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THE EFFECT OF PROFITABILITY, ASSETS STUCTURE, FIRM SIZE, AND CORPORATE GOVERNANCE ON STOCK PRICES WITH STOCK RETURNS AS MODERATION VARIABLES

Ni Putu Nina Eka Lestari[1] Ni Putu Desy Widiari [2] I Gede Eka Sujaya Harta[3] Ni Putu Ayu Ira Rianti[4] I Made Chandra Mandira[5]

Universitas Pendidikan Nasional [1,2,3,4,5]

E-mail: imadechandramandira@undiknas.ac.id

Abstract: The focus of this research was to assess about how profitability, asset structure, firm size, and corporate governance affect stock prices, with stock returns act as a moderating variable. Multiple linear regression analysis and moderated regression analysis were utilized, with a total sample of 84 firms. The results of this analysis reveal that profitability, asset structure, firm size, and corporate governance all have simultaneously impact on stock prices. Profitability, asset structure, and firm size each have a significant impact on stock prices, however corporate governance has no effect. The moderating regression analysis results reveal that stock returns can moderate the relation between profitability and stock prices, but not the relation between asset structure, firm size, and corporate governance on stock prices.

Keywords: *Profitability, Asset, Firm, Stock Prices, Stock Return*

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1. Introduction [Times New Roman 12 bold]

Investment in the capital market has recently been a hot issue of significant interest to the general public, especially the younger generation. In general, investors use the capital market to generate income. The capital market is a market that acts as a mediator between investors, companies, and government institutions that offer different long-term financial securities. The growth of the capital market reflects company willingness to open up in order to expand and sustain their business.

Stocks are one type of capital market investment instrument that is on the rise. Stocks are in high demand because they provide high returns while also posing a high amount of risk. As a result, before deciding which stocks to buy, investors should conduct preliminary technical and fundamental analysis. Technical analysis is a statistical analytical method that uses historical market activity to forecast stock prices changes in the future by examining stocks, commodities, and other assets. Meanwhile, fundamental analysis searches for a stock's true value using current financial data (Ong, 2016). In the process of analyzing potential issuers, of course investors need accurate information to prevent being stuck in adverse conditions. Financial statements are one of the information sources that investors can use to analyze the company's position and financial performance, which can be used to make investment decisions. Good financial performance sends a positive signal to investors, increasing their trust in the company's shares and influencing the stock prices. The movement of the stock price is determined by the issuer's financial health, which has a significant impact on the level of return to investors in the form of gains and dividends.

Stock prices is the market value at a particular time of the shares outstanding in the stock market as chosen by market participants based on supply and demand for the shares in concern in the stock market (Hartono, 2017). This research involved stock prices as a dependent variable since stock prices are particularly relevant to investors due to the economic consequences it has. Changes in stock prices have an impact on market value, therefore the opportunities obtained by investors will change in the future (Azis et al., 2015). The stock prices can change, both bullish and bearish, in a fairly short period of time. This is because of the demand that comes every time. In addition, government regulation, income earned by a company, growth of assets, as well as liquidity of a company can be factors of changes in stock prices. According to Brigham in Azis et al., (2015), the numerous of profit obtained by the company is one of the aspects that affect the level of stock prices, because a company with substantial profits will tend to distribute huge volumes of stock returns to investors.

Many factors influence an enterprise's high and low stock price, and one of those is profitability. Profitability is the ability of an operation to produce a profit while also measuring the effectiveness of the company's management efforts (Dewi & Sudiartha, 2019). According to Dewi & Sudiartha (2019), profitability is a measure of management's overall performance, represented as the amount of profit generated by sales and investments. Profitability can be used to illustrate an enterprise's ability to achieve its objectives. Profitability was measured in this research using return on assets, shortened as ROA. ROA assesses a profitability of the company depending on how its assets are used.. The higher the ROA, greater proficient the company is at utilizing their assets to produce profits, which influences stock prices movement. In their research, Mahapsari & Taman (2013) discovered that profitability had a positive impact on stock prices. However, it contrasts from Junaeni (2017)'s discovery, which did not discover anything similar.

