative effect on the systematic risk of stocks, while the DFL variable doesn't have a significant effect on systematic risk. Changes that occur in the DEL and DFL variables in the property sector when there is an increase will increase systematic risk. Changes that occur in the variables DEL and DOL in the agriculture sector when there is an increase will reduce systematic risk.

Keywords: economic leverage, financial leverage, operating leverage, agriculture, property, systematic risk.