The Effect of Macroeconomic Indicators and Financial Performance on the Stock Prices of Companies Listed on the Business Index-27 of the Indonesia Stock Exchange (IDX)

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ABSTRACT

The background of this research is related to the study of factors that also influence stock prices. Macroeconomic conditions and financial performance also had an impact on the stock prices of companies listed on the IDX including the price of shares in companies listed on the IB27 for the 2011-2018 period. Macroeconomic conditions can be represented by BI interest rates, inflation rates and the Rupiah exchange rate against the US Dollar. The company's internal factors are based on the performance of financial statements in the form of corporate financial ratios. The purpose of this study was to determine the impact of the BI interest rate, the inflation value and the Rupiah exchange rate against the US Dollar, Return on Equity, Return on Investment, Debt Equity Ratio, Net Profit Margin and Price to Book Value on the company's stock price recorded at IB27 period 2011-2018. This type of research was quantitative using correlational method with cross sectional data. The population in this study was 27 companies incorporated in IB-27 for the 2011-2018 period. The research sample was taken from a number of companies in the population that had consistency throughout the study period. To complete the study it used multiple regression analysis technique using the T-test. This study concludes that for DER, ROE, NPM, PBV, Inflation Rate and BI Interest Rates, the hypothesis proposed in the study was rejected, because they had no significant positive effect on the share price of listed companies listed by IB-27. However, only the ROI variable and the Rupiah / US Dollar Exchange Rate had a significant positive effect on the share prices of companies listed by IB-27.

1. Introduction

Since its establishment, the IDX has experienced an increase in both new shares and the value of their transactions. Until mid-2018 the fundraising of 31 initial price offer reached Rp 12 trillion, exceeding the total achievement in 2017. The frequency of daily stock trading continued to increase to reach 392 thousand times and was the highest in ASEAN. Moreover, this was supported by investor activity which also reached the highest value of up to 43 thousand investors per day. This figure increased by 44% compared to the number of investors at the end of 2017 of 1.12 million. One factor was the existence of 300 investment galleries spreading across campuses throughout Indonesia (www.idx.co.id). People are starting to realize that investing in the stock market is far more profitable than just depositing their funds in a bank, for example in the form of deposits, which on average only 6% per year. However, people must be smart in choosing which stocks have good performance so that they will provide benefits in the future.

The companies selected in this study were companies whose shares were included in the Business Index 27. The Business Index 27 was created by the Indonesia Stock Exchange (IDX) in collaboration with Bisnis Indonesia in 2009. The index includes blue chip categories with high liquidity and based on parameters of fundamental criteria, technical or transaction liquidity and accountability and corporate governance. This index was so interesting because the IDX and Bisnis Indonesia Daily routinely monitor the components of shares included in the index calculation. Another reason was that Business Index evaluated and changed shares included in the index calculation every 6 months, namely every early May and November.

Based on the results of all previous studies, researcher encountered a research gap, namely differences in research results or inconsistent results. This could occur because there was a differences in measurement variables and research populations. Studies related to financial ratios and share prices abroad could have different conclusions as could be found in domestic research. Domestic research related to stock prices and financial ratios such as Genoveva Monica (2016) research on companies listed on IB-27 concluded that CAR, ROE, ROA, and LDR had no impact on stock prices. It was different from the conclusion of research abroad related to financial ratios and stock prices. Wong Khan Shin (2017) research in Malaysia showed that ROE had a significant positive relationship with property stock prices in Malaysia. The research was confirmed by the research of HusamRjoub, et al (2017) which concluded that in general, macro and microeconomic variables could significantly affect the price of banking stocks, especially variables of asset quality, management quality, earnings, company size, money supply and interest rates It was significantly related to share prices in the Turkish banking sector. For this reason, more research is needed related to the relationship of financial ratios to stock prices with comparative studies that have been conducted abroad.

Economic studies in developing countries showed different conclusions on the relationship of macroeconomics to stock prices. Research by Robert D. Gay, Jr., et al (2016) had different conclusions from the research of Wong Kan Shin et al (2017). Wong Kan Shin's research (2017) concluded that exchange rates and oil prices had a positive relationship with property stock prices in Malaysia, while research by Robert D. Gay, Jr., et al (2016) concluded that there was no significant relationship between exchange rates and oil prices against the stock market price index in the BRIC country. The two studies also differed in the subject of research data, namely property stocks and joint stock. Thus, further research needs to be compared with comparable research subjects that are equivalent to the study of more equal measured variables. Therefore, researcher are interested in conducting research on "The Effect of Macroeconomic Indicators and Financial Performance on Companies' Stock Prices Listed on Business Index 27 of the Indonesia Stock Exchange (IDX).

2. General Description of Business Index-27

The Bisnis-27 Index was first launched on January 27, 2009. This index is the result of a collaboration between Bisnis Indonesia and PT Bursa Efek Indonesia. This index consists of 27 constituent members representing all sectors in the Indonesian capital market. The preparation of the Business-27 Index uses the market value weighted index methodology by considering assessments on fundamental aspects to measure company performance, technical analysis of historical trade data, and aspects of constituent accountability based on good corporate governance. Evaluation of the Business-27 Index is conducted every 6 months or twice a year, namely in April and October. The evaluation in April is based on the issuer's fundamental performance (financial statements) for the period ended December 31 (audit), while the evaluation in October was based on the issuer's fundamental performance (financial statements) for the period ended June 30

3. Objective of the Research

Through this study, researchers intended to answer the objectives of this study to determine the effect of BI interest rates, inflation rates, the exchange rate of Rupiah / US Dollar, DER, ROE, ROI, NPM and PBV on stock prices in Business Index 27 for 2011- 2018.

