

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

Wahyuni Ramadhani Telaumbanua¹, Muhammad Rayhan Jaswir², Cantika Setia Putri³, Nayla Arissya Lubis⁴, Nuspia Zulfa⁵, Farhan Septabigo Adnizal⁶, Yeasy Darmayanti^{7*}

^{1,2,3,4,5,6} Student of Accounting Department, Faculty of Economics and Business, Universitas Bung Hatta, Indonesia

⁷Accounting Department, Faculty of Economics and Business, Universitas Bung Hatta, Indonesia

*Corresponding Author: yeasydarmayanti@bunghatta.ac.id

ABSTRACT: This study aims to analyze the effect of fundamental ratios and macroeconomic elements on the stock value of companies listed on the LQ45 index on the Indonesia Stock Exchange during the period 2022 to 2024. The variables analyzed in this study include Return on Assets (ROA), Dividend Per Share (DPS), Inflation, and BI Interest Rates. This study uses secondary data, namely financial reports and macroeconomic data obtained from the IDX and Bank Indonesia websites. Of the total 45 companies included in the LQ45 index, 33 companies were selected as samples based on previously determined criteria. The analysis was carried out using panel data regression techniques, with the help of SPSS version 27 software. The findings of this study indicate that the DPS variable has a positive and significant effect on stock prices. Meanwhile, the ROA, Inflation, and BI Interest Rate variables do not show a significant effect on stock prices. The limitations of this study lie in its focus which only looks at companies in the LQ45 index and variables that only include ROA, DPS, BI rate, and inflation. Based on the research results and limitations, it is recommended that further research add other variables and expand the sample scope so that the results obtained can be generalized to a broader sector.

KEYWORDS: Return on Assets, Dividend per Share, Bank Indonesia Rate, Inflation, Stock Prices

I. INTRODUCTION

Stock price is the market value of a stock traded on the stock exchange, which reflects investors' perceptions of the company's current value and future prospects. Stock price is the main indicator that reflects company performance and market confidence in the company's ability to generate profits (Brigham & Houston, 2022). Investors hope to get a return on investment that continues to increase every year (Chairani et al, 2020), either through short-term or long-term stock price movements without considering the risks involved. However, the phenomenon that occurs shows the instability of market prices that change in following market conditions, which makes it difficult for investors to make decisions to determine the right company to trade on the stock exchange (Sumarni, 2021), including in LQ 45 companies. In Indonesia, the LQ45 index is used as the main barometer to observe the movement of leading stocks that have high liquidity and large market capitalization (Sumarni, 2021). The advantages of LQ45 lie in its high level of liquidity, largest capitalization, high trading frequency, and good potential in financial stability (Situngkir, and Lumban Batu, 2020). Therefore, changes in LQ45 stock prices are important in measuring market responses to economic dynamics and corporate performance.

Several conditions of sharp correction of the LQ 45 index that occurred in the first quarter of 2025 showed that LQ 45 stocks fell sharply by -11% YoY as of the end of March 2025. Several large stocks such as BBCA and BMRI weakened significantly, while the deepest ones included ISAT down -41%; ARTO -39%; MAPA -38%. The main pressure came from global uncertainty, ranging from trade wars, global interest rates, to intensive foreign fund flight. Then, in April 2025, the JCI had a trading halt after falling by -9% in one session; LQ45 fell -11% due to the direct effects of the US trade war, including a 32% tariff on developing countries. Reuters detailed that stocks such as BBCA, BBRI, TLKM, and BBNI were badly affected by this sentiment. As of June 2025, the LQ45 index was still down -3% YTD, but there was a technical uptrend dynamic, supported by government economic stimulus and dividend season. These phenomena reflect how fundamental ratios (cheap valuation, dividends, profit performance) and macro factors (trade wars, interest rates, foreign capital flows, fiscal/monetary policy) synergize to influence the price of LQ 45 shares.

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

In an efficient capital market, any new information will be immediately reflected in stock prices (Fama, 1970). In fundamental analysis, investors use various financial ratios to assess a company's financial condition and determine whether the stock is worth buying, selling, or holding. The relationship between fundamental ratios and stock prices has been the focus of various empirical studies, where the results show that changes in financial performance can have a direct impact on investor perceptions as indicated by stock price movements (Chairani et al, 2020; Sumarni, 2021; Utami & Darmawan, 2023). One of the fundamental ratios that is widely studied is the profitability ratio, such as Return on Assets, Return on Equity, and Earnings per Share. The results of the study found that the higher the profitability ratio, the higher the potential return expected by investors, which in turn can increase demand for shares and increase stock prices (Setiawan & Hartono, 2022) ; reflects management efficiency in generating profits (Kurniawan & Yuliani, 2023) ; and is considered to reflect the company's long-term growth prospects (Ambarwati & Harjito, 2022) . However, several studies have found that the profitability ratio does not show a significant effect on stock prices (Octasylva and Fachroji, 2020; Rahmani, 2020; Putra et al., 2021; Susanti et al., 2021; Febriyanti et al., 2021).

In addition to the profitability ratio, in the context of investment, dividend distribution also has an impact on market perception, as indicated by changes in stock prices. This ratio is one of the main concerns for investors because it is directly related to the actual profits received by shareholders. According to Lintner's Dividend Model, companies that consistently distribute dividends will create a positive signal regarding the stability and long-term financial prospects of the company. Therefore, the higher the DPS, investors tend to see the company as a healthy and profitable entity, thus increasing demand for the shares which ultimately drives up stock prices (Lintner, 1956; Sari & Kartika, 2022; Nugroho & Astuti, 2023). However, the effect of DPS on stock prices can be dualistic. Several studies such as Wulandari & Hidayat (2021) show that an increase in DPS can cause a decrease in stock prices if the market considers the company to be sacrificing long-term investments in order to pay short-term dividends. In line with that, Sulistiawati and Sjahruddin (2020) confirmed that DPS has no effect on stock prices.

