THE INFLUENCE OF OPERATING CASH FLOW AND NET INCOME TO THE STOCK PRICE
(RESEARCH ON THE PLANTATION SUB SECTOR COMPANIES LISTED ON THE STOCK EXCHANGE INDONESIA PERIOD 2010-2014)

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ABSTRACT

This research aims to test empirically the influence of cash flow measured by using cash flow of operating activities and net profit of the share price. Net profit and cash flow shows the company performance that will be reflected in the price of company shares, So keeping the high share price remained high become the objective of the company. Problem that occur in this sub sector is the decrease in operating cash flow and net income but not followed by declining stock price.

This research using descriptive-verificative analysis with 15 companies as a population, the sample election using a purposive sampling method so 7 companies as sample are acquired with 35 financial reports on plantation sector sub company that are registered in the BEI period 2010-2014. The method of analysis that is used is the double linear analysis which had been previously done in normality test, multikolinieritas test , heteroskedastisitas test and autocorrelation test. The testing of hypothesis that is used is a correlation coefficient (t-test) and the determination coefficients.

The results of these studies shows that the cash flow variable influence significantly to share prices and the net profit variable also influence significantly to share prices in that plantation sector sub companies that is listed in BEI period 2010-2014.

***Keywords**: Cash flow, operating cash flow, net profit, stock price*