

Stock Price Volatility: An Efficiency Test of The Indonesian Stock Exchange In Semi-Strong Form

Muhammad Mukhsin¹, Hari Sukarno², Hadi Paramui³

Department of Magister Management, Faculty of Economics and Business, Universitas Jember, Indonesia^{1,2,3}

Corresponding Author: Muhammad Mukhsin (muhammadmukhsin1703@gmail.com)

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ABSTRACT

An efficient capital market is a concept in which stock prices reflect all available public information. However, the level of market efficiency varies in different countries, including Indonesia. This study aims to test semi-strong market efficiency on the Indonesia Stock Exchange (IDX) by analyzing the effect of financial and macroeconomic variables on stock prices. The study population includes all companies listed on the IDX in the 2018-2022 period. The sample was selected using purposive sampling method based on certain criteria namely issuers belonging to the primary and non-primary consumer goods sector, with a total of 174 issuers. Independent variables in this study include CR, DER, ROE, PER, Firm Size, DPR, CSR, inflation, exchange rate, and BI Rate. The dependent variable is stock price. The factor analysis method was used to reduce the independent variables into three factors: financial efficiency, corporate dimensions, and corporate external factors. Multiple regression analysis was then applied to test the effect of these three factors on stock prices. The results showed that financial efficiency factors and external factors did not have a significant influence on stock prices. However, the firm dimension factor is proven to have a significant influence on stock prices.

Keywords: Factor Analysis, Multiple Regression, Market Efficiency, Semi-Strong Form.



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INTRODUCTION

The capital market is a financial system that allows individuals and business entities to buy and sell financial instruments, such as stocks, bonds, and derivatives, with the aim of making a profit or raising capital. The capital market serves as a place of exchange for financial assets, where the price of financial instruments is determined by supply and demand. It allows issuers to raise funds by selling stocks or bonds to investors, while investors can potentially grow the value of their investments. In addition, the capital market also has an important role in helping to assess the performance of issuers, allocate capital to where it is most productive, and provide liquidity for

investments. It is an important component of the financial system that supports economic growth and innovation in various sectors of the economy.

Market efficiency is a key concept associated with capital markets. Capital markets are considered efficient when the prices of financial instruments are accurately and informatively reflected, reflecting all publicly available information. Market efficiency is divided into three main forms: weak market efficiency, where prices reflect all historical information; semi-strong market efficiency, where prices reflect current public information; and strong market efficiency, where prices reflect all available information, including information that is not public (Husnan, 236:2019). Market efficiency provides benefits in terms of avoiding valuation errors, encouraging efficient resource allocation, and providing a solid basis for investors to make informed and data-driven investment decisions. Awareness of the forms of market efficiency is essential for all stakeholders in the capital market, including investors, issuers seeking funding, and market regulators.

This research is an important step in understanding the dynamics and behavior of capital markets that underlie investment decision-making. Efficiency Semi-strong market efficiency refers to the degree to which the prices of financial instruments reflect all publicly available information, including current information that may affect stock prices. This has significant implications for investors, issuers, and other related parties in making decisions related to investment, capital allocation, and risk management.

Tests of semi-strong form market efficiency have been carried out by several previous researchers, as has been done by Kurniawati & Lestari (2011) the results obtained state that the Indonesian capital market can be said to be inefficient in semi-strong form. Research conducted by Dewi & Artini (2014)) also resulted in the same conclusion that the Indonesian capital market is not efficient in semi-strong form.

Research stating that the Indonesia Stock Exchange is efficient in semi-strong form was conducted by Tjandra et al., (2006) resulting in findings that the Indonesian capital market is efficient in semi-strong form. Sulistiani (2020) states that the Indonesia Stock Exchange is efficient in semi-strong form. Another study was also conducted by Junaid et al., (2021) This study also states that the Indonesia Stock Exchange is efficient in a semi-strong form. The results of several previous studies are still inconsistent, so research on this topic needs to be reviewed.

