

## ***ABSTRACT***

*The information and communication sector became the largest contributor to the Indonesian economy at 10.35% when almost all other sectors experienced a decline. And the percentage of internet users also increasing every year. This study aims to determine the effect of financial ratios on stock returns in telecommunication sub-sector companies and to design strategies for companies that are expected to increase revenue. To see the effect of the independent variable on the dependent variable, panel data regression analysis was used. The sample used is 4 telecommunications sub-sector companies listed on the Indonesian stock exchange for the period 2012-2019.*

*The result show that Return On Equity (ROE), Earning Per Share (EPS), Debt To Equity Ratio (DER) simultaneously had a effect on stock returns. While the variables that partially influence are Return On Equity (ROE), Earning Per Share (EPS).*

*PT. Telkom Indonesia was chosen as the representative of the telecommunications sub-sector because it showed the highest average stock return value. Then identified internal and external factors for determine the strategy. Strategy formulation is based on the SWOT matrix from Analytical Hierarchy Process (AHP) questionnaire result.*

*Keywords— Return Saham, Financial Ratio, SWOT Analysis, Analytical Hierarchy Process*