



**RELATIONSHIP BETWEEN FIRM SIZE AND BOOK-TO- MARKET  
EQUITY TO STOCK RETURN OF LARGEST COMPANIES LISTED IN  
BURSA MALAYSIA**

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## **ABSTRACT**

This paper aims to reinvestigate the behaviour of expected stock return with two popular firm level characteristics : firm size and book-to-market equity of companies that listed on the main board of the Bursa Malaysia KLCI Index. This study will take into consideration of 21 most largest companies based on the companies full market capitalization in Bursa Malaysia from the period of 2010 until 2015. This paper was made based on previous research, and the finding in this paper is both the firm size and BE/ME has significant positive relationship in explaining the behavior of stock return. This study will contribute to the body of knowledge in finance terms to the financial interested parties such as; the investors, governments, policy makers, stock market analysts, stock market regulators and multinational corporation for decision making process.