

ABSTRACT
SOME FACTORS INFLUENCING THE CHANGE OF STOCK PRICE
(A STUDY ON CAPITAL MARKET IN INDONESIA)

The objective of capital market in Indonesia, in addition to mobilizing funds from public for productive utilization, is to realize income leveling through stock holding, stock of company which are already go-public.

Capitalmarket activities can be observed from price fluctuation of stocks which are traded in stock-exchange. This study was carried out to learn the influence of some variabels such as : (1) rate of return on total assets, (2) dividend payout ratio; (3) financial leverage, (4) volume of traded stock, and (5) deposit interest rate toward change of stock price. Besides, we would also like to know which one out of the five factors mentioned above has the most dominant influence to the stock price.

This study was applying primary and secondary data toward 38 companies which have been issuing their stocks in Jakarta stock-exchange since 1989-1990.

After making a test and overcoming classical assumption from OLS (Ordinary Least Square) model, regression outcome showed :

1. Some factors comprising of : rate of return on total assets, dividend payout ratio, stock trading volume, and interest rate of deposit, showed simultaneously that they have very significant influence toward the change of stock price.
2. Influence of individual factor toward the change of stock price, i.e. : rate of return on total assets has very significant influence toward change of stock price, so does dividend payout ratio have very significant influence toward change of stock price, stock trading volume has insignificant influence toward change of stock price, and interest rate of one year time deposit has significant influence toward change of stock price. It was noted from the influence direction that factors : rate of return on total assets, dividend payout ratio, and stock trading volume have positive influence, whereas interest rate of one year time deposit has negative influence toward change of stock price.
3. Factor of rate of return on total assets has dominant influence toward change of stock price.