

Bank Specifics and Macroeconomics on Commercial Bank Stock Returns in ASEAN

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ABSTRACT: The purpose of this study is to analyze the relationship between Non-Performing Loan, Net Interest Margin, Return on Assets, Capital Adequacy Ratio, Gross Domestic Product, Interest Rate and Inflation on Stock Returns of commercial banks in ASEAN countries. The population in this study is all commercial banks that have gone public and are listed on the stock exchanges of ASEAN countries in 5 countries, namely Indonesia, Singapore, Malaysia, Thailand and the Philippines with sampling using purposive sampling so that a sample of 17 banks in the 5 countries was obtained. The analysis technique uses panel data regression with the help of Eviews software. Hypothesis testing uses t test and F test. The test results show that the best model in this study is the Random Effect Model (REM) with the results of the hypothesis test showing that Non Performing Loans do not affect Stock Returns, Net Interest Margin does not affect Stock Returns, Return On Assets affects Stock Returns, Capital Adequacy Ratio does not affect Stock Returns, Gross Domestic Product affects Stock Returns, Inflation does not affect Stock Returns, Interest Rate does not affect Stock Returns and Non Performing Loans, Net Interest Margin, Return on Assets, Capital Adequacy Ratio, Gross Domestic Product, Interest Rate and Inflation simultaneously affect Stock Returns of commercial banks in ASEAN countries.

KEYWORDS: Bank Specifics, Macroeconomics, Non Performing Loans, Net Interest Margin, Return on Assets, Capital Adequacy Ratio, Gross Domestic Product, Interest Rate, Inflation, Stock Returns

INTRODUCTION

Stock returns are a key indicator that investors pay close attention to when measuring the performance of their investments in the capital market. For investors, stock returns reflect the potential profits that can be earned from asset ownership, and are typically measured in nominal value or percentage terms.. Stock return fluctuations can be influenced by various factors, both those originating from the specifics of the bank itself and from broader macroeconomic conditions.(Metyopandi, Salim, & Aisjah, 2023).Bank-specific variables such as Non-Performing Loans, Net Interest Margin, Return on Assets, and Capital Adequacy Ratio were selected to provide a broader understanding of the specific conditions of commercial banks in the ASEAN region. Meanwhile, macroeconomic variables such as Gross Domestic Product, Inflation, and Interest Rates will illustrate the macroeconomic situation in ASEAN countries.

Regarding bank-specific variables, the Non-Performing Loan (NPL) Ratio reflects the extent to which a bank can manage problem loans. According to(Panca Putra Kusuma, Widiyanti, Malinda, Malinda, & Adam, 2023)A high NPL rate is an indicator of problems in loan management, indicating a company's ineffectiveness in managing credit risk. If a company records a high NPL rate, this can negatively impact the stock returns offered. This is because increased credit risk can erode investor confidence and negatively impact the company's overall financial returns.(Fordian, 2018). According to(Freddy & Toni, 2020)The NIM reflects the bank's income derived from the difference between interest on loans granted to debtors and interest on deposits held by third parties. A high NIM indicates that the bank is maximizing its fund management, thus being considered a positive indicator of the bank's financial returns.Sausan, (2020) reveals that Return on Assets (ROA) influences stock returns. The high or low ROA is highly dependent on management's ability to manage assets efficiently and optimally. A high ROA reflects strong financial returns and the company's efficiency in generating profits from its assets, which can provide a positive signal to investors. Investors may consider companies with high ROA as profitable investment options, which in turn can increase stock returns. The Capital Adequacy Ratio (CAR) is an indicator that describes a bank's ability to maintain sufficient capital to face potential risks, including risks to productive assets that can result in losses. According to regulations, banks are required to maintain a CAR ratio above the

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minimum threshold of 8%. (Subagyo, Achsani, & Sasongko, 2022) A high CAR indicates solid capital management and an effective risk management strategy, which in turn can foster investor confidence and impact stock returns.

