

ANALYSIS EFFECT OF RATIO OF LIQUIDITY, PROFITABILITY, ACTIVITY,
AND LEVERAGE TOWARD STOCK RETURN ON REAL ESTATE AND
PROPERTY COMPANIES LISTED ON INDONESIA STOCK EXCHANGE

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ABSTRACT

The purpose of this research is to find effect of liquidity ratio (current ratio), profitability (return on asset), activity (total asset turnover), and leverage (debt to equity ratio) on stock return empirically. Population were real estate and property companies listed on Indonesia Stock Exchange (ISX), in the years 2008 to 2010. The samples are obtained by using purposive sampling method. Finally, 36 companies are used as the samples of this study. Current Ratio, Return on Asset, Total Asset Turnover, and Debt to Equity Ratio are independence variables. Stock return is a dependence variable.

The statistic method was used a multiple linear regression with the model being tested previously in classic assumptions. The results showed that the current ratio, return on asset, total asset turnover, and debt to equity ratio have not significant effects on stock return simultantly. Only total asset turnover has significant effect partial on stock return.

Keywords : Current Ratio, Return on Asset, Total Asset Turnover, Debt to Equity Ratio, Return Saham