ANALYSIS THE FUNDAMENTAL FACTORS ON STOCK PRICE: ON LONDON SECURITIES EXCHANGE FTSE 250

Abstract

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This research aims to analyze the influence on share price. The fundamental factors in this research are dividend per share, price earning ratio, dividend yield, and beta to share price.

The research is conducted on companies listed on the London Stock Exchange FTSE 250 for the period 2012 to period 2016. The method used is purposive sampling, with samples that meet the requirement being 53 firms. This research uses a panel regression method to analyze the influence of independent variables on dependent variables. The data is then analyzed using the Econometric Views (Eviews).

The results show that dividend per share, earning per share, price earning ratio have a positive significant effect on share price, while dividend yield have a negative significant effect on share price. The results of this study also show that beta have no effect on share price. These results indicate that the company should increase the financial ratio as variables dividend per share, earnings per share, price earnings ratio to attract investors.

Keywords: stock price, dividend per share, earnings per share, price earning ratio, dividend yield, beta.