This research will focus on the primary and non-primary consumer sectors which are the sectors with the largest number of issuers on the Indonesia Stock Exchange. The Indonesia Stock Exchange classifies listed issuers into 11 sectors, the 11 sectors are based on the industrial classification established by the IDX called the "Indonesia Stock Exchange Industrial Classification" or IDX-IC, the 11 sectors are 1) Energy, 2) Raw Materials, 3) Industry, 4) Primary Consumer Goods, 5) Non-Primary Consumer Goods, 6) Healthcare, 7) Property and Real Estate, 8) Finance, 9) Technology, 10) Infrastructure, 11) Transportation and Logistics. Based on IDX data there are 591 issuers listed in 2018 - 2022 and 174 of them are consumer goods issuers which are divided into primary and non-primary consumer goods sectors, with the number of issuers reaching 29.44% of all listed issuers, this sector is the sector with the largest number of issuers on the Indonesia Stock Exchange. The Primary Consumer Goods Sector includes issuers that engage in the production or distribution of products and services that are generally sold to consumers but for goods that are anti-cyclical or primary/basic goods, while the Non-Primary Consumer Goods Sector includes issuers that engage in the production or distribution of products and services that are generally sold to consumers but for goods that are cyclical or secondary goods (Bursa Efek Indonesia, 2024).

METHODS

The research method used in this study is quantitative with an explanatory approach. This research aims to explain the relationship between variables and identify causal factors or cause-and-effect relationships. The research population includes all issuers listed on the Indonesia Stock Exchange (IDX) during the 2018-2022 period. The sample was selected using purposive sampling method based on certain criteria, namely issuers belonging to the primary and non-primary consumer goods sector, with a total of 174 issuers. This sector was chosen because of the proportion of the number of issuers which reached 29.44% of all issuers on the IDX, so it is considered representative of the market as a whole. The data used is quantitative data obtained from issuers' financial reports and Bank Indonesia releases available on the official websites of the IDX and Bank Indonesia. For data analysis, Factor Analysis and Multiple Linear Regression Analysis techniques are used to produce accurate answers to hypotheses and research conclusions.

RESULTS AND DISCUSSION

The Indonesia Stock Exchange (IDX) is the official market for trading securities in Indonesia, including stocks and bonds. The IDX plays an important role in the economy by providing a platform for companies to raise capital and for investors to transact. Since 2021, the IDX classifies issuers in 11 industry sectors through IDX-IC. The focus of this research is the Primary and Non-Primary Consumer Goods sector, which includes 174 issuers or 29.44% of the total issuers on the IDX. This sector was chosen because it has the largest number of issuers compared to other sectors. As such, it is the sector with the largest number of listed companies, making it representative of the overall condition of the capital market in Indonesia. Fluctuations in the Primary and Non-Primary Consumer Goods sector have a significant impact on the capital market as this sector includes a wide range of companies involved in the production and distribution of goods that are directly related to consumers. Changes in consumer demand, raw material prices, as well as global and domestic economic conditions can affect the performance of companies within this sector, which in turn affects investor sentiment and stock price movements on the IDX.

The sampling method used in this research is purposive sampling, where issuers are selected based on certain criteria. The criteria used to select the sample are issuers included in the primary and non-primary consumer goods sector listed on the Indonesia Stock Exchange. Table 1 shows the sample selection process.

Table 1. Research Sample Selection Process

| No | Description | Number of Issuers |
|---|--|-------------------|
| 1 | Issuers listed on the Indonesia Stock Exchange in 2018-2022 | 591 |
| 2 | Issuers that are not included in the primary and non-primary consumer goods sector | 417 |
| 3 | Issuers that do not publish complete financial reports | 11 |
| 4 | Issuers that do not have data related to the variables studied | 41 |
| Issuers that became research samples | | 122 |

Source: www.idx.co.id (data processed)

After selecting the sample, there are 122 issuers that meet the predetermined criteria.

At the factor analysis stage, the Measure of Sampling Adequacy (MSA) test is carried out to test the assumption of a significant correlation between variables. Factor analysis can be done if $MSA \geq 0.5$. This research involves independent variables from internal aspects (Current Ratio, Debt to Equity Ratio, Return on Equity, Price Earning Ratio, Firm Size, Dividend Payout Ratio, Corporate

Social Responsibility) and external aspects (inflation, exchange rate, interest rate). The test is conducted in two stages: stage 1 for internal variables and stage 2 for external variables. The final results of stage 1 testing are shown in Table 2.

