Chapter V:
Conclusion

5.1. Conclusion

Based on the analysis and discussion that have been described in the previous chapter, it can be summarized as follows:

1. There is a positive and significant effect of the Price Earnings Ratio (PER) to Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period. This is indicated by the value of the regression coefficient is 0.001 and 0.034 significance values under 0.05 (level of significance = 5%), so it can be concluded that the second hypothesis is proved.

2. There is a positive and significant effect Price to Book Value (PBV) to Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period. This is indicated by the value of the regression coefficient is 0.151 and significance values 0.000 which is under 0.05 (level of significance = 5%), so it can be concluded that the second hypothesis is proved.

3. There is a negative and significant impact Debt to Equity Ratio (DER) to Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period.This is indicated by the value of the regression coefficient is -0.226 and the significant value of 0.0013 which is under 0.05 (level significance = 5%), so it can be concluded that the third hypothesis is proved.

4. There is a positive and significant impact Firm Size to Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period. This is indicated by the value of

the regression coefficient is 0.318 and the significant value of 0.0006 which is under 0.05 (level significance = 5%), so it can be concluded that the fourth hypothesis is proved.

5. There is a positive and significant impact Dividend yield to Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period. This is indicated by the value of th regression coefficient is 1.295 and the significant value of 0.0484 which is under 0.05 (level significance = 5%), so it can be concluded that the fifth hypothesis is proved.

6. There is a significant influence variables Price Earnings Ratio (PER), Debt to Equity Ratio (DER) , Price to Book Value (PBV) , Firm Size and Dividend Yield simultaneously influence Stock Return in Manufacturing companies listed on the Stock Exchange 2011-2014 period.This is indicated by the value of F statistic of 2.967 with probability 0.0000. The probability is much smaller than the significance level used is 5%. It can be concluded that the hypothesis is proven .

7. The adjusted coefficient of determination (R^2) in this study is the ability of independent variables in explaining variations in the dependent variable is 34.19%.

5.2. Research Limitation

This research has been carried out as well as possible, but on the limited number of researchers, this research still has several drawbacks including the following:

1. This study uses only ratios the Firm Size, Price Earnings Ratio (PER), Debt to Equity Ratio (DER), Dividend yield and Price to Book Value (PBV), so that the results are less able to explain the variation of the variable stock return.

2. In this research , only limited manufacturing companies so that the results of this study can not be generalized to companies in other sectors in BEI .

3. The period of study was only 4 years range, so the results may not be consistent with results of previous studies.

5.3. Suggestions

Based on the conclusions and limitations in this study, it can be submitted several suggestions as follows:

1. For Investors and prospective investors This study shows , PER, DER, and PBV , Firm Size and Dividend yield have a significant effect on stock returns, so that these variables need to be considered in assessing a company. Besides these variables can be taken into consideration in making investment decisions.

2. Institutions in the capital market are recommended to create professional centers to conduct professional activities with regard to analysis and to integrate their professional activities. Lack of easy access and lack of regulated and valid forecasts by professional analysts are among the shortcomings that could be seen in the practical and scientific environment of Indonesia's capital market. If such centers are created, using forecasts and evaluations by analysts in scientific researches related to the capital market and proper reactions by analysts of the results of these researches could lead to more dynamism in the capital market. In such studies as the present study, use of forecasts by analysts about future income could strengthen the forecast models and lead to better results.

3. Investment institutions, minor investors, stockbrokers, and other players in the market are all influenced by the climate of the market and purchase and sell stocks without enough analysis and proper perspective. Unfortunately, purchase or sell queues play a major role in investors' decision-makings. It is recommended that investors and particularly professional investment institutions pay more attention to scientific analysis and use methods of value-

setting to determine the real value of equities. Since this study found a correlation between future income and financial ratios, it is recommended that analysts and investors pay more attention to fundamental analysis and particularly analysis of ratios in their assessments.

5.4 Further Research

a. For further research is expected to add financial ratios other independent variable, because it is very possible ratio . Other financial were not included in this study effect on stock returns.

b. Future studies are expected to add the study period in order obtained more accurate results about the stock return.