ABSTRACT

FikaYoandaPutri, "Effect of Operating Cash Flow and Net Income of the Company's return on Automotive stocks listed on the Indonesia Stock", under the guidance of LinnaIsmawati, SE., M.Si

The research was conducted at several Automotive companies listed in Indonesia Stock Exchange. Phenomena occurring in 2008 is Automotive companies listed on the Indonesia Stock Exchange experienced a significant decline in stock return while operating cash flow and net income at some auto companies have increased.

The method used in this research is descriptive method verifikatif. Samples used in this study were 9 Automotive company listed in Indonesia Stock Exchange in the period 2006-2010 with a total sample of 45 data. Statistical test used in this study is the calculation of Classical Assumption Test, Pearson correlation, coefficient of determination, hypothesis testing, and use the aid program SPSS 17.0 for windows applications.

The results showed that partially Operating Cash Flowis positive but not significant effect on stock return that is equal to 0.015, which means the relationship is very low. The positive correlation showed that the relationship between two variables are directional, meaning that if the Operating Cash Flow is high then the stock return will increase. Similarly, net profitis positive but not significant effect on stock return that is equal to 0.017, which means the relationship is very low. The positive correlation indicates that the relationship between two variables are directional, meaning that if Net Incomeis high then the stock return will increase.

Keywords: Operating Cash Flow, Net Income, Stock Return