Table 2. KMO and Bartlett's Test Results Internal Variables

| Description | Value |
|--|-------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | ,502 |
| Significance of Bartlett's Test of Sphericity | ,000 |

Source: SPSS output (data processed)

The MSA value of 0.502 and Bartlett's Test of Sphericity significance of 0.000 met the criteria for continuing factor analysis ($MSA > 0.5$). Some variables were eliminated gradually based on the anti-image correlation value to achieve an appropriate MSA value. The eliminated variables are Dividend Payout Ratio, Price Earning Ratio, and Current Ratio. The final results of stage 2 testing for external variables are presented in table 3.

Table 3. KMO and Bartlett's Test Results External Variables

| Description | Value |
|--|-------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | ,504 |
| Significance of Bartlett's Test of Sphericity | ,000 |

Source: SPSS output (data processed)

The MSA value is 0.504 with a Bartlett's Test of Sphericity significance value of 0.000. The MSA value has met the criteria for continuing factor analysis, which is 0.5. This indicates that the existing variables and samples can be analyzed further. The next process is factor extraction, at this stage the variables that passed the previous test are reduced to new factors using the Principal Component Analysis (PCA) method. This process is carried out in two stages: stage 1 tests internal variables, and stage 2 tests external variables. Table 4 shows the PCA results for internal variables.

Table 4. Principal Component Analysis (PCA) Results Internal Variables

| Variables | Factor 1 | Factor 2 |
|---------------------------------|----------|----------|
| Debt to Equity | -,836 | ,377 |
| Return on Equity | ,883 | -,231 |
| Firm Size | ,308 | ,781 |
| Corporate Social Responsibility | ,378 | ,739 |

Source: SPSS output (data processed)

Table 4. shows that factor extraction of four variables resulted in two new factors. Variables are grouped based on correlation with factor 1 or factor 2, with a loading factor above MSA 0.5. Debt to Equity Ratio and Return on Equity cluster on factor 1, while Firm Size and Corporate Social Responsibility on factor 2. Since none of the variables have a strong correlation with the two factors, factor rotation is not required. Table 5. shows the PCA results for external variables.

Table 5. Results of Principal Component Analysis (PCA) External Variables

| Variables | Factor 1 |
|---------------|----------|
| Inflation | ,257 |
| Exchange Rate | ,913 |
| Interest Rate | ,900 |

Source: SPSS output (data processed)

Table 5. shows that factor extraction of inflation, exchange rate, and interest rate variables resulted in one factor. These variables are grouped based on correlation (loading factor > 0.5) with values of 0.257, 0.913, and 0.900, respectively. Since only one factor was formed, factor rotation was not required. The next stage is the process of interpreting the factor matrix formed, from the results of the previous test, 3 new factors were formed, the factors are named as follows;

1. Factor 1: Capital Policy (CP)

These factors include Debt to Equity Ratio (DER) and Return on Equity (ROE). DER shows the proportion of debt to equity, important for measuring financial risk and potential returns. ROE measures the effective use of equity in generating profits. An effective capital policy helps companies balance debt and equity to maximize shareholder value while managing risk.

2. Factor 2: Company Scale (CS)

These factors include Company Size and Corporate Social Responsibility (CSR). Large companies have more resources and economies of scale, allowing greater investment in R&D and technology. CSR includes social responsibility initiatives, enhancing reputation and consumer trust. The combination of company size and CSR can promote long-term growth and sustainability.

3. Factor 3: Macroeconomics (M)

These factors include Inflation, Exchange Rates, and Interest Rates, which are indicators of economic conditions. Inflation affects purchasing power and production costs. Exchange rates affect international competitiveness and import/export costs. Interest rates affect a company's borrowing and investment costs. Understanding macroeconomic trends helps companies manage risks and capitalize on opportunities in changing economic conditions.

Multiple linear regression analysis was conducted to determine the effect of capital policy factors, company scale factors and macroeconomic factors on the rise and fall of stock prices. Table 6 shows the results of multiple linear regression

Table 6. Multiple Linear Regression Results

| Independent Variable | Coefficient | Significance |
|-----------------------|-------------|--------------|
| Konstanta | 1819,66 | ,00 |
| Capital Policy Factor | 91,38 | ,64 |
| Company Scale Factor | 1.450,21 | ,00 |
| Macroeconomic Factor | 208,12 | ,27 |

Sumber : Output SPSS (data diolah)

The Capital Policy factor has a regression coefficient of 91,38, indicating a positive relationship with stock price. However, with a significance value of 0.64, which is greater than the significance level of 0.05, the null hypothesis (H_0) is accepted. This means that partially, the capital policy factor has no significant effect on the share prices of primary and non-primary consumer goods sector issuers.

