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**CAPITAL STRUCTURE AND FINANCIAL RATIOS IMPACT ON THE
STOCK PRICE IN TRADE, SERVICE, AND INVESTMENT SECTOR OF
INDONESIA'S PUBLIC COMPANIES**

THESIS

Presented as Partial Fulfilment of the Requirements for the Degree of

Sarjana (S1) in International Business Management Program

Faculty of Business and Economic Universitas Atama Jaya Yogyakarta



Compiled by:

Clarita Cindy Pristiwanto

Student ID Number: 15 15 21836

FACULTY OF BUSINESS AND ECONOMICS

UNIVERSITAS ATMA JAYA YOGYAKARTA

2019

**Faculty of Business and Economics
Universitas Atma Jaya Yogyakarta**

I hereby recommend that the undergraduate thesis under my supervision by:

Clarita Cindy Pristiwanto

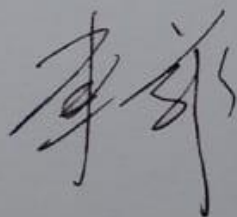
Student ID Number: 15 15 21836

Undergraduate Thesis Entitled

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Be accepted in partial fulfilment of the requirements for the Degree of Sarjana Akuntansi (S1) in International Business Management Program, Faculty of Business and Economics, Universitas Atma Jaya Yogyakarta.

Advisor,



CheFei 车菲

June 2, 2019

**This to Certify that the Thesis Entitled
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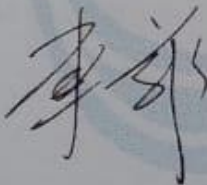
Written by:

Clarita Cindy Pristiwanto

Student ID Number: 15 15 21836

**Has been examined and approved on June 2, 2019 towards fulfillment of the
requirements for the degree of Sarjana (S1) in International Finance
Accounting Program Faculty of Economics Universitas Atma Jaya
Yogyakarta**

Advisor,



CheFei 车菲

June 2, 2019

Yogyakarta, 15th July 2019

Dean of Faculty of Economics

Universitas Atma Jaya Yogyakarta



Budi Suprpto, Drs., MBA., Ph.D.

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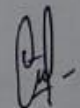
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ABSTRACT

Stocks are the most common and actively traded securities in financial markets. The use of accounting data and financial ratios to explain changes in stock prices is frequently referred to in the literature. Stock price might be increased if the earnings per share of shareholders are improved. This improvement can be caused by the change of capital structure which is very important to control the overall cost of capital. This research aimed to find out the relationship between capital structure and financial ratios to stock price. The population of this research is companies listed in service, trade and investment sector from Indonesia Stock Exchange (IDX) from 2015 to 2017. The sampling method in this research is purposive sampling. Total sample used in the analysis are 95 companies. The statistical methods used in this research are descriptive statistics and multiple regression analysis. The results of this study indicate that capital structure, price to earnings and net profit margin have no significant influence on stock price while market to book value and book value per share have significant effect on stock price.

Keywords: Capital Structure, Market to Book Value, Price to Earnings, Book Value per Share, Net Profit Margin, Stock Price, IDX

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I hope that this thesis would be useful in any kind of way for everyone.

Nanjing, April 30, 2019

Clarita Cindy Pristiwanto 王蒙曼

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