

ABSTRACTION

Jeny Martha Mardjuki, Effect of Insider Ownership, Return On Equity, and Market Risk To Dividend Payout Ratio Of The Companies Listed On Indonesian Stock Exchange (under the guidance of Mrs. Delfi Panjaitan, S.E.,M.Si).

This study aims to determine the effect of Insider Ownership, Return On Equity (ROE), and Market Risk to Dividend Payout Ratio (DPR) partially and simultaneous. The sample used is a company listed on Indonesian Stock Exchange in the period 2006-2010 that meet criteria for selection of samples that have been determined. Sampling technique used in this study was purposive sampling, with samples obtained by 20 companies. Hypothesis testing is done by multiple regression analysis with the test results are the first (H1) and second (H2) hypothesis accepted, that the Insider Ownership, and Return On Equity (ROE) has a positive effect on Dividend Payout Ratio (DPR) significantly, while the third hypothesis (H3) is rejected, that means Market Risk have not significant effect to Dividend Payout Ratio (DPR), and the fourth hypothesis (H4) is received which indicates Insider Ownership, Return On Equity (ROE), and Market Risk has significant effect to Dividend Payout Ratio (DPR) simultaneously. All independent variables affect the dependent variable of 0,167, that means the independent variables affects the dependent variable of 16,7%. While the remaining 83,3% is influenced by other factors than research model tested in this study.

Keywords: Insider Ownership, Return On Equity (ROE), Market Risk, and Dividend Payout Ratio (DPR).