4. Scope of the Research

This research focused on macroeconomic factors and company financial performance reports that affect stock prices. Measuring variables used in this study included interest rates, inflation, the rupiah exchange rate, and, Return On Investment (ROA), Return On Equity (ROE), Debt Equity Ratio (DER), Net Profit Margin(NPM), and Price-to- Book Value (PBV) that affects the stock price movements. The scope of this research was as follows:

a. This research would be conducted on companies listed onfthe Business Index 27 in the IDX during the period 2011 to 2018.
b. Data used in this study from 2011 to 2018 were obtained from the IDX website.

    c.   The share price used was the data issued by IB-27.
    d.   Inflation, interest rates and exchange rates against the US dollar used data released from the BI website.
    e.   Company financial statement data used annual data from the IDX website.

5.   Literature Review

Stocks are an important part of financial performance reporting instruments for go-public companies. Stocks are one of the most popular financial market instruments. According to IrhamFahmi (2015) stating shares originating from other companies, which are bought by the company's management and later when they can be resold if funds are needed. Meanwhile according to Wijayanti (2013) shares are securities issued by a company in the form of a Limited Liability Company (PT) or commonly referred to as an issuer or emitent.

Stock prices in the market are sensitive for investors to invest their capital. The study needs to be done to assess the factors that also influence stock prices. Previous researches were taken came from Indonesian researchers and researchers from other countries. Previous research taken is limited to research that refers to the relationship of internal company indicators (in the form of financial ratios) and macroeconomic conditions simultaneously on stock prices conducted in the last decade.

Research related to interest rates on stock prices were mostly done both in Indonesia and other countries. Related studies provided different conclusions. Muhammad Adnan and AldillaIradianty (2018) in the Study of Companies Listed in the LQ45 Index on the Indonesia Stock Exchange Period August 2017 to January 2018, simultaneously concluded interest rates affected the stock returns. In .partially, interest rates affected stock returns. The research findings showed that the real interest rate significantly influences ROA and ROE as a measure of profitability of commercial banks. A study conducted by HanuHandriadma of MM-FE UII (2018) entitled "Analysis of the Effect of Dividends, Profitability, Inflation and Interest Rates on Stock Returns on Indonesian Telecommunications Companies listed on the Indonesia Stock Exchange" concluded that interest rates had a negative effect on prices stock. Research in another country, Edna MwendeGikombo, 2018 from Jomo Kenyatta University, Kenya on a commercial bank study concluded that interest rates had a negative effect on stock prices. Muhammad Tahir Khan, Asaf Khan, Dr. Adnan Ahmad and ObaidUllah Bashir (2018) from Abdul Wali Khan University on the KSE 100 Index The results showed that interest rates had a significant negative impact on stock returns.

Findings that show no effect of interest rates on stock prices are found in the following study. HilmiaLuthfiana from Post FE-UII (2018) concluded that the interest rate variable (BI Rate) did not significantly influence the Property Sector Stock Price Index. Likewise, EndangMahpudin's and Nugraha's (2018) research from UPI conducted a fundamental analysis on the IDX concluding that Indonesia's economic conditions during the study concluded that the BI Rate had no effect on the JCI. Including WulanKurniasari, Adi-Wiratno, Muhammad Yusuf (2018) from the Master of Accounting, Pancasila University, Indonesia in the study of Registered Banking in the Indonesia Stock Exchange in 2013-2015 interest rates have an indirect effect on stock returns through ROA.

Research from other countries, Edna MwendeGikomb (2018) from Jomo Kenyatta University in a study of commercial banks registered in Kenya stated that the research findings indicate that inflation has a significant influence on ROA as a measure of profitability of commercial banks. Chauque DFF, Rayappan PAP from Malaysia (2018) on the performance of company shares in the country came to the conclusion using an OLS regression model analysis that inflation has a negative influence on the performance of the stock market in Malaysia. On the other hand, inflation has a significant effect on stock market variance in Malaysia with a low forecasting rate as shown by the R-squared value. Muhammad Tahir Khan, Asaf Khan, Dr. Adnan Ahmad and ObaidUllah Bashir (2018) from Abdul Wali Khan University, Saudi Arabia In a study of stock returns on the KSE 100 Index. The results show that inflation and interest rates have a significant negative impact on stock returns.

Wong Kan Shin, HassanudinMohdThasThaker (2017) from Malaysia on a study of property and insurance stock prices in Malaysia concluded that the exchange rate has a positive relationship with property stock prices in Malaysia. Another study by Saha, Sujata, (2017) from the University of Wisconsin of Milwaukee, United States entitled "Do Exchange Rate Changes Have Symmetric or Asymmetric Effects on Stock Prices?", Draws the conclusion that changes in exchange rates have an asymmetric effect on stock price indexes in the sector different in the US period 1973 - 2015.

There is no correlation between exchange rates and stock prices. RajarshiMitra. (2017) in, Journal of the Korea Economic Institute of America, January 2017 Exchange Rate Risk, Stock Transactions and Financial Integration: The Republic of Korea and Japan. It was concluded that there was no long-term relationship between exchange rate variables and stock transactions, but a short-term relationship was found between the two variables in the Republic of Korea and Japan. Robert D. Gay, Jr., (2016) Nova Southeastern University, USA in studies in four developing countries Brazil, Russia, India, and China. The conclusion of the study is that there is no significant relationship between the exchange rate and oil prices on the stock market price index in BRIC countries, this is due to the influence of domestic and macroeconomic international factors on stock market returns. While research in Indonesia which states that there is no link between exchange rates and stock prices is also found.