In the context of the capital market, stock prices are not only influenced by fundamental information from within the company, such as net income and capital structure, but also by external conditions such as macroeconomic factors, risk perception, and investor sentiment (Fabozzi & Drake, 2021). Inflation and interest rates are included in crucial macroeconomic variables because they can affect investor purchasing power, company operating costs, and expectations of investment returns, including stock prices. Various studies show that the relationship between inflation and stock prices is negative and significant, especially in developing countries. Research has found that high inflation lowers stock prices because it suppresses profit margins and creates economic uncertainty (Gunawan & Rahmawati, 2023; Sutanto & Prasetyo, 2023). This is reinforced by the findings of Yuliani & Darmawan (2022) who stated that investors tend to withdraw their investments from the stock market when inflation is out of control. The same thing was also found in research on interest rates and stock prices. Research has found that an increase in BI's benchmark interest rate causes a decrease in stock prices, increases the cost of capital, and decreases corporate profitability (Yusra & Andriani, 2022; Gunawan & Rahmawati, 2023; Sutanto & Prasetyo, 2023). However, this relationship is not always linear. Under certain conditions, such as when the market has anticipated monetary policy, the impact on stock prices can be minimal. Alam & Uddin (2021) found that policy stability and transparency of central bank communication can reduce stock price volatility due to changes in interest rates in developing countries.

Considering the importance of the company's fundamental ratios and macroeconomic variables such as inflation and interest rates in influencing stock prices, an empirical study is needed that can reveal the extent to which these factors contribute to stock price movements, especially in companies included in the LQ45 index. This study is expected to provide both theoretical and practical contributions in making investment decisions in the capital market.

II. GRAND THEORY

II.1 Signal Theory

The signal theory was first proposed by Spence (1973) and is one of the important theories in explaining the information asymmetry between internal parties of the company (management) and external parties such as investors or creditors. This theory states that company managers have more complete information about the condition and prospects of the company than investors. Therefore, the company needs to provide signals certain to convey the information to the market (Milda Putri and Yanti, 2022). Signal theory is a signal concept that gives importance to information issued by the company in investment decision making by external parties. In addition, signal theory can also be used to review market price fluctuations, and provide unbalanced information to investors regarding the prospects of the same company as the business owner in the market (Arifah & Fitria, 2023). Signal theory also highlights how information sources indicate profitable opportunities (Saputri & Anwar, 2021).

Signals can be in the form of dividend policies, transparent financial reports, earnings announcements, ownership structures, and even investment or financing decisions. When a company gives a positive signal, such as an increase in dividends or improved financial performance, investors will take this information as an indication that the company is in good health, thus driving demand

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

for shares and increasing stock prices. According to Ross, Westerfield, & Jordan (2021), a credible signal must have a cost, so that only companies that are truly performing well are able to send such signals. Conversely, companies that have poor performance will not be able to consistently imitate these signals without incurring financial risk.

II.2 Stock Prices

Stock prices is the market value of a stock reflected in the buying and selling transactions in the capital market. This price is formed through the interaction mechanism between demand and supply of shares on the stock exchange, and is influenced by various factors both internal and external to the company. In general, stock prices reflect investor perceptions of the company's future performance, prospects, and risks (Tandelilin, 2021). In the context of investment, stock prices play an important role as an indicator of the company's value as perceived by the public. An increase in stock prices is usually considered a positive signal of expected profit growth or efficient management, while a decrease in stock prices can indicate worsening financial conditions, market pressure, or negative investor sentiment.

According to Jogiyanto (2020) stock prices can be influenced by various aspects, such as the company's financial performance (reflected through fundamental ratios), macroeconomic conditions (such as inflation, interest rates, and exchange rates), as well as psychological factors and market sentiment. Therefore, stock prices are dynamic and volatile, and can change rapidly in response to information circulating in the market. In modern financial theory, stock prices are viewed as the result of a valuation process based on future cash flows discounted at a relevant rate of return. This is in accordance with the theory of intrinsic value, which states that the fair value of a stock should reflect the present value of the economic benefits to be obtained in the future (Ross, Westerfield, & Jordan, 2021).

As a volatile investment asset, stock price fluctuations are also an important concern for investors, analysts, and corporate financial managers (Nugraha and Artini, 2022). Therefore, analysis of factors that influence stock prices, both fundamental and macroeconomic, is crucial in making investment decisions and corporate managerial strategies (Susanti et al, 2021).

II.3 Financial Performance

The effectiveness of a company's development can be seen through the assessment of the financial performance of a business entity. One way to measure a company's financial performance is to analyze financial ratios to understand the financial performance situation based on financial reports (Sumarni, 2021). There are five important steps in analyzing financial performance against financial reports, namely conducting financial ratio analysis, assessing the results of the ratio analysis, handling financial problems in the company, and providing appropriate solutions to resolve internal financial conflicts (Gursida, 2017).

II.3.1. Return on Assets (ROA) and Stock Prices

Return on Assets (ROA) is an indicator that provides information to capital owners about how effective a company is in generating profits from each unit of assets it owns (Palepu et al., 2019). An increase in ROA indicates that the company is improving its operational efficiency, which indicates the ability to generate greater profits by better utilizing existing assets. On the other hand, a low ROA value may indicate that the company has assets that may not be used optimally or do not provide profits that are comparable to the value of the assets (Ross, Westerfield, & Jordan, 2021). An increase in ROA indicates a good company performance condition due to efficient asset utilization. An increase in ROA can attract investors' attention because it shows the company's financial health, which has the potential to increase their interest in investing in the company's shares. This can increase demand for the company's shares, which in turn can increase the stock price on the stock exchange (Harahap, 2021).

