ABSTRACT

Stock price volatility is often a challenge for investors in making the right investment decisions. Stock price fluctuations are influenced by various factors, both from within the company and general economic conditions. In 2019-2023, an economic crisis occurred which caused stock prices to fall. However, demand for food and beverage products is predicted to remain stable because they are basic human needs. Macroeconomic and microeconomic factors such as inflation, interest rates, Earning Per Share (EPS), and Return on Asset (ROA) are predicted to affect stock prices.

This study aims to determine whether there is an influence between inflation, interest rates, EPS, and ROA on stock prices. The focus of this study is on food and beverage sub-sector companies listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2023.

The research method used is a quantitative method with a panel data regression analysis method. The analysis technique used is descriptive statistics. The data used is secondary data obtained from the financial statements of each company.

The results of the study found that simultaneously inflation, interest rates, EPS, and ROA have an effect on the stock prices of food and beverage sub-sector companies. While partially inflation and interest rates have no effect on stock prices. EPS and ROA partially have an effect on stock prices. EPS has a positive effect, while ROA has a negative effect.

This study can be a consideration for investors and company managers in making decisions related to the capital market. Investors can use these findings to develop better investment strategies by considering the influencing variables. Food and beverage companies must increase their profits and performance and show high EPS, and must also invest in productive assets so that they have optimal ROA to increase investor interest in buying their shares.

Keywords: inflation, interest rates, Earning Per Share, Return On Asset, stock prices, food & beverage subsector companies