ABSTRACT

One of the investments are much in demand by investors is the stock. Investors in making decisions consider several aspects such as earnings per share and free cash flow. This research aims to provide an empirical evidence about the influence of earnings per share and free cash flow on stock prices at mining sector listed in IDX.

The population in this study were all mining companies listed in IDX for 10 years (2002-2011). Sample selection is done by using purposive sampling method with the specified criteria. The number of samples as much as 6 companies (2006-2010). The analysis used is descriptive analysis and verifikatif with quantitative approach. Analytical model used is multiple regression analysis.

The results of hypothesis testing in this study show that the equation (1) changes in earnings per share have a significant and positive influence on stock prices trending in the mining sector listed in IDX. In equation (2) changes in free cash flow does not have a significant and negative impact on stock prices trending at the mining sector listed in the IDX. In equation (3) based on the simultaneous testing using the F test derived earnings per share and free cash flow to simultaneously have a significant effect on stock prices at mining sector listed in IDX.

Keywords : Earning Per Share, Free Cash Flow, Stock Price