**THE EFFECT OF DIVIDEND YIELD TOWARDS STOCK RETURN IN
BULL AND BEAR MARKET: EVIDENCE FROM INDONESIA**

LAURA EDORRA BINTI MIDI

2013417748

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

SABAH

ACKNOWLEDGEMENT

First of all I am very thankful to God because of His grace I have the courage and strength to complete my thesis.

Secondly, I am thankful to our supervisors Sir Sibley Hj Dading for guiding me through this thesis, he give a very helpful advice on doing my thesis and not giving me any pressure when I am doing my thesis. Then I am also thankful to Dr. Imbarine Bujang for giving us as a student an opportunity to explore more about the finance area.

Finally, I want to give thanks to my family because they are very supportive in my way doing my thesis. Without their support in prayers, advice and financial it is impossible for me to complete my thesis.

_____

Laura Edorra Bt Midi

Student of UiTM Sabah

TABLE OF CONTENT

CHAPTER 1   INTRODUCTION

CHAPTER 2   LITERATURE REVIEW

CHAPTER 3 RESEARCH METHODOLOGY

ABSTRACT

Dividend is one of the income that will help to generate profit in the companies and for the shareholders. The efficient of the company performance is based on how many times the company can pay the dividend to its shareholders. The objectives of this research is to investigates the relationship between the dividend yield and stock return in bull and bear market. Using panel data analysis, Hausman and Random Effect Model, for a sample of Indonesia firms from 2010 until 2014, the result shows that there is a positive relationship of dividend yield and stock market in bear market but negative relationship in bull market. Data collection are random but it is divided into basis dividend yield which are the high, medium and low basis of dividend yield.