ABSTRACT

Indonesia State-Owned Enterprises (SOEs) continues to conduct Initial Public Offering (IPO), as evidenced by the continued increase in SEOs and even its subsidiary listed on the Indonesia Stock Exchange (IDX). However, at the same time the debts of these companies continue to grow, which means that the financial risk also increased. For investors increased risk may had an impact on their stock returns. Based on company financial statements, ratio analysis such as liquidty and solvency ratio can be performed to measure the risk of the company.

This study aims to analyze the impact of financial ratios toward shareholder stock return. Using liquidiy ratio proxied by *Current Ratio* (CR) and *Quick Ratio* (QR) and solvency ratio proxied by *Debt to Asset Ratio* (DAR) and *Debt to Equity Ratio* (DER) as independet variables, and stock return as a dependent variable. object of this study is SEO's listed in IDX during 2011-2015.

This study is a business research using quantitative methods as for the type of research is causal research. The sampling technique used purposive sampling by taking samples as required. The data used is secondary data from company financial reports. Data analysis technique used is the analysis of panel data regression through Eviews 9 application using common effect models to test the hypothesis that T test and F-test, with significant value of 5%.

The results showed that CR, QR and DAR partially has no effect on stock returns, while DER has a significant negative effect. Simultaneously, the liquidity and solvency ratios has no significant effect on stock returns..

Keywords: Current Ratio, Quick Ratio, Debt to Equity Ratio, Debt to Asset Ratio, Stock Returns