A company's health can be measured by the structure of its assets, in addition to its profitability. In this research, the asset structure is projected with fixed assets because companies with substantial fixed assets will easier to raise funds from outside sources. Riyanto (2010) asserts, that the wealth structure is an absolute and relative balance of liquid and fixed assets. Meanwhile, Husnan & Pudjiastuti (2012) argue that investment decisions are reflected in the assets of the company. The research of Putri (2013) and Rivandi & Lasmidar (2021) confirm that the asset structure has a positive influence on stock prices. Because the richer the asset structure, the bigger the company's fixed assets, resulting in a high requirement for working capital and affecting the company's capacity to perform its business responsibilities, the company will require extra equity, causing the stock prices to rise.

In addition to asset structure, the stock prices is impacted by the firm's size as measured by total assets. The proportion of assets, revenue earned, total average revenues, and average number of assets characterize the company's size. In this research, the proportion of assets owned by the corporation is referred to as the company's identity. Because the value of assets is relatively more constant than the value of market capitalization and turnover, the number of assets is established as an indicator of the size of the company (Andriansyah & Suharto, 2019).

Corporate governance is also able to influence the stock prices of a company. Corporate governance refers to a system of regulations that control the interaction of shareholders, company management, creditors, the government, employees, and stakeholders by emphasizing on their rights and obligations (Sofiani, 2013). Corporate governance is inextricably linked to a company's capacity to turn a profit. When a company is able to generate substantial profits, the chance for investors to get a return on their investment is increased. As a result, providing large returns will increase the the company's value and the stock prices of the company. In this research, corporate governance is proxied through institutional ownership, which is assumed to maximize managerial performance, therefore its existence is important for tracking stock prices management. In theory, implementing corporate governance can increase company value by optimizing financial performance as evaluated by the quality of outcomes. Based on research, Sofiani (2013) stated that corporate governance has no discernible impact on share prices. This is contrary to Syafaatul (2013) which states that corporate governance does have an impact on stock prices.

Stock return is an important aspect behind an investor investing in the capital market. Stock returns can be interpreted as returns that are entitled to be obtained by investors who have invested in a company in the capital market. Investors consider that return can be used as a parameter to measure how much profit will be obtained from a stock. Before investing in the capital market, investors will review the most profitable stocks by evaluating the company's financial performance (Lestari et al., 2022). So, when financial performance improves, it will have an influence on raising stock prices in the market and provide a great potential to deliver returns for investors, making these shares more popular. Every investor has homogenous expectations or the same perception of stock return expectations, standard deviation, and security covariance (Azis et al., 2015). Investors invest their funds into a company because they expect a return on their investment. Calculating the return on shares in itself is insufficient for determining an investment. Because return and risk are inextricably linked, the risk of the chosen investment must also be evaluated. If the stock's risk is larger, the level of return or compensated return is higher (Hartono, 2017). Consideration of an investment is a trade-off of returns and risks is the basis for elevating stock returns into moderation variables in this research as a factor that will strengthen or weaken independent factors in affecting stock prices.

In this research, signal theory is a grand theory in which it plays a role in reflecting the behavior of two parties, both individuals and organizations with differing access to information. Before releasing the signal, the signal sender must first assess how information will be delivered, and the recipient will afterwards decide how to interpret the signal they have received (Connelly, 2011). Signal theory refers to the significance of information given by the company to investment decisions taken by third parties. Information is critical for both investors and businesspeople since information that contains the company's past, present, and future conditions is critical for the company's existence and the development of the capital market.