A study related to Return on Equity on Share Prices was conducted by Bishnu Prasad Bhattarai (2018), in which the study concluded the study that the main factors for specific ROE companies affect the stock prices of commercial banks and insurance companies in Nepal. This study contradicts the results of research by Genoveva Monica (2016) on companies listed on IB-27 All independent variables simultaneously affect stock prices. Conclusion partially ROE and ROA variables do not have an impact on the stock prices of the companies studied. The findings of two studies on ROE show that research by Bishnu Prasad Bhattarai (2018) and Genoveva Monica (2016) found different results. ROE does not always have an effect on stock prices.

Rosikah, et al (2018) conducted a study of manufacturing companies listed on the IDX. The findings of this study were Return on Assets having a significant positive effect on Company Value, and Return on Equity had a positive but not significant effect on Company Value. It was also concluded that Return on Assets, Return on Equity, Earnings Per Share simultaneously had a significant effect on Company Value. The researcher concluded that Return on Investment also had a positive and significant influence on stock prices in general research. But for the Genoveva Monica study, 2016 research on companies listed on IB-27 All independent variables simultaneously affected stock prices. Conclusion partially ROE and ROA variables did not have an impact on the company's stock price listed on IB-27.

The findings in Indonesia and abroad about the effect of DER on stock prices showed the same results. Research by Muhammad Adnan and AldillaIradianty (2018) and Wong Kan Shin, HassanudinMohdThasThaker (2017) shows that DER has no influence on stock prices. The findings of several studies including HusamRjoub, IrfanCivcir, Nil GunselResatoglu (2017), HanuHandriadma of MM-FE UII (2018) and Mohammad HasanSalehIn'airat (2018) prove that high company profitability in the form of NPM can affect prices company stock. Based on the findings of several previous studies and studies on the relationship of NPM and the price of the shares mentioned above, the researcher has an initial allegation on the study of macroeconomic factors and financial performance that have an impact on stock prices on companies listed on IB27 for the 2014-2018 period.

Rudi Bratamanggal (2018) evaluated the factors that influenced stock prices in LQ45 in the 2012-2016 period. Factors affecting stock prices are earnings per share, price to book value and return of assets. The results show that the Price for Book Value has a significant influence on the stock price. Simultaneously, Price to Book Value, Revenue Per Share and Asset Return have significant. Likewise, research by Mohammad HasanSalehIn'airat (2018) from Skyline University College on stock prices in Saudi Arabia. The results of the study provide empirical evidence of the relationship between dividends and equity market prices. The findings also showed a positive significant book value of the company on stock prices. Overall, the research studied by Rudi Bratamanggal (2018), Bishnu Prasad Bhattarai (2018) and Mohammad HasanSalehIn'airat (2018) proved PBV's positive findings on the price of research conducted in Indonesia or in other countries.

From some of the studies above, only research by Genoveva Monica (2016) entitled "Profitability, Capital Strength, and Credit Against the Stock Prices of Banking Companies Registered in Business 27" is related to the subject of companies that enter IB27. The difference between the research of Genoveva Monica (2016) and the current research is that this study adds macroeconomic indicators to factors that increase stock prices

6.   Research Framework

Literature review and previous research studies show that macroeconomic conditions and financial performance also have an impact on the company's stock price listed on the Stock Exchange is no exception to the stock price on companies listed on the IB27 2011-2018 period. In this study, macroeconomic conditions are represented by BI interest rates, inflation rates and the exchange rate of the Rupiah against the US Dollar. This research intentionally did not include the variable oil prices and world gold prices to reduce the complexity of the discussion to be analyzed. While the company's internal factors are based on the performance of financial statements in the form of corporate financial ratios. Financial ratios studied include; Return on Equity, Return on Investment, Debt Equity Ratio, Net Profit Margin and Price to Book Value. The five internal factors can represent financial performance in the form of liquidity ratios, solvency and profitability (profitability).
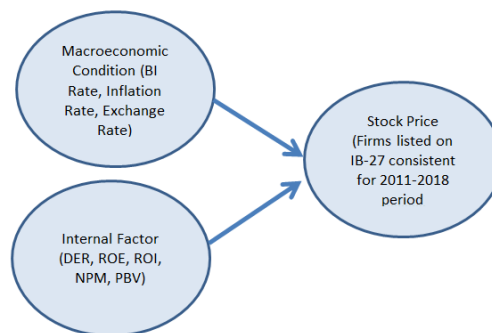

Figure No. 1. Research Framework Diagram

Based on research framework above, we can propose some hypothesis of the research as follows;
  a) There is a significant negative effect of the BI Rate on stock prices on the Business Index 27 for the 2014-2018 period
  b) There is a significant negative effect of the Inflation Rate on stock prices on the Business Index 27 for the 2014-2018 period
  c) There is a significant positive effect of the Rupiah Exchange Rate Against US Dollar on stock prices on the Business Index 27 for the 2014-2018 period

d) *T*here is a significant positive effect of DER on stock prices on the Business Index 27 for the 2014-2018 period
e) *T*here is a significant positive effect of ROE on stock prices on the Business Index 27 for the 2014-2018 period
f) *T*here is a significant positive effect of ROI on stock prices on the Business Index 27 for the 2014-2018 period
g) *T*here is a significant positive effect of NPM on stock prices on the Business Index 27 for the 2014-2018 period
h) *T*here is a significant positive effect of PBV on stock prices on the Business Index 27 for the 2014-2018 period

7. Research Method

To complete this study the authors used quantitative research. According to Sugiyono (2017) quantitative research method based on the values used to test a particular population or samplewith data presented in numerical form.