Then for macroeconomic variables, GDP is a key indicator that reflects the total output of all goods and services produced domestically in a given period. According to (Kalam, 2020) GDP is measured by adding up the value of all national production, including taxes and subsidies, without recalculating the value of final products. GDP also serves as an important reference for investors, policymakers, and businesses in making strategic decisions. Accordingly, (Gusti, Ajeng, Ratih, & Candradewi, 2020) emphasizes that GDP represents a country's overall economic value. On the other hand, high or unexpected inflation can create uncertainty in the capital markets, forcing prices of products and services to adjust to offset rising operating costs. This has the potential to impact stock returns. Investors in such situations tend to be more cautious and prefer assets perceived as safe. Therefore, inflation often impacts stock investment returns. (Jamaludin, Ismail, & Manaf, 2017). Furthermore, (Bassar, Effendi, Hidayat, & Budiono, 2021) It also states that rising interest rates can cause a shift in funds from stocks to savings or deposits, which directly impacts stock prices, stock returns, and overall stock performance. Therefore, the relationship between interest rates and stock returns is very close, with high interest rates tending to suppress capital market activity due to a shift in investor investment preferences.

A bank's specific conditions are a key factor in maintaining public trust and ensuring the stability of the economic system. A bank-specific evaluation involves a comprehensive assessment of various fundamental aspects that influence its stock returns. This assessment not only aims to restore and maintain public trust in banking institutions but also serves as an important indicator in assessing a bank's credibility and management. (Fordian, 2018) Santoso and Wijaya (2021) added that macroeconomic factors such as inflation and benchmark interest rates have a significant impact on stock price movements, including in the banking sector.

Bank stocks are often sought after by investors because they are considered to provide direct exposure to a country's economic growth. Furthermore, banks are generally viewed as stable and credible financial institutions, making their stocks attractive to investors who prioritize trust and stability. The banking sector is also considered to have high liquidity, making it an attractive option in the capital market. The banking sector itself contributes significantly to the global economy through its support for economic expansion, investment financing, and job creation.

Various studies related to specific bank and macroeconomic analysis of stock returns, including: Subagyo, (2022) And Kusuma, (2023) the discovery of NPL has no effective influence on stock returns. On the contrary, it was obtained from research Noviyanti, (2021) shows that NPL has an impact on stock results. Subagyo, (2022) stated that NIM was indicated to have no significant influence on stock results. However, other findings were presented. Alexander, (2020) which states that NIM has a significantly correlated influence on stock returns. (Obala & Olweny, 2018) found that ROA had a significant positive effect on stock returns. Conversely, (Metyopandi et al., 2023) shows that ROA does not have an influence on stock returns. (Fordian, 2018) And (Tahmat, 2020) stated that CAR has no effect on stock returns. Other results from (Al-jafari, Altaee, & Adam, 2021) which states that CAR has a significant effect on stock returns. Meanwhile, research by Sari and Amalia (2021) revealed that CAR actually has a significant negative effect on stock returns.

Tan and Lee (2017) found that fluctuations in macroeconomic indicators such as interest rates and inflation significantly impacted bank stock returns in Singapore. Meanwhile, Sari and Widyastuti (2020) emphasized that in Indonesia, bank health has a more dominant influence on bank stock returns than macroeconomic factors. Gusti et al. (2020) states that GDP has no effect on stock returns. Meanwhile, Soon et al. (2023) found that economic growth has a positive influence on the stock returns of Islamic REITs (Real Estate Investment Trusts) in Singapore. (Isnurhadi et al., 2019) also confirmed that GDP has a positive and significant effect on the company's financial returns. According to Kalam, (2020) And Siang & Rayappan, (2023) stated that inflation has a positive and significant impact on stock market returns in Singapore. Conversely, Khan (2019), found that inflation showed a significant negative effect on stock investment returns.