Several previous research on stock prices have been conducted, such as the research of Mahapsari & Taman (2013), which reveals profitability has a significant impact on stock prices, however asset structure has a negative impact on stock prices. Meanwhile, Hatta & Dwiyanto (2012) discovered that the profitability outcomes indicated by ROA had a relatively insignificant positive influence on stock prices. However, research confirmed that ROA has no influence on stock prices as a measure of profitability, according to Efendi & Ngatno (2018). Furthermore, according to Rivandi & Lasmidar (2021), if the company can improve its asset structure, its stock prices will rise as well, showing that asset structure has a significant impact on stock prices. The formula LN (total assets) is used to assess the size of a company based on the study of Zaki et al. (2017) can have a significant impact on the stock prices. However, contrary to Karimah (2014), who claims that a company's size has a negative and insignificant influence on stock prices. Then according to Silalahi & Suriani (2020) it was found that corporate governance as an effort to increase investor and other stakeholder confidence as well as the process of maintaining company sustainability in the long term has a significant impact on stock prices. However, based on study by Suryandari & Mongan (2020), corporate governance actually reduces the value of the company as reflected by stock prices, this may be due to the less than optimal implementation of corporate governance.

The consumer cyclicals sector consists of companies that produce cyclical goods or services or secondary needs so that the demand for goods and services in this sector is directly proportional to economic growth. The consumer cyclicals sector is a sector that is highly correlated to changes in the economy, where stocks in that sector have a sensitive reaction to changes in economic conditions. In good and stable economic conditions, stocks in this sector have the possibility of experiencing an increase in stock prices and offering good returns and vice versa. In this research, the researcher selected companies from the consumer cyclicals industry that are listed on the Indonesia Stock Exchange by considering the views of Purnomo (2022) which is confirmed in Figure 1 below, that the performance of the consumer cyclical sector is able to exceed the performance of the Composite Stock prices Index and LQ45, which gives a signal that the market gave a positive appreciation to this sector despite the sentiment of the Russian invasion of Ukraine. This is also supported by a considerable gain in stock prices since the beginning of the year by a number of issuers in the consumer cyclicals sector, which year to date (YTD) index is still in the green zone, having increased by 5,60% since the beginning of 2022. In Mulyana (2022) according to Investindo Nusantara Sekuritas analyst, Pandhu Dewanto and equity analyst Kanaka Hita Solvera, William Wibowo recognises issuers in this sector as having a great positive outlook, as evidenced by signals of a positive trend in this sector and increasing people's spending power and increased mobility as pandemic control becomes a positive catalyst.

Figure 1. Graph of Consumer Cyclicals Sector Movements
Source : www.investor.co.id

Based on the description above and the inconsistencies found from the results of previous studies. So, the research aimed to ensure the influence of profitability, asset structure, firm size, and corporate governance on the company's stock prices in the consumer cyclicals sector partially and simultaneously, as well as to determine and analyze whether stock returns as a moderating variable can increase or decrease influence of profitability, asset structure, firm size, and corporate governance on stock prices in consumer cyclicals sector companies. If an influential variable exists, the variable's ratio is intended to be utilized as a method to calculate the stock prices. The following is a framework of thought that can be described based on the concept of this research.

