

**EFFECT OF INFLATION, EXCHANGE RATES AND INTEREST RATE
ON STOCK RETURNS OF PROPERTY COMPANIES LISTED IN THE
INDONESIAN STOCK EXCHANGE FOR PERIOD OF 2008 – 2012**

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ABSTRACT

Stock returns are affected by variables of inflation, exchange rates and interest rates. The aim of this research is to investigate the effect of inflation, exchange rates and interest rates on stock returns. The population of this research taken of property companies listed in the Indonesian Stock Exchange, used purposive sampling method that result 24 sample of property companies. This research used data of the value of inflation, interest rate, Indonesian exchange rate and stock return properties per year with pooling data in the period 2008-2012. This research was using of the descriptive quantitative analysis (F test and t-test).

The result of this research will be showing that the significance level is above 0.05 then the variable inflation, interest rates and the exchange rate does not have significant effect on stock return of the property companies.

Key Words : inflation, interest rate, exchange rate, stock return