

Abstract

Pharmaceutical company is one of the sectors that listed in Indonesia Stock Exchange. Pharmaceutical company produce drugs or raw materials for making drugs. This research aimed to analyze the fundamental factors such as Inflation, Growth and Earnings per Share towards the stock prices of pharmaceutical companies year 2009-2013, simultaneously and partially.

Population in this research are all pharmaceutical companies that listed in Indonesia Stock Exchange between 2009-2013. The sample criteria that used in this research are pharmaceutical companies which consistently listed in Indonesia Stock Exchange within year 2009 until 2013 and published their financial annual report since year 2009 until 2013.

The technique of analysis that used is Regression Data Panel and use T-test and t-test for simultaneous and partial variable testing and also using E-views 6.0 version as the tools. The Data Panel Regression model which used in this research is Random Effect Model.

As the result obtained are Inflation, Growth and Earnings per Share simultaneously have the significant impact towards stock prices of pharmaceutical companies year 2009-2013. Then, partially Earnings per Share has significant impact towards the stock prices, while the Inflation and Growth does not have significant impact. The determination coefficient result is (R^2) 0,876941, this indicate that Inflation, Growth and Earnings per Share variables could explain the stock prices variabel by 87,77%. While the other 12,23% is explained by the other variables that unobserved by this research.

Keywords: Inflation, Growth, Earnings per Share, Stock Prices