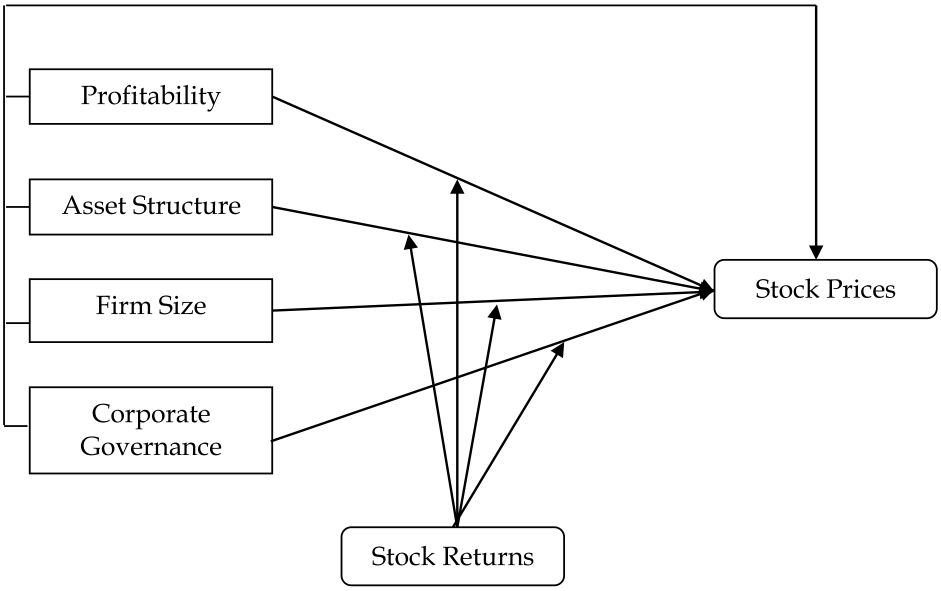

Figure 2. Research Framework

The following hypotheses can be created using the research framework given above:

H_1 Stock prices are affected by profitability;
H_2 Stock prices are affected by asset structure;
H_3 Stock prices are affected by firm size;
H_4 Stock prices are affected by corporate governance;
H_5 Profitability, asset structure, firm size, and corporate governance all have an impact on stock prices simultaneously;
H_6 Stock returns moderate the influence of profitability on stock prices;
H_7 Stock returns moderate the influence of asset structure on stock prices;
H_8 Stock returns moderate the influence of firm size on stock prices;
H_9 Stock returns moderate the influence of corporate governance on stock prices.

2. Research Method

This research is a sort of quantitative research that use a secondary data collection technique in the form of financial statements from companies listed on the Indonesia Stock Exchange in the consumer cyclicals sector between 2019 and 2021. Desk research and literature studies were used to acquire data. The research focuses on companies listed on the Indonesia Stock Exchange, particularly those in the consumer cyclicals sector. This study's population consists of consumer cyclicals sector businesses listed on the Indonesia Stock Exchange between 2019 and 2021. Purposive sampling techniques were used to collect samples, using the criteria

Table 1. Sample Criteria

Number	Criteria	Number of Companies
1	Companies listed on the Indonesia Stock Exchange in the consumer cyclicals sector during 2019 - 2021	49
2	Companies that do not report audited annual financial statements during the period 2019-2021	(14)
3	Companies that do not use Rupiah currency	(7)
	Research Samples	28
Total Samples (28x3 years)		**84**

indicated in Table 1 below. And IBM SPSS Statistics version 28 was utilized for data analysis, which included multiple linear regression analysis and moderation regression analysis.

Table 2. Operational Definition

Number	Variable	Indicators	Source
1	Profitability	$ROA = \frac{\text{Earning after tax}}{\text{Total assets}}$	Putri, 2015
2	Asset Structure	$\text{Asset Structure} = \frac{\text{Fixed assets}}{\text{Total assets}}$	Rivandi & Lasmidar, 2021
3	Firm Size	Firm Size= Log Natural (Total Assets)	Zaki et al., 2017
4	Corporate Governance	Institutional Ownership= $\frac{\text{Number of shares of institutional investorss}}{\text{Number of shares outstanding}}$	Mastuti & Prastiwi, 2021
5	Stock Returns	$\text{Stock Returns} = \frac{Pt+Pt-1}{Pt-1}$	Hartono, 2017
6	Stock Prices	Closing price	Rivandi & Lasmidar, 2021

3. Results and Discussion

3.1. Results

Table 3. Descriptive Statistical Test Result

Variable	Mean	Std. Deviation	N
Stock Prices	766,0735	533,69099	68
Profitability	0,0272	0,07381	68
Asset Structure	0,3504	0,19733	68
Firm Size	29,2181	1,18842	68
Corporate Governance	0,6925	0,18557	68
Stock Returns	-0,1104	0,28112	68

Source: Research Data

The total number of samples in the descriptive statistical table above reduced to 68 when an outlier process occurred due to the data showing extreme values, causing the data to not be distributed normally. The table above also displays the average stock prices, profitability, asset structure, company size, corporate governance, and consecutive stock returns of 766,0735; 0,0272; 0,3504; 29,2181; 0,6925; and -0,1104. As for the standard deviation, each variable indicates a value of 533,69099; 0,07381; 0,19733; 1,18842; 0,18557; and 0,28112.

