



The 1ST UNICEB 2017

Garuda Plaza Hotel Medan, December 12th 2017



THE INFLUENCE OF PROFITABILITY RATIO, MARKET RATIO AND DIVIDEND POLICY ON STOCK PRICE OF PHARMACEUTICAL COMPANIES GO PUBLIC IN INDONESIA STOCK EXCHANGE

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ABSTRACT

This study aims to analyze the ratio of profitability, market ratios and dividend policy to stock prices. The type of research used by researchers is a quantitative type. In this research, the sampling technique is done by purposive sampling. The process of sampling is based on several criteria, namely: Companies that publish financial statements for 5 consecutive years, i.e. from 2012-2016. The analysis technique used multiple regression analysis. The result of the analysis shows that profitability ratios proxies with ROA and ROE have a significant effect on stock price, which means that high profitability ratios have an effect on the high of a stock price. Market ratios proxies by earnings per share and price book value have a significant effect on stock prices, which means that an increase in market ratio will be followed by an increase in stock prices. The dividend policy proxies by the dividend payout ratio have a significant effect on stock prices, which means that an increase in dividend policy will be followed by an increase in stock prices.

Keywords: *ROA, ROE, earnings per share, payout ratio, stock price*

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