This research will focus on commercial banking operating in the ASEAN region. The ASEAN region is an interesting market to analyze given its dynamic economic growth and the increasing integration of financial markets among its member countries. For example, Singapore is known as an emerging market and has the largest stock exchange among the five ASEAN countries, measured by the number of listed companies. (Siang & Rayappan, 2023) with this strategic position, stock markets in ASEAN countries play a crucial role and attract regional and global investors. Setyawan and Cahyono (2024) emphasized that economic integration in ASEAN further strengthens capital market interdependence, allowing bank-specific and macroeconomic factors in one country to influence bank stock returns in other ASEAN countries.

LITERATURE REVIEW

Stock Returns

Return Stock returns reflect how effectively a stock provides returns to investors, and are also an indicator of the extent to which shareholders profit from their investment. One approach often used to measure stock returns is through the EPS (Earnings Per Share) indicator. According to Saputra, (2019), EPS is the ratio between distributable net income to net income available to common shareholders calculated by subtracting preferred stock dividends from after-tax profit, then dividing by the weighted average number of shares outstanding in a period.

Non-Performing Loan

Non-Performing Loan (NPL) is an indicator that reflects a bank's ability to manage credit risk, particularly in preventing non-performing loans due to borrowers' inability to meet loan repayment obligations. This ratio measures the bank's effectiveness in selecting prospective borrowers appropriately, thereby reducing the potential for bad debts and lowering overall credit risk.

Net Interest Margin

Net Interest Margin is a financial ratio commonly used in the banking industry to measure the difference between interest income earned from earning assets and interest expenses paid to lenders. This ratio illustrates how efficiently bank management manages earning assets to maximize net interest income.

Return on Assets

Return on Assets is an indicator that reflects a company's level of efficiency and productivity in utilizing all its assets to generate net profit. The higher the ROA, the better the company's ability to effectively manage its assets to achieve optimal profits. ROA is an important benchmark for evaluating financial returns because it provides insight into the effectiveness of a company's asset management.

Capital Adequacy Ratio

The Capital Adequacy Ratio (CAR) is an indicator used to measure a bank's ability to absorb potential losses arising from risks encountered during its operational activities. This ratio indicates the extent to which a bank's assets are supported by sufficient capital to anticipate potential losses. The higher the CAR, the stronger the bank's capital position, indicating a better capacity to withstand economic pressures and financial risks. Therefore, CAR is an important indicator in assessing the health and stability of a banking institution.

Gross Domestic Product

According to (Kalam, 2020) Gross Domestic Product measures total national production by adding up all taxes and subsidies, excluding the intrinsic value of the product itself. (Hendra Safri, 2018) states that GDP is the total value of all goods and services produced domestically within a year.

Interest Rate

The interest rate, specifically known as the BI rate in the Indonesian context, is the policy interest rate set by Bank Indonesia as the primary instrument for directing monetary policy. This interest rate is announced monthly and is used to manage market liquidity to support the achievement of monetary targets (Suparmono, 2018).

Inflation

Inflation is a condition in which the prices of goods and services generally experience a continuous increase over a certain period of time. (Sugiyanto & Rahayu, 2019).

Research Conceptual Framework

An overview of the bank-specific and macroeconomic impact on stock returns of commercial banks in ASEAN can be seen in the conceptual framework below.

