Abstract

The objective of this research is to discover the effect of quick ratio, return on asset, earning per share, return on equity, and net profit margin towards stock return in banking firms. The number of companies chosen for this research is 20 companies that are listed under the Indonesian Stock Exchange during 2011-2019. Research design implemented is conclusive descriptive. The analysis is focused on multiple linear regression testing dan hypothesis testing between independent and dependent variable. QR, EOA, EPS, ROE and NPM are chosen as the independent variable while SR becomes the dependent variable. Based on the hypothesis testing being done, it can be concluded that QR, ROA, EPS and NPM has a positive and significant effect towards SR while ROE does not have a significant effect towards SR. Aside from that, all independent variables simultaneously have an effect towards stock return. With this research, investors could observe the financial performance of banking firms based on QR, ROA, EPS, NPM and ROE before making any investment decision.

Keywords: Quick Ratio (QR), Return on Asset (ROA), Earning Per Share (EPS), Return on Equity (ROE), Net Profit Margin (NPM)