

ABSTRACT

Efendi, Rustam 130211100051. Feasibility analysis of stock investment by Capital Asset Pricing Model (CAPM) to the automotive and component companies in Indonesian Stock Exchanged (BEI). Advisor : R Gatot Heru Pranjoto, SE., MM and Drs. Ec. Makhmud Zulkifli, M.Si.

The aims of the study, the investor is able to know stock investment which give the optimum return which is suitable with the risk that must be borne by the investor, The investor is able to know the stock investment which is efficient or not in this study, the investors also can comprehend the Capital Asset Pricing Model method to help the investor to establish and decided the best investment.

This study is conducted by applying quantitative descriptive research design. In this study, the writer used purposive sampling technique. Based on some of the criteria, there are 12 companies from 13 companies.

The results of the study indicate that there is a non-linear relationship between risk or negative with the expected rate. Six of the stock investment companies which included into efficient stock investments are BRAM, GDYR, LPIN, NIPS, PRAS, and SMSM. Those stock investment indicate that R_i more than $E(R_i)$ [$R_i > E(R_i)$]. The investor must take the best security or for investment to buy the efficient stocks.

Keywords : Expected Return and Risk, Efficient Stock, Capital Asset Pricing model (CAPM)