ABSTRAK

Stock hitting price limit, is a moment where stock price move until the limit. Stock hitting price limit related to investor behavior and mispricing. This study examine the factors that affect probability stock hitting the limit. The purpose of this study was to determine how much influence the beta, book to market value, firm size, and trading volume activity against the probability of stock hit limit on company listed on the Indonesia Stock Exchange.

The population number of 463 companies listed in Indonesia Stock Exchange 2010-2014. The sampling technique used was purposive sampling criteria. Data obtained from the publication of Indonesian Capital Market Directory (ICMD). The analysis technique used is maximum likelihood, logit regression, and hypothesis testing using nagelkerke R square.

The result showed that there were no irregularities classical assumptions. The result are (1) beta has negative significant impact to probability stock hit up limit, but it has no significant impact to probability stock hit down limit. (2) book to market value has negative significant impact to probability stock hit up limit, but it has no significant impact to probability stock hit down limit. (3) firm size has negative signifikan impact both on probability stock hit up limit and down limit. (4) trading volume activity has positive significant impact to probability stock hit up limit but it has no significant impact to probability stock hit down limit. Results of regression estimation show the predictions of the model of 8.9% for probability stock hit up limit and 69.3% for probability stock hit down limit.

Keyword : Stock hit price limit, beta, book to market value, firm size, trading volume activity