



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

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January 2019

## ACKNOWLEDGEMENT

“In the name of Allah, The Merciful, The Gracious”

Alhamdulillah to Allah the Almighty for putting forward us such a great patience, strength, courage and the ability to complete our research paper.

Firstly, we would like to wish thank you and express our heartfelt gratitude and appreciation to our advisor PM DR Maheeran binti Katan who had guided us through the duration of this study. We are truly grateful to her continual support and cooperation, as being prepared to assist us all along the completion of the project. Sincere thanks also to our family members and fellow classmates for their support and understanding.

Besides, we would like to thank other lecturers who have guided us directly and indirectly with a new ideas on the path of completing this study. We appreciate the moral support and understanding throughout during the process.

Last but not least, this it would not been possible without the support and help of many people. Once again, we are grateful and thank you to all the assistance contributed in our study.

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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.