CLASSICAL ASSUMPTION TEST

The regression model utilized in this study passed all of the classical assumption tests, including the data normality and autocorrelation tests. In the results of the normality test the data carried out through the Kolmogorov-Smirnov test produced Asymp. Sig. (2-tailed)[c] by 0.200 or exceeding 0.05. The data can then be determined to have met the normal distribution using the Kolmogorov-Smirnov test criteria. Meanwhile, the multicollinearity test yielded a VIF value of 1.024 to 1.242, which is less (<) than 10, and a Tolerance value of 0.805 to 0.977, which is more (>) than 0.10. As a result, the derived regression equation is completely safe of the problem of multicollinearity. For the heteroskedasticity test revealed that the spreading points weren't patterned to the right and left of 0 (zero) on the Y axis and above and below 0 (zero) on the X axis, then there were no symptoms or problems of heteroskedasticity in the regression equation. The last classical assumption test revealed a dU value (1.7335) Durbin Watson (2.130) 4-dU (2.665), indicating that there are no positive or negative autocorrelation symptoms in the data, allowing the regression analysis to proceed.

HYPOTHESIS TEST

Table 4. Partial Test (Multiple Linear Regression Analysis)

	Model	Unstandarized B	Coefficients Std. Error	Standarized Coefficients Beta	t	Sig.
1	(Constant)	-4720,347	1144,836		-4,123	<0,001
	Profitability	2794,744	689,672	0,386	4,052	<0,001
	Asset Structure	-663,663	257,915	-0,245	-2,573	0,012
	Firm Size	191,607	38,943	0,427	4,920	<0,001
	Corporate Governance	64,367	247,518	0,022	0,260	0,796

a. *Dependent Variable*: Stock Prices

Source: Research Data

3.2.Discussion

THE EFFECT OF PROFITABILITY ON STOCK PRICES

Based on table 4, it is known that the Significance value (Sig.) of the profitability variable proxied by ROA is <0,001 with a probability of 0,05 and T $_{\text{calculated value}}$ 4,052 > T $_{\text{table}}$ of 1,998, tt is reasonable to state that H_1 is acceptable. This proves that ROA (X1) has a large and significant effect impact on the share price (Y). ROA refers to a company's capability to produce profits and is one of the significant aspects that an investor considers before investing in the capital market. Investors feel that if the quantity of profit achieved as shown by ROA is high, it suggests that the investment will earn a high return. On the other hand, the achievement of ROA shows how a company's success is mostly determined by optimizing the management of a company's assets in order to generate a profit. So, when a company is able to generate a profit that keeps growing over time, it will undoubtedly improve the level of trust and interest of investors in instilling their wealth in the company. This will almost probably have an effect on the share price increase as a result of increasing demand for the company's shares. The results of this research are also in line with a study from Octaviani & Komalasarai (2017) which states that the greater the amount of ROA generated by a company, the greater the value of the company's assets, causing the share price to rise because the more interest investors are interested. Because if the company is profitable in each period, investors don't need to be concerned about any indicator that the company would lose money or perhaps go bankrupt. Thus, the firm's earnings or profits can be shared by investors, increasing the current price of the company's shares by opening up possibilities for new investors to invest their funds in the company. This research is also supported by the research of Joana & Pitaloka (2017), Ukhriyawati & Pratiwi (2018), Permatasari et al. (2019), Yunior et al. (2021), who both stated that profitability proxied through ROA has a significant and positive impact on stock prices. However, it contradicts the results of research from Junaeni (2017), Efendi & Ngatno (2018), Pongkorung et al. (2018), Umar & Savitri (2020) which states that the profitability proxied by ROA has no effect on stock prices.

