



**THE RELATIONSHIP BETWEEN FIRM SIZE, OPERATING
ACTIVITIES AND FINANCIAL RATIOS WITH STOCK
RETURN OF CONSUMER SECTOR COMPANIES IN
MALAYSIA**

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ABSTRACT

This paper aim to find out the relationships firm size (SIZE), operating activities (OPER), and financial ratio with stock return of consumer sector companies in Malaysia. This study uses net profit margin (NPM), return on equity (ROE), current ratio (CR), acid test ratio (ATR), total asset turnover (TATO) and inventory turnover (ITO) as variables under financial ratio. The sample of the study are listed companies in consumer sector that actively trading between 2008 – 2017 in Bursa Malaysia. Methodology used for this study is using Panel Regression Fixed Effects with panel data. Thereafter, econometric test is to be conducted to observe the relationship of the independent variables with stock return which is SR. Interactive software package E-view would be used for testing and analysing the data collected. This study is attempting to investigate there is a significant relationship between the independent variables with the SR and whether which variables effect most to stock return. The study finds that firm size and return on equity has positively significant relationship to stock return.