

PENGUJIAN EMPIRIS CAPITAL ASSET PRICING MODEL DALAM MENILAI  
RISK DAN RETURN PADA PERUSAHAAN MANUFAKTUR YANG  
TERDAFTAR DI BURSA EFEK INDONESIA PERIODE 2012-2014

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This research aims to find out the empirical validity of Capital Asset Pricing Model (CAPM) in determining risk and return in Indonesia Stock Exchange, wherein independent variable is beta ( $\beta$ ). Population of this research is manufacture companies listed on Indonesia Stock Exchange for the period of 2012 until 2014. The research sample consisted of 104 companies with 312 data observations. Simple linear regression analysis was conducted to obtain an overview of the relationship between beta ( $\beta$ ) and return. This study use secondary data from financial statements, annual report, and closing stock prices from Indonesia Stock Exchange Website, Yahoo Finance's site and Bank Indonesia's site.

The conclusion of this research using a regression model shows that beta ( $\beta$ ) did not explain return. Risk free and risk represented by beta ( $\beta$ ) has no significant effect on stock returns. This means that the Capital Asset Pricing Model does not valid in Indonesian Stock Exchange.

Keywords Beta ( $\beta$ ), CAPM, Return, Risk Free