

**THE IMPACT OF INSTITUTIONAL STOCK OWNERSHIP
ON STOCK RETURN; A CASE STUDY OF BASIC INDUSTRY AND
CHEMICAL COMPANIES IN INDONESIA**

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

THE IMPACTS OF INSTITUTIONAL STOCK OWNERSHIP ON STOCK RETURNS

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The objective of this study is to analyse whether the percentage of institutional ownership have an influence towards stock return. This study uses 2 control variables, which are, negative earning and size. Sample in this study consist of 46 basic industry and chemicals companies that have listed and reported their annual report to the Indonesian stock exchange between the years 2009-2014. The data analysis of this study uses regression panel data. The result of this study showed that simultaneously institutional ownership, negative earning, and size have a significant impact on stock return. Partially only negative earning that have a significant impact on stock return, while institutional ownership and size do not have a significant impact on stock return.

Keywords: Institutional Ownership, Stock Return, Negative Earning, Size.



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DEDICATION

I dedicate this thesis to my parents and sisters, friends and my beloved who have continuously supported me.



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TABLE OF CONTENTS

	Page
STATEMENT BY THE AUTHOR	2
ABSTRACT.....	3
DEDICATION	5
ACKNOWLEDGEMENTS	6
TABLE OF CONTENTS	7
LIST OF FIGURES	9
LIST OF TABLES	10
CHAPTER 1 - INTRODUCTION.....	11
1.1 Background.....	11
1.2 Research Problem.....	12
1.3 Objectives	12
1.4 Significance of Study.....	12
1.5 Research Questions	13
1.6 Hypothesis	13
1.7 Scope and Limitation.....	13
CHAPTER 2 - LITERATURE REVIEW	14
2.1 Theoretical Perspectives	14
2.1.1 Institutional Stock Ownership.....	15
2.1.2 Stock Return.....	16
2.1.3 The Impacts of Institutional Ownership towards Stock Return.....	17
2.1.4 Negative Earning	18
2.1.5 Size.....	18
2.2 Previous Studies	19
2.3 Study Differences	20
2.4 Framework of Thinking.....	21
CHAPTER 3 – RESEARCH METHODS	22
3.1 Research Process	22
3.2 Type of Study.....	23
3.3 Type and Source of Data	24
3.4 Population and Sample	24
3.5 Variable Operationalization	24

3.6	Research Model	25
3.7	Analytical Method	25
3.7.1	Panel Data	25
3.7.2	Chow Test	27
3.7.3	Hausman Test	27
3.7.4	F-Test	28
3.7.5	R ²	28
3.7.6	T-Test	28
CHAPTER 4 – RESULTS AND DISCUSSIONS		29
4.1	Descriptive Analysis	29
4.2	Regression Model Testing	30
4.2.1	Chow Test	30
4.2.2	Hausman Test	30
4.2.3	F-Test	31
4.2.4	Coefficient Determination Test (R ²)	31
4.2.5	T-Test	32
4.3	Hypothesis Testing	33
4.3.1	Hypothesis 1	33
4.3.2	Hypothesis 2	34
4.3.3	Hypothesis 3	34
CHAPTER 5 – CONCLUSIONS AND RECCOMENDATIONS		36
5.1	Conclusions	36
5.2	Recommendations	37
5.3	Future Research Suggestions	37
GLOSSARY		38
REFERENCES		40
APPENDIX		42
CURRICULUM VITAE		49