Empirically, several international studies have found that ROA has a positive effect on stock prices. Research by Taani (2012) shows that profitability as measured by ROA has a significant relationship with stock prices in industrial companies on the Amman Stock Exchange. A recent study by Alemu & Abebe (2023) in the Ethiopian stock market also shows that ROA is one of the main determinants of stock price movements. Meanwhile, research by Khan et al. (2021) in Southeast Asian countries strengthens the finding that profitability indicators, including ROA, consistently have a positive effect on stock market value. In Indonesia, a study by Wulandari & Putra (2023) found that ROA had a significant effect on stock prices in manufacturing companies, strengthening the evidence that this ratio can be used as a basis for investment decision making. These results are also supported by several other studies that found the same results, that the higher the profitability ratio, the higher the stock price (Setiawan & Hartono, 2022); (Kurniawan & Yuliani, 2023); and is considered to reflect the company's long-term growth prospects (Ambarwati & Harjito, 2022). However, several studies have found that the profitability ratio does not show a significant effect on stock prices (Octasylva and Fachroji, 2020; Rahmani, 2020; Putra et al., 2021; Susanti et al., 2021; Febriyanti et al., 2021).

Based on the theoretical description and empirical findings, the following hypothesis is formulated:

H₁: Return on assets (ROA) has a positive effect on stock prices

II.3.2 Dividends per Share and Stock Prices

Dividend Per Share (DPS) is a measure of profit distribution that shows the amount of cash dividends received by each share owned by investors (Weston & Copeland, 1983). DPS is a real indicator of a company's dividend policy which is often used as a reference by investors in assessing the company's performance and prospects. Companies that consistently pay large dividends to shareholders are usually considered to be companies that have financial stability and good prospects in the future (Brigham & Houston, 2022). Within the framework of Signaling Theory, DPS is seen as a positive signal from management to the market, that the company has strong cash flow and sustainable profit expectations. High dividend payments are often interpreted as a signal that the company is not only making a profit, but also has confidence in the stability of future performance (Ross, Westerfield, & Jordan, 2021). This tends to increase investor confidence, thereby increasing demand for shares and leading to an increase in share prices.

Empirically, the positive relationship between DPS and stock prices has been proven by various studies. Bhattarai (2022) showed that DPS has a positive and significant effect on the stock prices of companies in the banking sector on the Nepal Stock Exchange. Another study by Al-Najjar & Kilincarslan (2021) in the Turkish stock market found that DPS is one of the main determinants of short- and medium-term stock prices. In Indonesia, Fadilah & Kurniawan (2023) found that DPS has a positive effect on the stock prices of LQ45 companies, especially in the consumer goods sector. The higher the DPS, investors tend to view the company as a healthy and profitable entity, thus increasing demand for the shares which ultimately drives up stock prices (Sari & Kartika, 2022); (Nugroho & Astuti, 2023). However, several studies show that increasing DPS can cause a decrease in stock prices if the market perceives the company as sacrificing long-term investments in order to pay short-term dividends (Wulandari & Hidayat, 2021; Sulistiawati & Sjahrudin, 2020).

Based on the theoretical explanation and empirical findings, the hypothesis proposed is as follows:

H₂: Dividend per Share (DPS) has a positive effect on stock prices.

II.3.3 BI Rate and Stock Prices

The Bank Indonesia benchmark interest rate (BI Rate) is a monetary policy instrument used by Bank Indonesia to control inflation, encourage economic growth, and maintain exchange rate stability. Changes in the BI Rate have a direct and indirect impact on investor behavior and the performance of the real sector, which ultimately impacts stock prices in the capital market. Theoretically, there is a negative relationship between the BI Rate and stock prices. When the BI Rate increases, borrowing costs also increase, so companies tend to reduce business expansion because capital costs become more expensive. In addition, investors tend to shift their funds to fixed income instruments such as deposits or bonds that now offer higher yields, so that demand for stocks decreases and causes stock prices to fall (Mankiw, 2021; Ross, Westerfield, & Jordan, 2021). Conversely, a decrease in the BI Rate will encourage stock market growth because cheaper borrowing costs can increase investment activity and company business expansion. In addition, investors tend to choose stocks as an alternative investment with higher returns compared to low interest rates in banking.

Several studies have shown that the increase in the BI Rate has a negative and significant impact on the stock prices of property and financial sector companies on the Indonesia Stock Exchange (Sugiharti and Wardati, 2019; Suryani & Pramudita, 2023; Gunawan & Rahmawati, 2023; Sutanto & Prasetyo, 2023). Pertiwi & Wicaksono (2022) also found that changes in the BI Rate affected market sentiment and caused significant fluctuations in stock prices, especially in the LQ45 index (Sugiharti and Wardati, 2019; Sari, 2019; Yuliani & Darmawan (2022). Meanwhile, Alam & Uddin (2021) emphasizes that changes in interest rates by central banks affect stock markets in developing countries, depending on the effectiveness of monetary policy communication.

Based on the theoretical explanation and empirical findings, the hypothesis proposed is as follows:

H₃: BI rate has a negative effect on stock prices.

II.3.4 Inflation on stock prices

Inflation is a macroeconomic indicator that reflects the general rate of increase in the price of goods and services in a certain period (Chairani et al, 2020). In the context of the capital market, inflation is an important variable because it affects consumer purchasing power, company production costs, and investor expectations of investment returns. Fluctuations in inflation can create economic uncertainty that impacts company performance and its stock prices (Mankiw, 2021). In practice, high inflation generally has a negative impact on stock prices because it causes increased production costs, decreased profit margins, and decreased public consumption. On the other hand, companies that are able to adjust prices or operate in defensive sectors such as basic necessities tend to be more resistant to the impact of inflation.