7.1. Population and Sample

The population of the study were 27 companies incorporated in 27 business indexes for the 2011-2018 period. Researchers used certain criteria to take research samples of companies listed on IB-27 and consistently ranked at IB-27 during the 2011-2018 study period. The criteria set out in the study to get the sample are as follows:

a. The company is incorporated in Business Index 27 on the Indonesia Stock Exchange and has an initial public offering (IPO) for the 2011-2018 period.
b. Publish a complete annual financial statement that has been audited during the study period.
c. Consistent companies are in the calculation of Business Index 27 for the period of 2011 - 2018.

7.2. Data Collection

The type of research data was cross-sectional. This study used secondary data in the form of company financial statements incorporated in the 27 business indexes for the period 2011-2018 obtained through the Indonesia Stock Exchange website (www.idx.co.id). Whereas macroeconomic data used secondary data from the Bank Indonesia website

7.3. Data Analysis Technique

This study used multiple regression analysis to know the effect of several independent variables on the dependent variable. According to HaryadiSarjono and WindaJulianita (2013) the multiple regression model can be called a good model if it meets classical assumptions. Therefore, a classic assumption test is needed before conducting a regression analysis. The classic assumption test in this research consisted of heteroscedasticity test and multicorrelation test

8. Result of Analysis and Discussion

Until this research was conducted the Business-27 Index had reached the age of a decade. Over the last ten years, this index has grown 373% and underwent 20 evaluations of changes to the list of constituents. According to the latest data the Business-27 Index has nine loyal companies that have always been ranked Business-27 during the last ten years (Emanuel B. Caesario, 2019). According to AnidaulMasruroh, Bisnis Indonesia Resources Center Analyst, said that there are a number of issuers that continue to survive in the Bisnis-27 Index, which means these issuers consistently meet the index requirements set by the index drafting team of experts. Meanwhile, during the 20 times the evaluation of changes in the list of constituents, there have been 60 issuers who have alternately changed to become constituents of this index. Therefore, consistent issuers that are always listed in the Business-27 Index deserve investor attention in order to become a long-term investment destination (Emanuel B. Caesario, 2019). The following is a list of issuers who have never left the list of constituents of the Bisnis-27 index in the past decade.

Table No. 1. List of Company as Sample of the Research

No.	Name of Company	Stock Code
1	Adaro Energy Tbk	ADRO
2	Astra International Tbk	ASII
4	Bank Negara Indonesia (Persero) Tbk	BBNI
5	Bank Rakyat Indonesia (Persero) Tbk	BBRI
6	Indocement Tunggal PrakasaTbk	INTP

7	Semen Indonesia (Persero) Tbk	SMGR
8	Telekomunikasi Indonesia (Persero) Tbk	TLKM
9	United Tractors Tbk	UNTR

Source: Secondary data of idx.co.id, 2019

8.1. Result of Analysis

Starting a multiple regression analysis technique, the regression model is tested first with a classic assumption in order to know the symptoms of multicollinearity and heteroscedasticity. Based on multicollinearity testing of the regression model in this study by looking at the value of tolerance and VIF, it can be concluded that the regression model does not occur multicollinearity. This can be seen from the tolerance value of each variable greater than 0.1 and the VIF value for each research variable in the regression model is smaller than 10. So the regression model can be used for hypothesis testing because there is no multicollinearity. The next classic assumption test is the heteroscedasticity test. Heteroscedasticity testing can be done in several ways. This study uses heteroscedasticity symptoms testing using scatterplot charts. Scatterplot graphs connect the predicted values with the residuals in the regression equation to be tested. How to test heteroscedasticity is by looking at scatterplot image patterns resulting from SPSS output. From the test results using scatterplot method in the regression equation in this study shows that the points in the distribution of data in the prediction and residual graphs do not show a certain pattern. So it was concluded that the regression equation in this study did not occur symptoms of heteroscedasticity.

The initial step of the analysis is knowing the description of each research variable. As seen in the results of the descriptive analysis, the value of the share prices of each issuer in the constituent fixed Business Index-27 varies in magnitude. Starting from the lowest share price of 629 rupiah for ADRO and the highest of 7373 rupiah for UNTR in 2011. Until 2018, the lowest share price was 1054 rupiah for TLKM and the highest was 14.605 rupiah for UNTR. Fluctuations in share price growth of each of the nine fixed constituents of the 27th Business Index during the 2011-2018 period can be seen in the graph below.
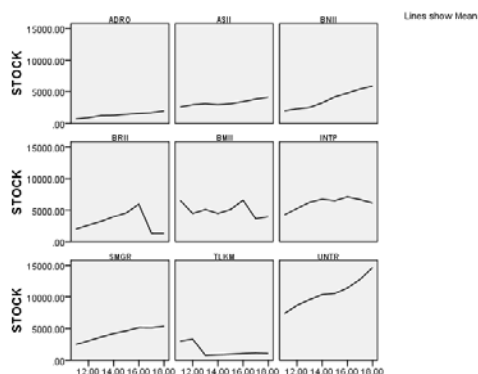

Figure No. 2. Chart of Share Price Value of Each IB-27 Consistent Company During the 2011-2018 Period

DER is one of the solvency ratios. This ratio illustrates how companies cope with debt departs from the value of their own capital.
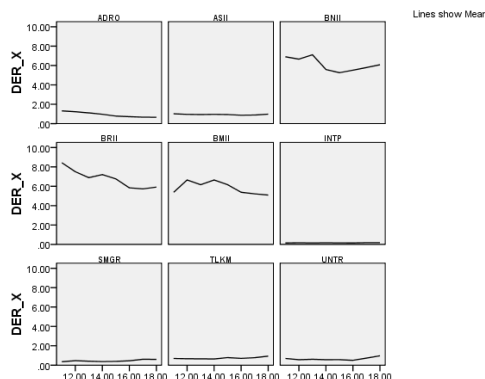

Figure No. 3. Chart of DER Value of Each IB-27 Consistent CompaniesDuring 2011-2018 Period

The issuers having the tendency of DER to increase consistently during the 2011-2018 period were SMGR, TLKM and UNTR, although the increase value is not insignificant. Issuers that have a tendency to increase DER then decrease are BMII, while issuers of ADRO, ASII, BRII, BNII and INTP have a tendency of DER which tends to decrease during the 2011-2018 period. It can be concluded

that issuers who are permanent constituents of the Bisnis-27 Index for a decade are not issuers who have an ever-increasing DER.

