

EFFECTS OF PRICE EARNING RATIO, DIVIDEND YIELD, BOOK TO MARKET RATIO AND AUDIT QUALITY RETURN ON SHARES

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ABSTRACT

This study aims to examine and explain the effect of the simultan, partial and dominant Price Earning Ratio (PER), Dividend Yield (DY), Book To Market Ratio (BMR), and Audit Quality (AQ) on stock returns in the banking company listed on the Indonesia Stock Exchange (ISE). The analytical method used in this research is quantitative with classical assumption test, as well as statistical analysis of multiple linear regression. The sampling method used is purposive sampling. The variables of this study consisted of PER, DY, BMR, and AQ as independent variables and stock returns as dependent variable with a total sample of 35 banking companies. Analysis results show that PER, DY, BMR and AQ simultaneously affect the stock returns. PER, DY, BMR and AQ partially affect the stockt return, and PER has the most dominant influence on stock returns. It is expected to add the variables of the studysuch as price-book value, dividend payout ratio, and return on equity for further research.

KEYWORDS: Price Earning Ratio (PER); Dividend Yield (DY);Book to Market Ratio (BMR);Audit Quality (AQ) and Stock Returns