THE EFFECT OF ASSET STRUCTURE ON STOCK PRICES

In table 4 presents the value of significance (Sig.) of the asset structure variable is 0,012 or less than the probability value of 0,05 with a T $_{\text{calculated value}}$ 2,573 > T $_{\text{table}}$ 1,998 as a result of which H_2 is accepted. The results of the regression test revealed a coefficient value of -663,663 with a negative direction. A negative value indicates that the asset structure variable does not have a unidirectional relationship with the stock prices. This study's findings are consistent with research conducted by Putri (2013) followed by Wibowo & Christiningrum (2017) who both stated that asset structure has a significant negative impact on stock prices. Because a growth in the asset structure of the company indicates an increase in the composition of the fixed assets owned by the company. Furthermore, the improvement of the asset structure in the company also results in an increase in risks that may be faced by the company in the future. Therefore, this has an impact on the emergence of investor concerns about improving the company's asset structure. Because if the increase in the structure of assets in the company is not accompanied by an increase in sales results or company revenues, it will have the potential to reduce the company's performance due to the swelling of depreciation costs on fixed assets owned by the company and this condition will cause a negative reaction which then has an impact on the decline in stock prices. Meanwhile, based on research produced by Wijaya & Utama (2014), Churcill & Ardillah (2019) and Wardani (2021) opposite to the findings of researchers' research by stating that the asset structure doesn't affect the stock prices because fixed assets are rarely change and have no influence on the company's net profit while the stock prices changes almost every day so that the conclusion is drawn that the asset structure doesn't affect the changes in stock prices.

THE EFFECT OF FIRM SIZE ON STOCK PRICES

The size of the company has a significantly positive influence on the stock price, as indicated in table 4 above, it is known that the significance value (Sig.) variable firm size shows the value of the Sig. <0,001 or less than 0,05 with T $_{\text{calculated value}}$ 4,920 > T $_{\text{table}}$ 1,998 it leads to the conclusion that H_3 is acceptable. Because the samples in this study were consumer cyclicals sector businesses registered on the main board of stock listing on the Indonesia Stock Exchange, the results of this study indicated that there was an impact of company size on stock prices. These companies are dominated by large-sized companies that tend to operate at maximum capacity and have a stronger possibility to sustain and raise their share values. Because larger companies can deliver higher earnings, lower risks, and have easier access to the financial market than smaller companies. This is surely a positive sign for investors since the company is thought to be capable of producing a substantial amount of profit and stable corporate performance, enticing investors to invest in the company, leading stock prices to rise. The findings of Irawan (2020)'s research lend support to this research, also research conducted by Darmawan et al. (2019) and Stify et al. (2021). However, it contradicts study undertaken by Hasanuddin (2020), Kurnia & Akbar (2021), and Rahma et al. (2022) which states the size of the company has no influence on the stock prices.