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

The impact of large inflation can have negative consequences for shareholders, while for companies, it has a positive effect on their performance (Sari, 2019). Empirical studies support this theory, Yusra & Andriani (2022) found that inflation has a significant negative effect on the stock prices of LQ45 companies in Indonesia. In line with this, several studies have concluded that uncontrolled inflation creates a high-risk perception among investors, leading to a decline in stock prices (Sugiharti & Wardati, 2019; Sari, 2019; Sutanto & Prasetyo, 2023). From a global perspective, Al-Homaidi, Tabash, & Khan (2021) conducted research in developing countries in Asia stating that the impact of inflation on stock prices depends on the industrial sector and the company's ability to manage costs.

Based on the theoretical explanation and empirical findings, the hypothesis proposed is as follows:

H₄: Inflation has a negative effect on stock prices

A.4 Research Framework

In this study, the main focus is directed at how the company's fundamental ratios such as Return on Assets (ROA) and Dividend per Share (DPS), as well as macroeconomic factors such as inflation rates and BI Rate, affect the company's stock prices. Each variable is selected based on theoretical justification and empirical findings that support a causal relationship, either directly or indirectly, to the stock market value.

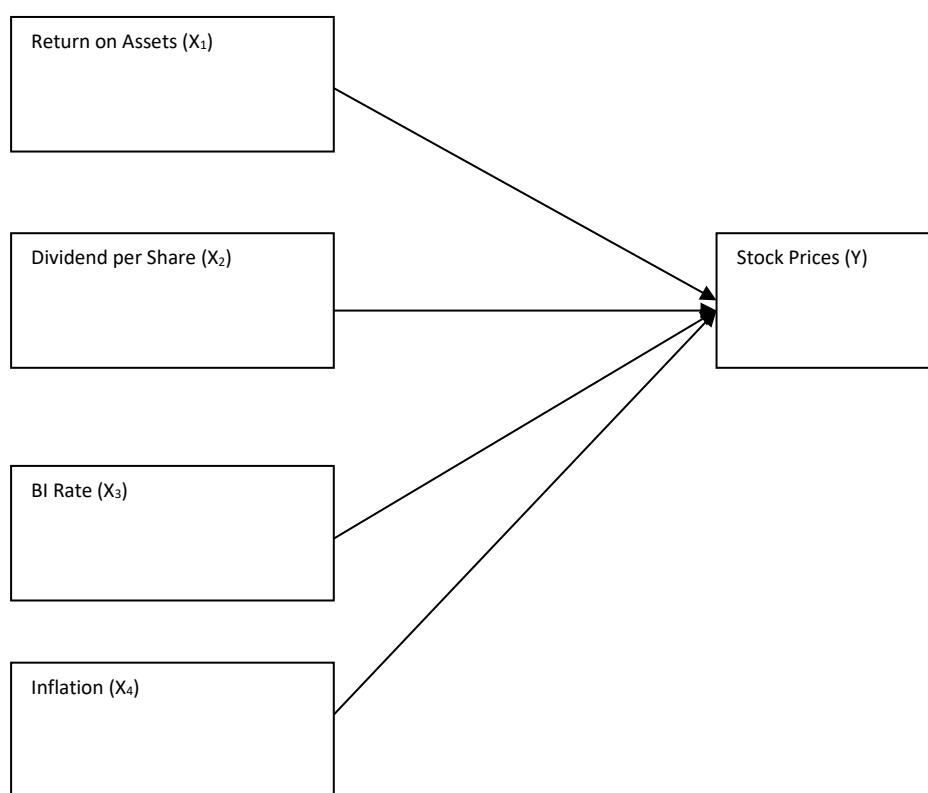


Figure 1. Research Framework

III. METHODOLOGY

III.1 Data Sources, Population, and Samples

This research model uses quantitative research with a causal associative research type, namely to analyze the causal relationship between independent variables and dependent variables. The population in this study are all companies included in the LQ45 index on the Indonesia Stock Exchange (IDX) during the period 2022–2024. The sampling technique was carried out by purposive sampling based on the following criteria:

- The company was consistently listed in the LQ45 index during the research period.
- The company publishes complete annual financial reports.
- Data on fundamental ratios and stock prices are available during the observation period.

The type of data used is secondary data, obtained from the Indonesia Stock Exchange website for company financial reports and the Bank Indonesia website for inflation and BI Rate data. From the data sorting process, a sample of 33 companies was obtained that had complete data for 3 (three) years of observation.

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

III.2 Research Variables and Their Measurement

The independent variables in this study are Return on Assets (ROA), Dividend per Share (DPS), BI rate, and Inflation. While the dependent variable is the stock price (closing price). Here are the details:

Table 1. Operational and Measurement Variables

No.	Variable x	Measurement
1	Return On Assets (ROA)	Return on Assets (ROA) is a profitability ratio measurement tool, which measures how effective company management is in obtaining profits (Markonah et al., 2020); with the following formula: $\frac{\text{Laba setelah pajak}}{\text{Total assets}} \times 100$
2	Dividend Share (DPS)	Per Dividend Per Share (DPS) is the amount of dividends that will be given to shareholders based on the weighted average of common shares outstanding (Weston and Copeland, 2001), with the formula: $\frac{\text{Jumlah Dividen yang dibayarkan}}{\text{Jumlah lembar saham}}$
3	BI Rate	Interest Rate The benchmark interest rate is a monetary instrument set by Bank Indonesia. When interest rates rise, investors tend to shift investments to savings or deposits, causing stock prices to decline (Amil et al., 2020) .
4	Inflation	Inflation is a general and continuous increase in the price of goods and services over a period. Low inflation indicates stable purchasing power and low risk for investors (Sudarsono & Sudiyatno, 2016) .
5	Stock Prices (Closing Price)	Stock prices is the price of a stock that occurs on the stock exchange at a certain time determined by market players based on the strength of demand and supply. Stock prices are measured by the closing price (Nurastuti, 2020).

Source: Data processed by the researchers, 2025.