ROE value becomes an important ratio to assess the profit of the company's own capital. Based on a descriptive analysis of each of the listed companies listed in the Business Index-27 and being their permanent constituents during the 2011-2018 period, no issuer had a ROE tendency that consistently rised during the 2011-2018 period. Issuers that have a tendency to increase ROE then decrease were BMII, TLKM and UNTR, while issuers ADRO, ASII, BNII, BRII, INTP, and SMGR have a tendency to decrease ROE during the period 2011-2018. It can be concluded that the issuers who become permanent constituents of the Bisnis-27 Index for a decade are not issuers that have an ever-increasing ROE and no issuers have an increasing ROE
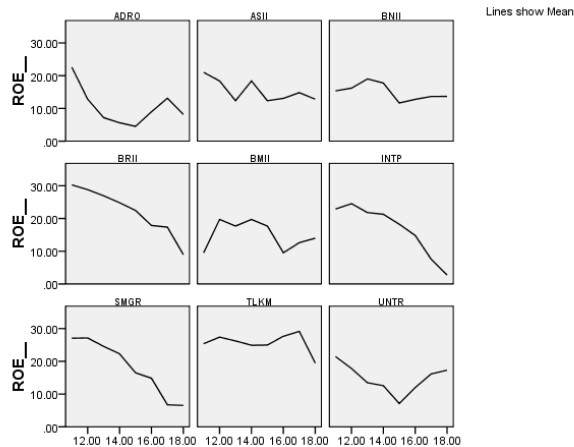

Figure No. 4. Chart of ROE Value for Each IB-27 Consistent CompaniesDuring 2011-2018 Period

ROI ratio is an important ratio to describe the value of the company's return on investment. Based on a descriptive analysis of each of the listed companies listed in the Business Index-27 and being their permanent constituents during the 2011-2018 period, none of the issuers had a trend of ROI that always rose during the 2011-2018 period. Issuers that have a tendency to increase ROI then decrease or vice versa are UNTR, while issuers ADRO, ASII, BNII, BRII, INTP, SMGR, BMII, and TLKM have a tendency to decrease ROI during the 2011-2018 period. It can be concluded that the issuers who become permanent constituents of the Business Index-27 for a decade are not issuers who have an ever-increasing ROI and no issuers have rising ROI
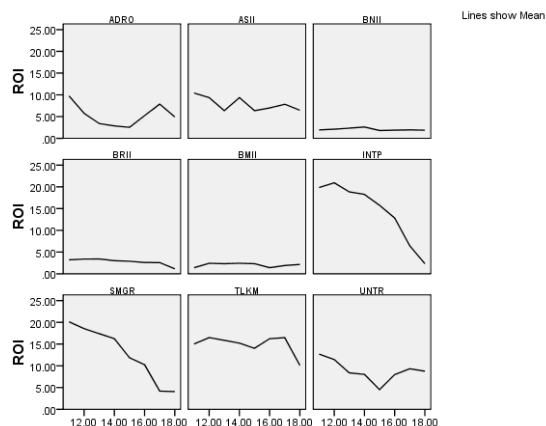

Figure No. 5. Chart of ROI Value for Each IB-27 Consistent CompaniesDuring 2011-2018 Period

Based on a descriptive analysis of each of the listed companies listed in the Business Index-27 and being their permanent constituents during the 2011-2018 period, no issuer had a tendency for NPM to increase consistently during the 2011-2018 period. Issuers with a tendency for NPM to rise then decrease or vice versa were ADRO, ASII, BNII, BRII, UNTR, BMII, and TLKM while issuers of INTP and SMGR, ha a tendency for NPM to decline during the 2011-2018 period. It can be concluded that issuers who are permanent constituents of the Bisnis-27 Index for a decade are not issuers who have an ever-increasing NPM and no issuer has an increasing NPM.
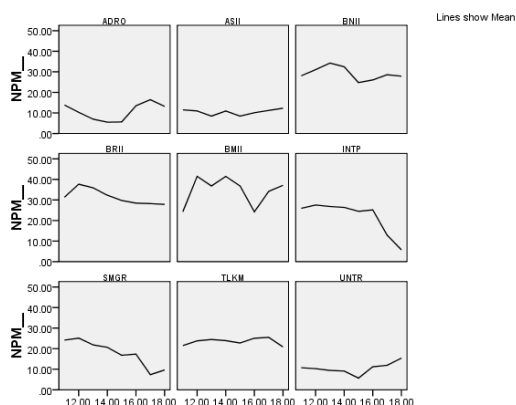
Figure No. 6. Chart of NPM Value for Each IB-27 Consistent CompaniesDuring the 2011-2018 Period