THE EFFECT OF CORPORATE GOVERNANCE ON STOCK PRICES

Corporate governance characteristics were proxied in this research by institutional ownership. The majority shareholder in most corporate shareholdings is institutional ownership. According to Dhuhri & Diantimala (2018), institutional ownership has advantages since it is professional in analyzing information and has strong control over company management in order to achieve shareholder prosperity. This will very probably have an impact on market reaction and investment interest. The increase in investor interest will affect the company's stock prices. For example, Nurulrahmatiah et al. (2020), Zulkarnain & Mariyam (2021), and Mardianto & Juniyanti (2020) found that corporate governance has a positive and significant impact on stock prices. Unfortunately, based on the partial test results, the findings of this study are contradictory (T Test) listed in table 4, showing a Significance value (Sig.) of Sig. 0,796 or greater than 0,05 with T $_{calculated\ value}$ 0,260 < T $_{table}$ 1,998 thus indicating that H_4 is rejected. According to the findings of this research, institutional ownership has no influence on the stock price of a company. So that the size or small percentage of institutional ownership in a company is not able to affect the stock prices. This result confirms that institutional appearance is not the main factor that investors consider in investing in the capital market. But, according to the findings of a study conducted by Irfani & Anhar (2019) the sample used in the study can be a factor that affects the results of the study, where in the study that investors who are members of institutional ownership in the sample company, are indicated as passive investors because they are temporary owners (transfer owners) and are only focused on current earnings so that institutional ownership in the sample of the study, is indicated as passive investors because they are merely temporary owners (transfer owners) and are only concerned with current earnings, institutional ownership in the research sample is not able to affect stock price movement. Similar statements were also obtained from the results of study by Astuti et al. (2018), Tidiana et al. (2018), and Setiawan et al. (2021) who agreed that corporate governance through institutional ownership is not able to affect stock prices.

Tabel 5. Simultaneous Test Results (Multiple Linear Regression Analysis)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10273676,288	4	2568419,072	18,367	<0,001b
	Residual	8809670,344	63	139836,037		
	Total	19083346,632	67			

a. Dependent Variable: Stock Prices
b. Predictors: (Constant), Corporate Governance, Profitability, Firm Size, Asset Structure

Sumber: Research Data

THE EFFECT OF PROFITABILITY, ASSET STRUCTURE, COMPANY SIZE, AND CORPORATE GOVERNANCE SIMULTANEOUSLY ON STOCK PRICES

As indicated by the estimated F value of 18,367 with a significance threshold of <0,001 or a probability less than 0,05, the results of the simultaneous test (test F) show that profitability, asset structure, firm size, and corporate governance all impact stock prices at the same time. So, based on the decision-making basis in the F test, it is possible to deduce that the profitability variable (X1), asset structure (X2), company size (X3), and corporate governance (X4) have a major significant (all at once) on the stock prices (Y) of consumer cyclicals sector businesses listed on the Indonesia Stock Exchange, indicating that H_5 is accepted. This means that a company is expected to more concentrate on increasing and maintaining profitability, asset structure, and company size in order to create consistent company performance stability in maximizing the implementation of company operational management, which will undoubtedly affect the stock price and achieve the targeted profit level. Furthermore, the company's emphasis is focused on the composition of the company's stockholders, as it is expected to be able to create good corporate governance in the company with this balance.

Tabel 6. Partial Test Results (Moderation Regression Analysis)

Model	*Unstandarized* B	*Coefficients* *Std. Error*	*Standarized Coefficients* *Beta*	t	Sig.
(Constant)	-5628,440	1108,842		-5,076	<0,001
Profitability	3136,741	771,459	0,434	4,066	<0,001
Asset Structure	-552,889	314,635	-0,204	-1,757	0,084
Firm Size	220,852	37,412	0,492	5,903	<0,001
Corporate Governance	64,957	284,163	0,023	0,229	0,820
Stock Returns	-4475,947	3741,495	-2,358	-1,196	0,236
X1Z	6120,706	1959,843	0,290	3,123	0,003
X2Z	202,124	964,198	0,044	0,210	0,835
X3Z	164,132	124,038	2,520	1,323	0,191
X4Z	-323,450	1016,041	-0,124	-0,318	0,751

a. *Dependent Variable*: Stock Prices

Source: Research Data

STOCK RETURNS MODERATE PROFITABILITY TO STOCK PRICES

According to table 6, has a substantial value of 0,003 for the variable of interaction (X1Z) between profitability and stock returns, the stock returns variable (Z) has the capacity to moderate the impact of the profitability variable (X1) on stock prices (Y), so H_6 is accepted. In this context, stock returns act as a pure moderator capable of strengthening the effects of profitability based on stock prices. The appearance of variable stock returns in the link between profitability and stock prices indicates that when profitability is supported by high stock returns, the quantity of demand for shares increases, causing the company's stock prices to rise. It will also have an automatic effect on raising receipts for stock returns. This is supported by the fact that investors prefer to invest their funds in companies with high profitability and return on stocks, because the market believes that companies with high stock returns have good performance and the ability to generate more stable profits on a going concern basis, as opposed to companies with low stock returns. This condition can also be a great signal that the corporation is capable of ensuring the well-being of its investors.