The Company Scale factor has a regression coefficient of 1.450,21, also showing a positive relationship with the share price. With a significance value of 0.000, which is smaller than the significance level of 0.05, the null hypothesis (H_0) is rejected. This means that the company scale factor partially has a significant effect on the share prices of issuers in the primary and non-primary consumer goods sector.

Macroeconomic factors have a regression coefficient of 208,12, indicating a negative relationship with stock prices. However, with a significance value of 0,27, which is greater than the 0.05 significance level, the null hypothesis (H_0) is accepted. This indicates that partially, macroeconomic factors have no significant effect on the share prices of primary and non-primary consumer goods sector issuers.

This result can be interpreted that the Indonesia Stock Exchange is not efficient in semi-strong form because capital policy and macroeconomic factors do not show a significant effect on stock prices. This indicates that stock prices on the Indonesia Stock Exchange do not fully reflect all available public information.

DISCUSSION

Market efficiency is an important concept in financial theory that states that security prices in the market reflect all available information. Market efficiency is categorized based on three forms: weak form, semi-strong form, and strong form. Semi-strong form efficiency is one level of efficiency where stock prices reflect all available public information. This information includes financial statements, dividend announcements, new product launches, management changes, and relevant economic news.

In the context of the Indonesia Stock Exchange, semi-strong form efficiency means that publicly available information, such as company financial reports and industry news, is quickly and accurately reflected in stock prices. For example, if a company on the IDX announces a significant increase in its profits, its stock price will immediately adjust to reflect this new information. Therefore, investors cannot consistently earn abnormal returns by simply analyzing publicly available information, as the stock price already reflects that information.

Based on the test results on primary and non-primary consumer goods sector issuers on the Indonesia Stock Exchange for the 2018-2022 period on 10 variables using factor analysis to determine the relationship between variables, it shows that not all variables can be included in factor analysis because there are variables that must be eliminated to meet the eligibility criteria for factor analysis tests. Of the 10 initial variables, only 7 variables can be used to perform factor analysis, namely the variables Current Ratio, Debt to Equity Ratio, Firm Size, Corporate Social Responsibility, Inflation, Exchange Rate, and Interest Rate.

The results of the factor analysis formed 3 new factors. First, "Capital Structure & Profitability (SMP)" which consists of Return on Equity (ROE) and Debt to Equity Ratio (DER) variables, describes the company's ability to manage its equity and capital structure to achieve optimal financial performance. Second, "Firm Scale (SP)" which involves the variables firm size and CSR, highlights the relationship between the size of the firm and the scale of CSR activities it undertakes. Finally, "Macroeconomics (M)" consists of inflation, exchange rates, and interest rates, describing external factors that are beyond a company's control but have an impact on its operations and financial performance. The three factors that have been formed are factors that are expected to have an influence on the share prices of primary and non-primary consumer goods sector companies.

Based on the results of research using factor analysis on primary and non-primary consumer goods sector issuers on the Indonesia Stock Exchange for the 2018-2022 period in Table 4.5, the first formed factor that is estimated to have an influence on the share price of primary and non-primary consumer goods sector companies is the Capital Structure & Profitability (SMP) factor with variable members including Debt to Equity (DER) with a loading factor value of -0.836 and Return on Equity (ROE) with a loading factor value of 0.883.

Debt to Equity (DER), which is measured by the ratio of total debt to total equity, reflects the company's funding policy and financial risk. A good capital structure shows the company's ability to manage its debt and equity to support business operations and growth. Companies with lower DER are often considered more stable and low-risk, which can attract investors and increase stock value.

Return on Equity (ROE) is a measure of the profit earned on each unit of equity invested by shareholders. A high rate of return reflects a company's efficiency in using its capital to generate profits, which in turn increases investor confidence and boosts stock prices.

Capital Structure & Profitability, which includes DER and ROE, reflects the balance between the use of debt and the company's ability to generate profits from equity. Both play an important role in determining a company's stability and profitability, which in turn affects investors' perception of risk and profit potential. Companies with good Capital Structure & Profitability, i.e. having a manageable DER and high ROE, are often viewed more positively by the market. This can increase investor interest and push up share prices.