PBV is to assess the market value of the stock price against the book value of the stock price. It is important to assess the company's policy to record and report the book value of its share price as a public emitter. Based on a descriptive analysis of each of the listed companies listed in the Business Index-27 and a permanent constituent during the 2011-2018 period, no issuer has a tendency for PBV to increase consistently during the 2011-2018 period. Issuers that have PBV tendency to rise then decrease or vice versa were ADRO, ASII, BNII, BRII, UNTR, BMII, and INTP while issuers of TLKM and SMGR, have a tendency for PBV to decrease during the 2011-2018 period. It can be concluded that issuers who are permanent constituents of the Bisnis-27 Index for a decade are not issuers who have an ever-increasing PBV and no issuers have an increasingly PBV
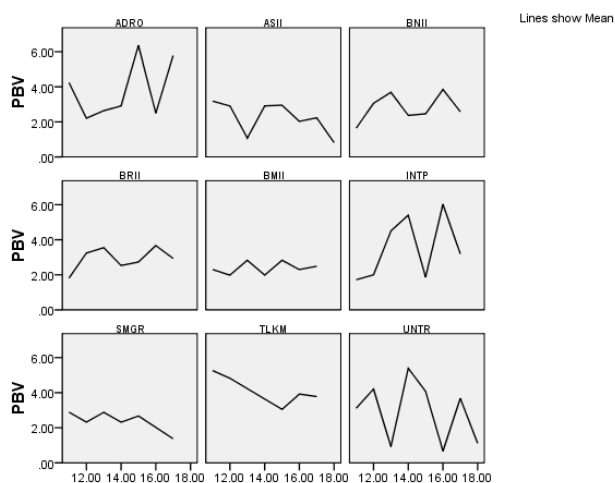

Figure No. 7. Chart of PBV Value for Each IB-27 Consistent Companies During 2011-2018 Period

One of the macroeconomic indicators in Indonesia is the interest rate issued by Bank Indonesia. Based on a descriptive analysis of the development of the BI interest rate during the period 2011-2018, showed an increase until 2015 and then decreased again the value of the BI interest rate. The policy of determining the BI rate was very dependent on the condition of the Indonesian economy at that time. It was concluded that BI interest rates during the period 2011 to 2018 were high fluctuations.
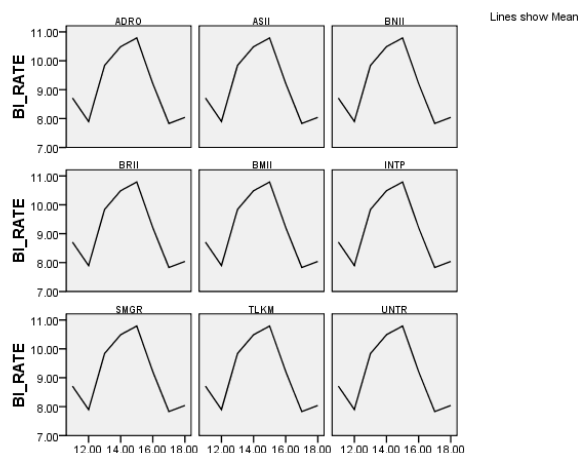

Figure No. 8. Chart of BI Interest Rate During 2011-2018

Inflation rate is one of the macroeconomic indicators in Indonesia that is very important to influence the business environment. Based on a descriptive analysis of the development of the inflation rate during the 2011-2018 period, it showed an increase until 2013 and 2014 and then the inflation rate decreased again until 2018. It can be concluded that the inflation rate during the 2011-2018 period experienced a high fluctuation value
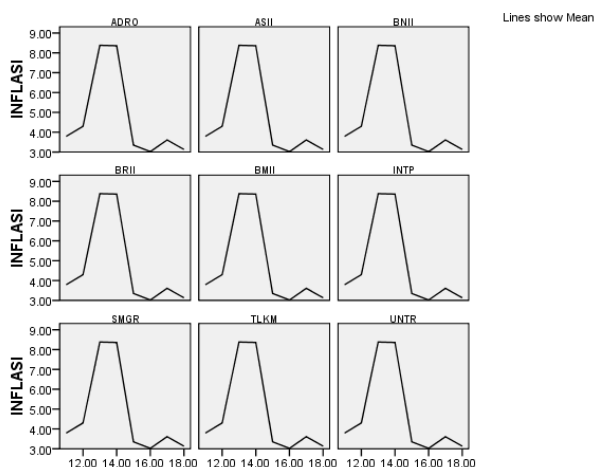

Figure No. 9. Chart of Inflation Rates During the 2011-2018 Period

The exchange rate of the Rupiah against the US Dollar is an important macroeconomic indicator in Indonesia, especially related to international trade. Based on a descriptive analysis of the development of the Rupiah exchange rate against the US Dollar during the period 2011-2018, it shows an increase from observations in 2011 to 2018. It can be concluded that the value of the Rupiah continues to decline in value compared to the value of the United States Dollar during the period 2011-2018. This shows that Indonesia's trade conditions continue to decline in the international business environment.
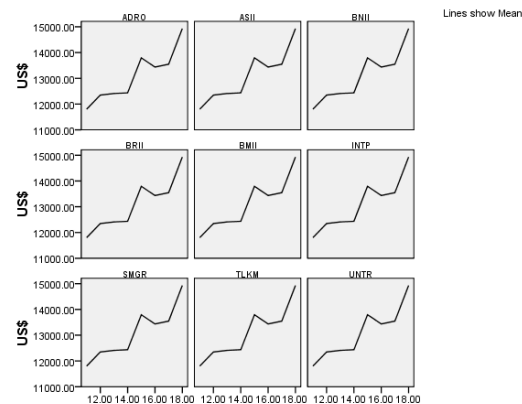
Figure No. 10. Graph of Rupiah / US Dollar Exchange Rates During the 2011-2018 Period

Based on the results of hypothesis testing using multiple regression analysis techniques, it can be concluded that for the DER variable, the hypothesis proposed in the study was rejected, because DER had a non-significant positive effect on the stock prices of listed companies listed by IB-27. For the ROI variable, the hypothesis proposed in the study is accepted, because ROI has a significant positive effect on the share prices of listed companies listed by IB-27. In accordance with the initial hypothesis of this research. For the ROE variable, the hypothesis proposed in the study was rejected, because ROE had a significant negative effect on the share prices of listed companies listed by IB-27. For the NPM variable, the hypothesis proposed in the study was rejected, because NPM had an insignificant negative effect on the share prices of listed companies listed by IB-27. For the PBV variable, the hypothesis proposed in the study was rejected, because PBV had an insignificant negative effect on the share prices of listed companies listed by IB-27.