III.3 Data Analysis Techniques

The data analysis technique used is multiple linear regression analysis to determine the simultaneous and partial effects of each independent variable on stock prices. Data processing is carried out using the IBM SPSS version 27 application. The classical assumption tests used include normality, multicollinearity, heteroscedasticity, and autocorrelation tests. The significance of the influence of variables is tested using the t test, F test, and coefficient of determination (R^2). The regression equation model used is as follows:

$$Y_{it} = \alpha + \beta_1 ROA_{it} + \beta_2 DPS_{it} + \beta_3 BI-R_{it} + \beta_4 INF_{it} + \epsilon$$

Information:

Y_{it} = stock price of company i at time t

ROA = Return on Assets of company i at time t

DPS = Dividend per Share of company i at time t

BI-R = Bank Indonesia Rate of company i at time t

INF = Inflation of company i at time t

α = constant

β_{1-4} = regression coefficient

ϵ = Error

IV. RESULTS AND DISCUSSION

IV.1 Descriptive Statistical Analysis

Descriptive statistical analysis is used to provide an overview of the characteristics of the data in the study. This statistic aims to determine the maximum, minimum, average (mean), and standard deviation values of each variable used in the study, both dependent and independent variables. Results of this descriptive analysis provide an initial understanding of the general condition of the research variables before further analysis through regression. In addition, this information can be used to identify possible outliers or data irregularities that can affect the accuracy of the statistical model.

Table 2. Descriptive Statistics

	N	Min	Max	Mean	Standard Deviation
ROA	84	-0.58	6, 57	2,146	1,353
DPS	84	-0, 14	8, 88	4,704	1, 6 30
BI-R	84	-2.90	-2.81	-2,842	0.041
INFLATION	84	-4.20	-2.90	-3,577	0.531
STOCK PRICES	84	6,17	10,57	8,185	0,981
Valid N (listwise)	84				

Source: Data processed by the researchers, 2025.

From table 2, it is known that the ROA variable has a minimum value of -0.58 and a maximum of 6.57, an average of 2.146 and a standard deviation of 1.353. This shows that most companies show quite good efficiency in generating profits on their assets, although there are companies that experience losses. The distribution of ROA values is moderate, indicating variations in performance between companies that are not too extreme. Meanwhile, the negative DPS value (min -0.14; max 8.88, average 4.704, and standard deviation 1.630) indicates that there is no dividend distribution or the company's financial condition does not allow for profit distribution. The average DPS is quite high, indicating that most companies tend to distribute dividends, but there is a fairly high deviation between companies in their dividend policies. For BI-Rate (BIR) shows a minimum value of -2.90, maximum -2.81, with an average of -2.842, and a very small standard deviation of 0.041. In line with that, inflation showed the lowest value of -4.20 and the highest -2.90, with an average of -3.577 and a standard deviation of 0.531. The spread of inflation showed moderate fluctuations, indicating that inflation is still within a controlled range.

While the stock price has a minimum value of 6.17 and a maximum of 10.57, with an average of 8.185 and a standard deviation of 0.981. The relatively high average stock price indicates that the companies studied tend to have good market capitalization. The spread of stock prices is quite moderate, meaning that there are no extreme stock price fluctuations during the observation period.

IV.2 The Results of Classical Assumption

IV.2.1. Normality Test

A normality test was carried out on the regression to ensure that the residual values in the regression model are normally distributed. Furthermore, this study employed the one-sample Kolmogorov-Smirnov test. Based on the results, the probability value is greater than 0.05, indicating that the data used is normal.

Table 3. Normality Test

	Normality Prob.
Asymp. Sig. (2-tailed)	0.20

Source: Data processed by the researchers, 2025.

IV.2.2. Multicollinearity Test

Multicollinearity testing aims to test whether there is a correlation between independent variables. This study uses Tolerance values (> 0.1) and VIF (< 10). Based on the test results, all variables have a Tolerance value above 0.1 and a VIF value below 10. So, it can be concluded that the regression model in this study has met the assumption of being free from multicollinearity, so that no multicollinearity was found between independent variables in the model.

Table 4 .Multicollinearity Test

Variables	Tolerance	VIF
ROA	0,960	1.042
DPS	0,960	1.042

Source: Data processed by the researchers, 2025.

IV.2.3 Heteroscedasticity Test

The heteroscedasticity test was carried out to find out whether there is an inequality of variance in the residuals. In addition, the probability value of the Park test was used to determine whether or not heteroscedasticity.

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

Table 5. Heteroscedasticity Test

Variable	Coefficients	Std. Error	t	Prob.
(Constant)	-1.762	0.240	-7.333	0.000
ROA	0.000	0.000	-0,636	0.527
DPS	0.000	0.002	0,264	0.792

Source: Data processed by the researchers, 2025.

Based on the results of the carried out using the Park test, the probability value is greater than 0,05, indicate the ROA and DPS variables, so heteroscedasticity is considered not to occur.

IV.2.4 Autocorrelation Test

The autocorrelation test was conducted using Durbin-Watson (DW). Data is declared free of autocorrelation if the DW value is ± 2 . In the Model Summary output, the Durbin-Watson value is 1.245. This value lies between the lower limit (dL) and 4-dL, although it is not completely in the zone free from autocorrelation. However, overall, the DW value approaching 2 indicates the absence of autocorrelation. Given that the DW value of 1.245 is still quite close to 2 and does not show extreme numbers (near 0 or 4), it can be concluded that the regression model does not experience significant autocorrelation problems.

Table 6 .Autocorrelation Test

Model	Durbin-Watson
1)	1,327

Source: Data processed by the researchers, 2025.

IV.3 Hypothesis Testing

Hypothesis testing in this study aims to analyze the impact of ROA , DPS, BI-R , and inflation variables on stock prices separately. Based on panel data regression estimation, significance values are obtained for each variable as shown in the table below.

