

## **ABSTRACT**

*This study aims to test the accuracy of Fama and French Five Factor Models in predicting the return on property and real estate sector for the period of 2003 – 2017. The Fama and French Five Factor Model is the response to the weakness of the previous model is Fama and French Three Factor Models.*

*The variables in this model used in the research are market risk premium, Market capitalization, Book to market equity , operating profitability and investment. The analytical tool used in the measurement is the multiple linear regression method (STATA).*

*Population in this research is property and real estate sub sector exchange which its share active during year 2003 – 2017 sample used in this research that is purpose sampling counted 18 company. This study uses time series data and annual financial reports from march 2003 – december 2017. The results of the study show that only market risk premium variables have a positive effect. While market capitalization, B/M ratio , operating profitability and investment shows a negative effect on stock return.*

*Keywords:* *Fama and French Five Factor Model, Stock returns, Market risk premium, Market capitalization, B / M ratio, Operating Profitability, investment, Property and real estate sector*



## ABSTRAK

Penelitian ini bertujuan untuk menguji tingkat keakuratan model *Fama and French Five Factor Models* dalam memprediksi imbal hasil saham sektor Property dan Real Estate periode 2003-2017. *Fama and French Five Factor Models* merupakan respon terhadap kelemahan teori sebelumnya yaitu *Fama and French Three Factor Models*.

Variabel dalam model ini yang digunakan dalam penelitian ini adalah *Market Risk Premium*, *Market Capitalization*, *Book to Market Equity*, *Operating Profitability* dan *Investment*. Alat analisis yang digunakan dalam pengukurannya adalah *metode regresi liner berganda (STATA)*.

Populasi dalam penelitian ini adalah perusahaan sub-sektor property dan real estate yang terdaftar di Bursa Efek Indonesia yang sahamnya aktif selama tahun 2008-2017. Sampel yang digunakan pada penelitian ini yaitu *purpose sampling* sebanyak 18 perusahaan. Penelitian ini menggunakan data *time series*, yaitu data bulanan dan laporan keungan triwulan dari Maret 2003- Desember 2017. Hasil penelitian menunjukkan Bahwa hanya variabel *Market Risk Premium* yang berpengaruh positif. sedangkan *Market Capitalization*, *Book To Market Equity*, *Operating Profitability* dan *Investment* menunjukkan pengaruh yang negative terhadap imbal hasil saham.

Kata kunci: *Fama and French Five Factor Model*, imbal hasil saham, *Market Risk Premium*, *Market Capitalization*, *B/M ratio*, *Operating Profitability*, *investment*, sektor Property dan real estate.