The second formed factor, named Firm Scale, emerged from the results of factor analysis on primary and non-primary consumer goods sector issuers on the Indonesia Stock Exchange for the period 2018-2022, as seen in Table 4.5. Firm Size and Corporate Social Responsibility (CSR) variables are integrated into this factor with loading factors of 0.781 and 0.739 respectively, indicating a close relationship between firm size and social commitment. This clustering of variables results in a deeper understanding of the characteristics of a firm that may influence its share price.

Firm size, as measured by total assets, reflects the scale and operational capacity of a business. Firm scale, like firm size, strengthens the understanding of the breadth of a company's operations. Companies with large total assets and significant size are considered to be more stable and have greater growth potential, which may encourage investor interest and increase share value.

Corporate Social Responsibility (CSR) is an activity in which a company considers the social and environmental impacts of its operations. The scale of the company, including its size and social responsibility, reflects the characteristics and influence of the company in society. Both influence investor and consumer perceptions, which in turn can affect stock prices. Companies that have a strong commitment to CSR and substantial size are often viewed more positively by the market, increasing investor interest and driving up share prices. What's more, combining these two variables provides a more holistic insight into how size and corporate social responsibility affect market confidence and stock performance.

The third formed factor is macroeconomic factors, as shown in Table 4.6, showing the results of a factor analysis that unifies the inflation, exchange rate and interest rate variables into a single factor. There is a strong correlation between these variables, with loading factors of 0.257, 0.913, and 0.900 respectively. This factor illustrates the company's vulnerability to external dynamics that can affect its performance and stability. This highlights the importance of understanding and managing the risks of a volatile macroeconomy that can impact companies.

Inflation is the phenomenon of a generalized and sustained rise in the prices of goods and services, which in turn reduces the purchasing power of a currency. As an external factor, inflation has far-reaching impacts, including on the economic balance and company operations. Rising prices can increase a company's production costs and also affect consumer demand, often leading to decreased profitability and slowed revenue growth. As a result, a company's poor performance in the face of inflation can lower investor confidence, affect investment attractiveness, and ultimately, potentially lower the company's share price.

Based on the results of hypothesis testing (Table 4.2.5) on the three factors formed, to determine the effect of capital structure & profitability, company scale, and macroeconomic factors on the rise and fall of stock prices. The statistical test results show that only the company scale factor has a positive and significant relationship to the stock price, meaning that the larger the scale of the company, the higher the company's stock price. This finding is in line with the results of research conducted by Wibisono & Yolanda (2020) which states that company size affects stock prices, as

well as research conducted by Novianti & Oktapiani (2008), Sulistiana (2017), which states that CSR has a significant effect on stock prices. Company scale, which is formed from the variables of company size and corporate social responsibility (CSR), has a significant influence on stock prices for several key reasons. First, firm size often reflects greater financial and operational capacity. Large companies tend to have more abundant resources, both in the form of assets and human capital. This allows them to operate more efficiently, take advantage of economies of scale, and have a greater ability to invest in innovation and expansion. Investors tend to see large companies as entities that are more stable and resilient to market fluctuations, which in turn increases confidence and interest in investing, thus boosting share prices.

In addition, large companies generally have better access to the capital market. They can more easily obtain financing from banks and institutional investors due to their reputation and track record. This access gives companies the financial flexibility to take advantage of profitable investment opportunities or overcome financial difficulties, which makes them more attractive to investors.

Corporate social responsibility (CSR) also plays an important role in influencing stock prices. CSR reflects a company's commitment to sustainable and ethical business practices. Companies that are active in CSR activities often gain a positive reputation in the eyes of the public and stakeholders. This good reputation not only improves the company's image but can also attract more loyal customers, as well as create better relationships with local communities and governments. This can reduce operational risk and increase long-term stability, factors that are highly considered by investors.

Furthermore, good CSR practices can reduce costs through better operational efficiency and reduce potential fines or litigation related to environmental and social issues. Overall, the combination of large company size and commitment to social responsibility increases positive perceptions in the eyes of investors, which is then reflected in an increase in the company's share price. Investors see these companies as entities that are not only financially strong but also socially responsible, making them attractive investment options.