Table 7. Summary of Hypothesis Testing Results

	Unstandardized Coefficients	Std. Error	t	Prob.	Conclusion
(Constant)	5,626	13,787	0.408	0.684	-
ROA	0.026	0.059	0.429	0.669	H ₁ rejected
DPS	0.418	0.049	8.546	0.000	H ₂ accepted
SBI	-0.376	4.452	-0.084	0.933	H ₃ rejected
INFLASI	0.148	0.346	0.429	0.669	H ₄ rejected
R Square	0.501				
Adjusted R ²	0,476				
F-statistic	19.835				
Prob.	0,000				

Source: Data processed by the researchers, 2025. Notes: N=84; DV = Harga Saham

Based on Table 7, the R² test results obtained a value of 0.501, which means that 50.1% of stock price variations can be explained by independent variables, while 49.9% is explained by other variables not examined in this study. Meanwhile, the F-statistic value shows a value of 19,835 with a probability value of 0.000, meaning that all independent variables (ROA, DPS, BI-R, and Inflation) together are able to influence the dependent variable (stock price).

For partial testing (hypothesis testing) shows the relationship between the dividend per share ratio and stock price shows a positive path coefficient of 0.418 with a t-statistic value of 8.546 and a p-value of 0.000, then the hypothesis H₂ is accepted. While hypothesis 1, hypothesis 3, and 4 show rejection, or it is concluded that H₁ , H₃ , and H₄ are rejected.

DISCUSSION

IV.3.1 Return on Assets to Stock Prices

The ROA variable has a regression coefficient value of 0.026 and a significance value of 0.6 69 > 0.05, indicating that there is no significant influence of ROA on stock prices, or H₁ is rejected. Under certain conditions, investors do not use ROA as the main

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

reference in making investment decisions, especially when the available financial information does not fully reflect the real conditions of the company. Information asymmetry can cause investors to prefer other indicators that are considered more representative of the company's growth prospects, such as EPS, cash flow, or market ratios. In market conditions that are not yet fully efficient, stock prices do not always reflect fundamental information directly. Market sentiment factors, macroeconomic conditions, and short-term speculation can be more dominant in influencing stock prices than financial ratios such as ROA. The results of this study are consistent with research by (Noviyanti & Wiratno, 2024) which found that ROA did not have a significant effect on stock prices in the banking sector on the Indonesia Stock Exchange. These results are also relevant to the research results of Putra et al (2021); Susanti et al (2021); Febriyanti et al (2021); and Rahmani (2020).

IV.3.2 Dividend per Share to Share Prices

The second hypothesis is accepted, namely that there is a positive and significant effect of DPS on stock prices. This is evidenced by the regression coefficient value of 0.418 and a significance value of 0.000. Theoretically and empirically, the results of this study prove that dividends are able to provide a positive signal to investors, evidence of the company's commitment to distributing profits to shareholders. High DPS indicates that the company has good financial performance and adequate liquidity capabilities, so that it is able to distribute part of its profits as cash dividends consistently. According to signal theory, the company's decision to distribute dividends in high amounts or increase from the previous year gives a positive signal to the market that the company is in good health and has bright growth prospects. Investors will respond positively to this signal by increasing demand for the shares, thereby driving up the stock price. From an empirical perspective, several studies have shown that DPS has a significant positive effect on stock prices. The latest research by Junli (2023) states that dividend per share (DPS) has a positive and significant effect on stock prices. A similar thing was also found by (Mollah, Al-Farooque, & Karim, 2022) who concluded that companies with stable and increasing dividend policies tend to experience sustainable stock value growth.

IV.3.3 BI Rates on Stock Prices

The test results in this study indicate that the Bank Indonesia interest rate variable does not have a significant effect on stock prices. This result is shown by the regression coefficient value of -0.376 and the significance value of 0.933. There are several justifications for the results of this test: a) in a market that is starting to be efficient, changes in the BI interest rate have generally been anticipated in advance by market players and have been reflected in stock prices before the policy is officially announced. Therefore, there is no significant change in stock prices when the interest rate policy is announced; b) stock prices are not only influenced by macroeconomic policies, but also depend heavily on company fundamentals such as net profit, dividends, and business prospects. When the company's internal factors are considered strong, the impact of changes in the BI Rate on stocks can be insignificant; c) during the observation period, the Bank Indonesia benchmark interest rate tends to be stable with very small changes. This minimal fluctuation makes its influence on the capital market not strong enough to cause significant changes in stock prices. The results of this study are in line with research conducted by Godrikus (2020) and Putra and Daulay (2022) which state that the BI rate has a positive and insignificant effect on stock prices

IV.3.4 Inflation on Stock Prices

The test results found a regression coefficient value of 0.148 and a significance value of 0.669, which means that there is no effect of inflation on stock prices, or the hypothesis is rejected. This condition can be explained through several theoretical and empirical considerations: a) if the inflation rate is in a moderate and stable range, the market tends to have anticipated its impact. In such conditions, investors do not respond aggressively because they consider inflation to be part of the normal economic cycle; b) in practice, stock prices are more influenced by internal company factors. Therefore, non-extreme inflation fluctuations are often not strong enough to affect investor perceptions of the value of a stock; c) inflation is often part of the risk analysis carried out by investors in the valuation process. When inflation has been taken into account (priced-in), its impact on stock prices becomes statistically insignificant. This finding is in line with studies conducted by Chairani et al. (2020) and Arifin and Puspita (2018) which found that inflation had no effect on stock prices.

