

ABSTRACT

Investment in the capital market is currently one means to invest more desirable compare banking sector. They invest funds in the capital market with the intention of earn a steady income and expected rate of return. There are some indicators that affect the stock price as a reference for investors to take investment decisions, then this research will examine the influence of price earning ratio, economic value added and return on equity to stock prices. The pupose of this study is to examine the influence of price earning ratio, economic value added and return on equity on stock prices in the pharmaceutical sub-sector period 2012-2015.

This study was a descriptive research is causality. The population of this study was pharmaceutical company listed on the Stock Exchange Indonesia period 2012 - 2015. By using purposive sampling, the samples used there are eight companies. The data used in this research is secondary data. Data analysis used regression test of panel data that preceded by chow test and hausman test.

The results of this study simultaneously price earning ratio, economic value added and return on equity have an effect on stock price Partially price earning ratio has no effect on stock price, while the economic value added and return on equity has a negative effect on stock price.

Keywords: Stock Price, Revenue Ratio, Economic Value Added, Return On Equitiy