Tests on macro indicators provided the conclusion that for the Rupiah / US Dollar Exchange Rate variable, the hypothesis proposed in the study was accepted, because the Rupiah / US Dollar Exchange Rate gived a significant positive effect on the share price of listed companies listed by IB-27. For the Inflation Rate variable, the hypothesis proposed in the study was rejected, because the Inflation Rate had an insignificant positive effect on the share prices of listed companies listed by IB-27. For the BI interest rate variable, the hypothesis proposed in the study was rejected, because the BI interest rate had an insignificant negative effect on the share prices of listed companies listed by IB-27.

Table No. 2. Result of Testing for Research Hypothesis

Variable	Coefficient	t-test	Sig.t	t-table	Significance	Value	Test Result
(Constant)	-13807.220	-1.429	0,159				
DER_X	1286.083	1.644	0,106	1.677	No Significant	Positive	Rejected
ROI	623.307	2.040	0,046	1.677	Significant	Positive	*Accepted*
ROE__	-294.184	-2.151	0,036	1.677	Significant	Negative	Rejected
NPM__	-148.560	-1.311	0,196	1.677	No Significant	Negative	Rejected
PBV	-98.576	-.319	0,751	1.677	No Significant	Negative	Rejected
US$	1.566	2.268	0,027	1.677	Significant	Positive	*Accepted*
INFLASI	306.162	1.257	0,214	1.677	No Significant	Positive	Rejected
BI_RATE	-338.345	-.831	0,409	1.677	No Significant	Negative	Rejected

Source: primary data, 2020

8.2. Discussion
The conclusion drawn from the hypothesis of the relationship of financial and macroeconomic performance indicators to the company's stock price listed in the Business Index -27 could be related to previous studies as follows.

8.2.1. Effect of DER on the Stock Price of IB-27 Listed Companies
Based on the results of hypothesis testing using multiple regression analysis techniques, it can be concluded that for the DER variable, the hypothesis proposed in the study was rejected, because DER had a non-significant positive effect on the stock prices of listed companies listed by IB-27. The results of this study are in line with the conclusions of the research conducted by Muhammad Adnan and AldillaIradianty (2018), which conducted a study of Companies Listed in the LQ45 Index on the Indonesia Stock Exchange

Period August 2017 to January 2018. It was concluded partially, DER had no effect on stock returns. This does not conflict with the results of Wong Kan Shin's research, HassanudinMohdThasThaker (2017) from the University, Malaysia conducted a study on property stock prices concluded the debt ratio was not found to have a relationship with property stock prices

8.2.2. Effect of ROI on the Stock Price of IB-27 Listed Companies

For the ROI variable, the hypothesis proposed in the study is accepted, because ROI has a significant positive effect on the share prices of listed companies listed by IB-27. In accordance with the initial hypothesis of this research. The results of this study are in line with studies which concluded that Return on Assets, Return on Equity, Earnings Per Share simultaneously have a significant effect on Company Value. The research was conducted by Edna MwendeGikombo, 2018 at a commercial bank in Kenya. The research findings show that ROA and ROE as a measure of profitability of commercial banks. Means ROI also gives the same effect on the level of profitability of banks. The difference is that the current study is on the subject of issuers across companies while previous studies in Kenya only used a sample of bank

8.2.3. Effect of ROE on the Stock Price of IB-27 Listed Companies

For the ROE variable, the hypothesis proposed in the study was rejected, because ROE had a significant negative effect on the share prices of listed companies listed by IB-27. The results of this study are in line with research conducted by Genoveva Monica (2016) on companies listed on IB-27 All independent variables simultaneously affect stock prices. Conclusion partially ROE and ROA variables do not have an impact on the stock prices of the companies studied

8.2.4. Effect of NPM on the Stock Price of IB-27 Listed Companies

For the NPM variable, the hypothesis proposed in the study was rejected, because NPM had an insignificant negative effect on the share prices of listed companies listed by IB-27. The results of this study contradict the findings of several studies including HusamRjoub, IrfanCivcir, Nil GunselResatoglu (2017), HanuHandriadma from MM-FE UII (2018) and Mohammad HasanSalehIn'airat (2018) proving that the company's high profitability in the form of NPM can affect the company's stock price

8.2.5. Effect of PBV on the Stock Price of IB-27 Listed Companies

For the PBV variable, the hypothesis proposed in the study was rejected, because PBV had an insignificant negative effect on the share prices of listed companies listed by IB-27. The results of this study contradicted the research of Rudi Bratamanggal (2018) which examined the factors influencing the stock price in LQ45 on 2012-2016 period. Factors that influence stock prices are Earning Per Share, Price to Book Value and Return on Assets. The results show that Price to Book Value has a significant influence on stock prices. Simultaneously, Price to Book Value, the Earning Per Share and Return on Assets have a significant influence. This study is in line with research by Bishnu Prasad Bhattarai (2018) of Ribhuvan University, Kathmandu, Nepal on a study of the stock prices of commercial banks and insurance companies in Nepal. The conclusion of the study shows that the main factor for specific companies in the form of P / B Ratio affects the stock prices of banks and insurance companies in Nepal.