V. CONCLUSION

This study deeply analyzes the influence of a number of fundamental company ratios and macroeconomic variables on stock price movements in issuers included in the LQ45 index during the period 2022 to 2024. There are four independent variables analyzed, namely Return on Assets (ROA), Dividend Per Share (DPS), Bank Indonesia interest rate (BI Rate), and inflation, with stock prices as the dependent variable. From the results of the panel data regression analysis, it was found that not all variables had a significant effect on stock price fluctuations, indicating the complexity of the relationship between the company's internal performance and external factors on stock values in the capital market. In particular, DPS proved to be the factor that had the

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

strongest and most significant influence on stock prices. Meanwhile, ROA, BI rate, and inflation could not prove their influence on stock prices. Overall, the results of this study emphasize that the company's internal fundamental indicators, especially DPS, are more dominant in determining stock prices in LQ45 companies compared to ROA and external macroeconomic factors. Therefore, financial managers and investors are advised to focus more attention on profit performance indicators and dividend policies in making strategic investment or company management decisions. While macroeconomic variables remain important, their impact is not as large as expected in the context of large and liquid companies such as the LQ45. Further research is recommended to add other internal factors such as EPS, PBV, DER, and other external factors such as exchange rates and global indices to make the results more comprehensive. And to get more stable and representative results, it is recommended to use a longer time span so that it can capture the influence of variables in various economic cycle conditions, both during crises and recoveries. Finally, amidst the increasing attention to sustainability and governance issues, further researchers can include variables such as Environmental, Social, and Governance (ESG) scores, board size, or institutional ownership to test their effects on stock prices.

REFERENCES

- 1) Alam, M., & Uddin, M. (2021). Interest rate and stock market nexus in emerging economies: role of central bank communication. *Journal of Economic Studies*, 48 (5), 921-938.
- 2) Alemu, B., & Abebe, A. (2023). The impact of firm-specific financial performance indicators on stock price: empirical evidence from Ethiopian listed firms. *Future Business Journal*, 9 (1), 12-22.
- 3) Al-Homaidi, E., Tabash, M., & Khan, S. (2021). Macroeconomic indicators and stock market performance: empirical evidence from the emerging economies of Asia. *Investment Management and Financial Innovations*, 18 (1), 196-207.
- 4) Al-Najjar, B., & Kilincarslan, E. (2021). Dividend policy and share price volatility: UK evidence. *International Journal of Managerial Finance*, 17(1), 129-147.
- 5) Ambarwati, A., & Harjito, D. (2022). Analysis of profitability ratios to stock prices in Consumer Goods companies. *Journal of Economic and Business Research*, 15 (1), 25-33.
- 6) Arifah, MI, & Fitria, A. (2023). Differences in Stock Prices and Stock Returns Before and After the Covid-19 Pandemic. *Journal of Accounting Science and Research (JIRA)*, 12(2).
- 7) Bhattarai, Y. (2022). The effect of dividend per share on stock price: evidence from Nepal. *International Journal of Economics and Financial Issues*, 12 (1), 45-51.
- 8) Brigham, E., & Houston, J. (2022). *Fundamentals of Financial Management*, 16th ed. Cengage Learning.
- 9) Chairani, C., Setiawan, GB, & Zannati, R. (2020). The effect of inflation and Earning Per Share (EPS) on stock prices in the consumer goods industry sector on the Islamic Stock Index (ISSI). *SERAMBI: Journal of Islamic Economics, Management and Business*, 2(2), 121-130.
- 10) Fabozzi, F., & Drake, P. (2021). *Finance: Capital Markets, Financial Management, and Investment Management*. MIT Press.
- 11) Fadilah, R., & Kurniawan, D. (2023). The effect of financial performance and dividends on stock prices in LQ 45 companies. *Indonesian Journal of Management and Business*, 9 (1), 67-75.
- 12) Fama, E.F. (1970). Session topic: stock market price behavior. *The Journal of Finance*, 25(2), 383-417.
- 13) Godrikus, D. (2020). Analysis of the Capabilities of BI 7 Days Repo Rate, Fed Rate, and Inflation on the Composite Stock Price Index. *MSDJ: Management and Sustainable Development Journal*, 2(2), 1-17.
- 14) Gunawan, A., & Rahmawati, E. (2023). The effect of interest rates and inflation on stock prices in the property and banking sectors. *Indonesian Journal of Economics and Finance*, 17 (1), 25-37.
- 15) Gursida, H. (2017). The influence of fundamental and macroeconomic analysis on stock price. *Journal of Applied Management and Business*, 3(2), 222-234.
- 16) Harahap, S. (2021). *Critical Analysis of Financial Statements*, 13th ed. Jakarta: Rajawali Pers.
- 17) Jogyanti, H. (2020). *Portfolio Theory and Investment Analysis*, 11th ed. BPFE Yogyakarta.
- 18) Junli, R. (2023). The effect of NPM and DPS on stock prices in banking sub-sector companies for the period 2018-2022. *Journal of Accounting and Business Management*, 3(3), 89-97.
- 19) Khan, M., Jan, A., & Khan, F. (2021). Impact of profitability ratio on stock prices: empirical evidence from ASEAN economies. *Journal of Risk and Financial Management*, 14(6), 264.
- 20) Kurniawan, A., & Yuliani, N. (2023). Fundamental factors and stock price: Empirical study on the Indonesian Capital Market. *Journal of Management Science and Research*, 12 (5), 112-123.
- 21) Lintner, J. (1956). Distribution of incomes of corporations among dividends, retained earnings, and taxes. *American Economic Review*, 46(2), 97-113.

