

ABSTRACT

The development and familiarity (awareness) of the products of banks compared to the products of capital market are still imbalance among Indonesian people. Indonesian people still do not obtain much information or knowledge about the investing in capital market. Many false opinions or rumors from society are blocking the development of the stock exchange. This condition happens because of there was still inadequate socialization and lack of information about the investment. Knowledge of financial accounting is one of important things that should be considered much when investing in stock exchange. Financial accounting is trying to give information that is relevant for the investment decision. Only the predictive approach is used in this undergraduate thesis.

This research's goal is to test whether Return on Asset (ROA), Price to Book Value (PBV), Net Profit Margin Ratio (NPM), and Earnings per Share (EPS) have an association toward stock return.

The type of data used in this research are secondary data that taken from audited financial statement of the food and beverages companies that listed on Indonesia Stock Exchange (IDX), and stock price list. These data are taken from www.idx.co.id and Indonesia Capital Market Directory (ICMD). Statistic method used to test the research hypothesis is the multiple linear regression analysis.

The result of analysis reveals that return on asset and net profit margin partially have no significant association toward stock return, while price to book value and earnings per share have a significant association toward stock return. The return on asset, price to book value, net profit margin and earnings per share have a simultaneously significant association toward stock return.

Keywords: Food and beverages companies, stock return, multiple linear regressions analysis.