

Bachelor Thesis
Bachelor Accounting Study Program
Odd Semester 2017/2018

**ANALYSIS THE EFFECT OF PROFITABILITY RATIO AND MARKET RATIO
TO STOCK PRICE ON COMPANY LISTED IN STOCK EXCHANGE LQ45**

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Abstract

This study aims to determine the effect of profitability ratio and market ratio to stock prices at companies listed on the Stock Exchange LQ45. Independent variables consist of Return on Assets, Earning per Share, Return on Equity, Book Value, Dividend per Share, Price Earning Ratio and the dependent variable used are stock prices.

The sample of this research consists of 66 companies listed on the Stock Exchange LQ45 starting from 2009 to 2016 period. This research uses the method of Panel Regression Analysis with the best model chosen is fixed effect model. Software used in this research is Eviews 7 and SPSS version 22 to do outlier test and statistical test description of data.

The results of this study indicate that there is a significant positive influence between the variables of Earning per Share, Return on Equity, Book Value, Price Earning Ratio to stock prices, while the variable Return on Assets and Dividend per Share do not give a significant effect on stock prices.

Keywords: stock price, Return on Assets, Earning per Share, Return on Equity, Book Value, Dividend per Share, Price Earning Ratio