ABSTRACT

THE INFLUENCE OF DEBT TO EQUITY RATIO AND PRICE EARNING RATIO TO STOCK RETURN AT MINING COMPANIES LISTING IN IDX

This research was conducted at mining companies listed in Indonesia Stock Exchange. The purpose of this study is to investigate the influence debt to equity ratio and price earning ratio to stock return mining companies listed in Indonesia Stock Exchange.

The method used in this research is descriptive method of verification. The sample used in the study using purposive sampling method that is annual financial reports of mining companies listed in Indonesia Stock Exchange year 2007-2011 by 35 samples used Multiple Linear Regression Analysis. Testing the hypothesis in this study using the statistical t two tail test and statistical F two tail test. The process of statistical analysis using SPSS 18 for Windows

The results of this study indicate that debt to equity ratio had a low relationship with a negative direction, while price earning ratio variables to stock return had a medium relationship with the positive direction. The conclusion of statistical analysis is debt to equity ratio is significant influence to stock return and price earnings ratio is also significant influence to stock return. And as simultan debt to equity ratio and price earning ratio is significant influence to stock return.

Keywords: Debt To Equity Ratio, Price Earning Ratio, Stock Return