The results showed that the capital structure & profitability factors have a positive but insignificant relationship to stock prices. This finding is consistent with research by Perkasa & Sopyan (2019), which also concluded that Debt to Equity Ratio (DER) has no significant effect on stock prices. However, these results differ from previous research by Ratnaningtyas (2021), which found that DER has a significant effect on stock prices. In addition, research by Batubara & Nadia (2018), and Novianti & Oktapiani (2008) shows that Return on Equity (ROE) has a significant effect on stock prices. In addition to capital structure & profitability factors, the results of this study also show that macroeconomic factors have an insignificant and negative effect on stock prices. This finding is different from previous research by Aini (2022), Rachmawati (2019), and Indriastuti & Nafiah (2017) which found that inflation, exchange rates, and interest rates significantly affect stock prices, so that the higher the capital structure & profitability and macroeconomic factors cannot affect the high and low stock prices.

In the context of capital structure & profitability, although ROE and DER theoretically reflect a company's ability to generate profits and manage its capital structure, their effect on share prices may be insignificant as it is observed that the average value of ROE held by the sample is 0.6%. This value indicates that the return on equity of the companies in the sample is very low. The ROE ratio of 0.6% reflects that the company only generates a very small profit from its equity. This value could be considered too low to be an attractive performance indicator for investors. With a low ROE, companies may be considered less efficient in using equity to generate profits, so investors may not see ROE as a major factor in stock price valuation.

While in terms of DER by observing that the average value of DER owned by the sample is 49.4%. This value indicates that the companies in the sample have a relatively stable and balanced capital structure between debt and equity. Since the average DER value of 49.4% is within the moderate range, the market may consider this level to be fairly standard and not exceptional, thus not having a significant impact on stock price valuations. In other words, stock price movements are more influenced by other factors that investors consider more important, such as operational performance, revenue growth, industry prospects, or general macroeconomic conditions, than a debt-to-equity ratio that is at a moderate level.

Macroeconomic factors such as inflation, exchange rates and interest rates often have a complex and indirect impact on stock prices. High inflation can erode consumer purchasing power, but companies that are able to adjust the prices of their products will be less affected. Volatile currency exchange rates can also affect different companies differently depending on their level of exposure to international markets. Meanwhile, changes in interest rates can affect companies' borrowing costs, but the effects on profitability and share prices are often mixed and take time to fully materialize. The uncertainty and variability in the impact of these factors often make it difficult for investors to directly link them to changes in share prices in the short term.

looking at the sensitivity values held by the sample: inflation sensitivity -0.9%, exchange rate sensitivity -0.8%, and interest rate sensitivity 2.3%. The inflation sensitivity value of -0.9% indicates that changes in inflation only have a very small and negative impact on stock prices. This small effect is not considered significant by investors, so changes in inflation are not enough to substantially affect investment decisions. Similarly, the exchange rate sensitivity of -0.8% indicates that changes in exchange rates also have a very small and negative impact on stock prices, so they are not significant enough to affect stock price movements. Meanwhile, the interest rate sensitivity of 2.3% shows a slight positive impact, but still not strong enough to be considered significant by the market. With such low sensitivity to these three factors, it is understandable why inflation, exchange rates and interest rates have no significant effect on stock prices in this study.

In addition, the stock market itself is heavily influenced by investor psychology and sometimes irrational market sentiment. News, global trends, and economic and political events often have a more significant impact in the short term than fundamental analysis based on capital structure and profitability or macroeconomic factors. This suggests that while capital structure and profitability and macroeconomic factors are important in fundamental analysis, they do not necessarily reflect stock price dynamics directly in the short term.

In conclusion, the complexity and number of variables that affect stock prices make the effect of capital structure & profitability and macroeconomics on stock prices insignificant, because investors tend to consider various other factors that better reflect their expectations of the future value of a company.

CONCLUSION

Market efficiency plays an important role in determining stock prices on the Indonesia Stock Exchange (IDX), especially in the semi-strong form which states that stock prices reflect all available public information. The results of research on primary and non-primary consumer goods sector issuers on the IDX show that only the company scale factor has a positive and significant relationship with stock prices. Large companies and those committed to corporate social responsibility (CSR) tend to be viewed more positively by the market and investors, which increases investment interest and drives up stock prices. Capital policy factors, such as Return on Equity (ROE) and Debt to Equity Ratio (DER), as well as macroeconomic factors, such as inflation, exchange rates, and interest rates, do not show a significant influence on stock prices.

This indicates that the Indonesia Stock Exchange is not yet efficient in semi-strong form, because not all relevant public information is reflected in stock prices.

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