- 22)Mankiw, N. (2021). *Principles of Economics, 9th ed.* Cengage Learning.
- 23)Markonah, M., Salim, A., & Franciska, J. (2020). THE EFFECT OF PROFITABILITY, LEVERAGE, AND LIQUIDITY ON COMPANY VALUE. *Dinasti International Journal of Economics, Finance & Accounting*, 1(1).
- 24)Mollah, S., Al-Farooque, O., & Karim, A. (2022). Dividends, earnings, and stock returns: evidence from South Asia. *International Review of Financial Analysis*, 82 .
- 25)Nurastuti2, YDPP (2020). THE EFFECT OF FUNDAMENTAL ANALYSIS AND SYSTEMATIC RISK ON STOCK PRICES IN THE MARKET (THE EFFECT OF FUNDAMENTAL ANALYSIS AND SYSTEMATIC RISK ON Abstract. 01(01), 103–118
- 26)Noviyanti, & Wiratno. (2024). The effect of ROA, ROE, and PER on Stock Price. *ISCOAB: 3rd International Student Conference on Accounting and Business*. Forkommsa, Master of Science in Accounting, Jenderal Soedirman University.
- 27)Nugraha, KC, & Artini, LGS (2022). The Effect of Financial Performance on Stock Prices of Automotive and Component Sub Sector Companies in the Indonesia Stock Exchange. *European Journal of Business and Management Research*, 7(4), 327-331.
- 28)Nugroho, R., & Astuti, D. (2023). The effect of dividend payout ratio on stock prices of LQ 45 companies. *Journal of Economics and Finance*, 14 (1) , 47-56.
- 29)Octasyilva, A., & Fachroji, F. (2020). Fundamental analysis of food and beverage sector stocks in LQ45 Period I 2020. *Jurnal IPTEK*, 4(2).
- 30)Pertiwi, N., & Wicaksono, A. (2022). Analysis of the influence of BI rate and inflation on LQ 45 stock prices on the IDX. *Journal of Economic and Business Research*, 15 (2) , 78-88.
- 31)Putra, A.H.E.A, Mendra, NPY, & Saitri, PW (2021). Analysis of the influence of CR, ROE, ROA, and PER on banking stock prices on the IDX in 2017-2019. *Collection of Accounting Student Research Results (KHARISMA)*, 3(1), 84-93.
- 32)Putra, JYC, and Daulay, Y. (2022). The Effect of BI-7 Day Reverse Repo Rate, Dividend Yield Ratio, and Dividend Payout Ratio on Stock Prices in LQ45 Companies. *Fair Value: Scientific Journal of Accounting and Finance* 4(7), 1002-1014.
- 33)Putri, Tasya Milda, and Harti Budi Yanti. "The effect of corporate governance perception index, company size and audit quality on the integrity of financial statements." *Trisakti Journal of Economics* 2.2 (2022): 1165-1176.
- 34)Ross, S., Westerfield, R., & Jordan, B. (2021). *Fundamentals of Corporate Finance, 13th ed.* McGraw-Hill Education.
- 35)Saputri, IG, & Anwar, M. (2021). ANALYSIS OF COMPANY VALUE IN MANUFACTURING SECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE. *FIDUCIA: JOURNAL OF FINANCE AND BANKING*, 4(2).
- 36)Sari, M., & Kartika, D. (2022). Analysis of the influence of DPR on stock prices in banking companies on the IDX. *Indonesian Journal of Accounting and Finance*, 19 (2) , 89-98.
- 37)Setiawan, A., & Hartono, J. (2022). Fundamental analysis and stock price: evidence from Indonesia Stock Exchange. *Indonesian Journal of Accounting Research*, 25 (1) , 77-95.
- 38)Spence, M. (1973). Job market signaling. *Quarterly Journal of Economics*, 87(3) , 355-374.
- 39)Situngkir, Tiar Lina, and Reminta Lumban Batu. (2020). The Effect of Inflation and Exchange Rates on the LQ45 Stock Price Index. *Centralization Journal* 9 (1), 36-44.
- 40)Sudarsono, B., & Sudiyatno, B. (2016). Factors affecting stock returns in property and real estate companies listed on the Indonesian Stock Exchange from 2009 to 2014. *Journal of Business and Economics*, 23(1).
- 41)Sumarni, I. (2021). Financial performance and stock prices during the Covid-19 pandemic. *PubBis Journal*, 5(1), 75-81.
- 42)Sulistiawati, D., Sjahrudin, H., & Tahir, B. (2020). The Effect of Earning Per Share and Dividend Per Share on Stock Prices of Property, Real Estate and Construction Companies Listed on the Indonesia Stock Exchange. *Journal of Administration and Management*, (01), 77-84
- 43)Suryani, T., & Pramudita, D. (2023). The Effect of BI Interest Rates, Inflation, and Exchange Rates on Stock Prices: A Study of the Property and Financial Sectors. *Journal of Islamic Economics and Business*, 8 (1) , 45-56.
- 44)Susanti et al. "The Accuracy of Balance Model in Predicting Stock Investment During The Covid-19 Pandemic on LQ 45 Index." *Organum: Scientific Journal of Management and Accounting* 4.2 (2021): 215-227.
- 45)Sutanto, H., & Prasetyo, E. (2023). Analysis of the influence of inflation, interest rates, and exchange rates on stock prices of banking companies in Indonesia. *Journal of Islamic Economics and Business*, 8 (1) , 45-56.
- 46)Taani, K. (2012). Impact of accounting information on stock prices: evidence from Amman Stock Exchange. *International Journal of Economics and Finance*, 4(6) , 206-210.
- 47)Tadelilin, E. (2021). *Capital Markets: Theory and Applications (Revised Edition)*. Yogyakarta: Kanisius.
- 48)Weston, J., & Copeland, T. (1983). *Financial Theory and Corporate Policy*. Addison-Wesley.
- 49)Wulandari, A., & Hidayat, A. (2021). Dividend payout and its impact on stock value and price. *Journal of Management and Business Science*, 13 (2) , 122-134.

The Influence of Fundamental Ratios and Macro Factors on Stock Prices in Lq45 Companies in 2022-2024

- 50)Wulandari, A., & Putra, R. (2023). Return on Assets and Stock Prices: Empirical evidence in the manufacturing sector. *Journal of Management Science and Applied Accounting*, 14 (1) , 33-42.
- 51)Yuliani, N., & Darmawan, A. (2022). The effect of inflation on consumer sector stock prices on the IDX. *Journal of Modern Economics*, 18 (2) , 125-137.
- 52)Yusra, N., & Andriani, T. (2022). The impact of interest rate changes on stock prices in LQ 45 companies. *Journal of Economic and Business Research*, 15 (2) , 85-95.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.