STOCK RETURNS MODERATE ASSSET STUCTURE TO STOCK PRICES

The variable asset structure moderated by stock returns has a coefficient value of 964,198 and a significance of 0,835, indicating that H_7 is rejected. This value demonstrates that the asset structure moderated by stock returns has no effect on the prices of stocks. On the basis of these findings, it can be inferred that, prior to being moderated, the larger the asset structure, the lower the stock prices. When the variable return on stocks is increased, however, investors no longer examine the company's asset structure before making an investment. Then it can be stated that the high or low of the asset structure is no longer a factor that investors consider when the company has offered an attractive rate of return on stocks. So that the emergence of variable stock returns will only weaken the influence of the asset structure on the prices of stocks. The addition of a stock return variable increases the significant value of the asset structure from 0,012 to 0,084 in this study.

STOCK RETURNS MODERATE FIRM SIZE TO STOCK PRICES

The significance of the interaction variable (X3Z) between the size of the company and the return on shares in table 6 shows a value of 0,191, indicating that the stock returns variable

(Z) is unable to moderate or only acts as a moderator predictor in the influence of the firm size variable (X3) on the stock prices variable (Y), rejecting H_8. The entire asset of a corporation reflects its size, whether it is large or little. There's no denying that a company's size matters when it comes to asset ownership and corporate success, so huge companies tend to garner more regular attention from investors. A company's large size will increase investor confidence in it. Increased investor confidence will indirectly raise demand for company shares, resulting in an increase in the company's stock prices as well as stock returns. However, when the study's findings are scrutinized, the addition of the stock return variable as a moderation actually weakens the association between the firm size and the stock prices. According to Hawari & Putri (2020), the period and research sample are the main indicators of variable Z's non-effect in moderating the relationship between variables X3 to Y.

STOCK RETURNS MODERATE CORPORATE GOVERNANCE TO STOCK PRICES

According to Islamiya & Amanah (2016), the existence of institutional ownership in a company's share ownership structure can encourage more optimal control over company performance, affecting the company's stock prices. Unfortunately, according to this study, institutional ownership hasn't been successful to influence stock prices of the company. Similarly, the addition of moderating variables represented by stock returns has failed to strengthen the relationship between institutional ownership and the company's stock prices, despite the fact that stock returns are one of the most important factors that investors and potential investors consider when investing in a company's shares. However, the magnitude of the significance value of the interaction variable (X4Z) between corporate governance, as proxied by institutional ownership, and the stock return variable shows a value of 0,751, consequently H_9 is rejected because the stock return variable (Z) is unable to moderate the impact of the corporate governance variable (X4) on the stock price variable (Y).

4. Conclusion

Stock prices are influenced by profitability, asset structure, firm size, and corporate governance all have simultaneously impact at the same time. Profitability, asset structure, and firm size each have a significant impact on stock prices, on the other hand corporate governance has no effect. Stock returns can moderate the relation between profitability and stock prices in consumer cyclicals businesses listed on the Indonesia Stock Exchange from 2019 to 2021, but they can't moderate the relationship between asset structure, company size, and corporate governance and stock prices.

The limitations of this study include the fact that the object utilized only concerns one corporate sector and is limited to the main board of stock listing, therefore the research results cannot be generalized to the entire sector contained in the Indonesia Stock Exchange. Furthermore, there are few past studies that may be used as references and the research period tends to be short, namely for three years only. So, despite the limitations of this study, academics and research in the future are likely to be able to undertake similar research using more complex research designs, expand the research sector, and extend time intervals in order to produce more comprehensive and accurate research results by using more data to minimize data fluctuations.

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