8.2.6. Effect of BI Interest Rate on the Stock Price of IB-27 Listed Companies

For the BI interest rate variable, the hypothesis proposed in the study was rejected, because the BI interest rate had an insignificant negative effect on the share prices of listed companies listed by IB-27. The results of this study contradict the research of Muhammad Adnan and AldillaIradianty (2018) in the Study of Companies Listed in the LQ45 Index on the Indonesia Stock Exchange for the period August 2017 to January 2018, Simultaneously, interest rates affect stock returns. Partially, interest rates affect stock returns. On the other hand, this research is in line with HanuHandriadma's research from MM-FE UII (2018) entitled "Analysis of the Effect of Dividends, Profitability, Inflation and Interest Rates on Stock Returns on Indonesian Telecommunications Companies listed on the Indonesia Stock Exchange" concluded that the interest rates had a negative effect on stock prices

8.2.7. Effect of Inflation Rate on the Stock Price of IB-27 Listed Companies

For the Inflation Rate variable, the hypothesis proposed in the study was rejected, because the Inflation Rate had an insignificant positive effect on the share prices of listed companies listed by IB-27. The results of this study contradict the research of HanuHandriadma of MM-FE UII (2018) concerning Analysis of the Effect of Dividends, Profitability, Inflation and Interest Rates on Stock Returns on Telecommunications Companies in Indonesia which are listed on the Indonesia Stock Exchange. Also, this research contradicts the study of the conclusion that inflation has a negative effect on stock returns. Another study, HilmiaLuthfiana from Post FE-UII (2018) entitled The Effect of Exchange Rates, Interest Rates and Inflation on the Stock Price Index of the Property Sector Listed on the Indonesian Stock Exchange, concluded that inflation had a significant negative effect on the Property Sector Stock Price Index

8.2.8. Effect of Rupiah/US Dollar Exchange Rate on the Stock Price of IB-27 Listed Companies

For the Rupiah / US Dollar Exchange Rate variable, the hypothesis proposed in the study is accepted, because the Rupiah / US Dollar Exchange Rate gives a significant positive effect on the share prices of listed companies listed by IB-27. This study is in line with research conducted by Wong Kan Shin, HassanudinMohdThasThaker (2017) from Malaysia on a study of property and insurance stock prices in Malaysia concluded that the exchange rate has a positive relationship with property stock prices in Malaysia.

Muhammad Tahir Khan, Asaf Khan, Dr. Adnan Ahmad and ObaidUllah Bashir (2018) from Abdul Wali Khan University on the study of the KSE 100 Index stock price results show that there is a positive exchange rate impact on stock returns.

The results of this study are expected to provide benefits, among others, that listed companies can consider that many factors determine the increase in share price growth or the selling value of company shares on the stock exchange. It was proven in this study that by involving six research indicators consisting of corporate financial ratios namely; Debt Equity Ratio, Return on Investment, Return on Equity, Net Profit Margin and Price to Book Value and three macro indicators of Rupiah/US Dollar Exchange Rate, Inflation Rate and BI Interest Rates have not been able to provide a dominant factor to the Stock Price on Business Index 27. It can be seen in the coefficient of determination which is only 18.8%. So, there are still other indicators that contribute to the growth of share selling value in the issuers of the 27th Business Index

This research can also be utilized for investors, especially because the results of this study are able to provide information about any internal and macroeconomic factors that will affect the stock price. From the results of the study prove that the macroeconomic factors of the Rupiah exchange rate against the US Dollar also contributed to changes in the stock price movements of IB-27 issuers. It also concluded from this study that when the Rupiah exchange rate plummeted against the US Dollar, investors tended to turn to stock investments.

For further research, the results of this study conclude that the next researcher needs to look again for the dominant factor that contributes to the company's stock price listed on the Business Index-27. This can be done by increasing references and testing more indicators of financial performance and other macroeconomic factors that also have an impact on stock prices

9.   Summary

Based on the results of the analysis and discussion above, conclusions and suggestions can be drawn as follows.

9.1. Conclusion

This study concluded that for the DER, ROE, NPM, PBV, Inflation Rate and BI Interest Rates, the hypothesis proposed in the study was rejected, because there was no significant positive effect on the stock prices of listed companies listed by IB-27. However, only the variable ROI and the Rupiah / US Dollar Exchange Rate had a significant positive effect on the share prices of listed companies listed by IB-27 during the 2011-2018 period.

9.2. Suggestion

The results of this study were able to prove that by involving six research indicators consisting of corporate financial ratios namely; Debt Equity Ratio, Return on Investment, Return on Equity, Net Profit Margin and Price to Book Value and three macroeconomic indicators consisting of Rupiah / US Dollar Exchange Rate, Inflation Rate and BI Interest Rates had not been able to provide a dominant factor to the Stock Price on Business Index-27. It could be seen in the coefficient of determination which was only 18.8%. It provided advice for listed companies to consider that there was still other indicators that contribute to the growth of share selling value in the issuers of Business Index-27.

From the results of the study proved that the macroeconomic factors of the Rupiah exchange rate against the US Dollar also contributed to changes in the stock price movements of IB-27 issuers. This study provided recommendations for investors that when the Rupiah exchange rate slides against the US Dollar, investors tend to switch to stock investments. It is recommended for further research to look for a dominant factor that also contributes to the company's stock price listed in the Business Index-27.

Acknowledgment

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