

The Influence of the Company's Financial Performance and Macroeconomic Factors to Stock Return

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Abstract : The aims of the study are to determine the effect of the company's financial performance with Return on Asset (ROA) and Return on Equity (ROE) indicators. The macroeconomic factors with the indicators of Indonesia interest rate (SBI) and exchange rate on stock returns of non-financial companies listed in IDX. The results of this study indicate that the variable of ROA has negative effect on stock returns, ROE has a positive effect on stock returns, and the variable interest rate and exchange rate of SBI has positive effect on stock returns. From the analysis data by using regression model, independent variables ROA, ROE, SBI interest rate and the exchange rate very significant (p value < 0.01). Thus, all the above variable can be used as the basis for investment decision making for investment in Indonesia Stock Exchange (IDX) mainly for shares in the non- financial companies.

Keywords : ROA, ROE, interest rate, exchange rate, stock return

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