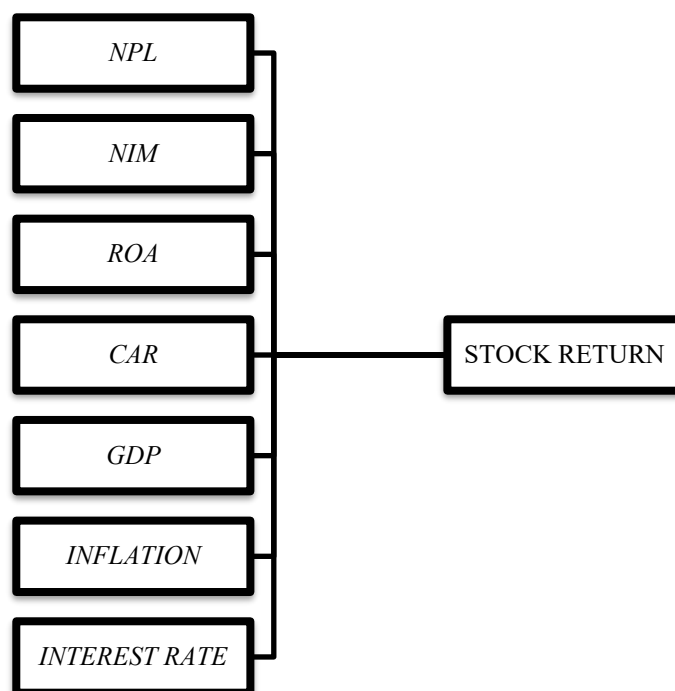


Figure 1. Research Conceptual Framework

Hypothesis

Noviyanti (2021) suggests that Non-Performing Loans (NPLs) have a significant influence on stock returns. A high NPL value indicates a high total of non-performing loans or defaults held by the bank, which can ultimately worsen the bank's financial condition because it has the potential to erode capital. In the context of the capital market, NPLs can function as a signal for investors. A high NPL ratio provides a negative indication of a bank's financial health, which can reduce investor interest. Conversely, if the NPL is at a low level, this provides a positive signal that boosts investor confidence, thus potentially increasing the share price of the bank concerned.

H1 :Non-Performing Loans have a positive effect on stock returns of commercial banks in ASEAN.

Alexander, (2020, explains that Net Interest Margin (NIM) significantly influences stock returns in banking companies. This is because NIM is the primary representation of a bank's profit from intermediation activities, namely the difference between interest earned from lending and interest paid to depositors. Therefore, NIM can provide investors with a signal regarding a bank's profit potential and financial health.

H2 :Net Interest Margin (NIM) has a positive effect on stock returns of commercial banks in ASEAN

(Obala & Olweny, 2018)explained that Return on Assets (ROA) contributed positively to stock returns in ten banks listed on the Nairobi Stock Exchange. Another study bySausan, 2020also revealed that Return on Assets (ROA) influences stock returns. The level of ROA is highly dependent on management's ability to efficiently and optimally manage assets. A high ROA reflects strong financial returns and company efficiency, meaning a company's ability to generate profits from its assets can send a positive signal to investors. Investors may perceive a company with a high ROA as a profitable investment option, which in turn can increase stock returns.

H3 : Return on Assets (ROA) has a positive effect on stock returns of commercial banks in ASEAN

Jati & Fachrurrozie, (2021)stated that there is a significant positive influence of the Capital Adequacy Ratio (CAR) on stock returns. A similar statement was made.(Iskandar, 2020)which states that increasing CAR increases a bank's capital reserves, enabling more aggressive credit expansion and business development. This has the potential to increase profitability, increase dividend distribution opportunities, and ultimately drive higher stock returns.

H4 : Capital Adequacy Ratio (CAR) has a positive effect on stock returns of commercial banks in ASEAN

(Kalam, 2020), stated that Gross Domestic Product (GDP) has a positive impact on stock returns. The same thing was conveyed byDavid & Sihombing, (2020)who found that GDP growth strengthens investor confidence and encourages increased investment in stocks, particularly in sectors that benefit from economic expansion.

H5 : Gross Domestic Product (GDP) has a positive effect on the stock returns of commercial banks in ASEAN

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Dutiva Br. Ginting & Matondang, (2022)He stated that inflation had a negative and significant effect on the returns of mining sector stocks on the IDX. Jamaludin et al., (2017)explains that controlled inflation can be an indicator of stable economic growth, while high inflation puts pressure on company profits.

H6 : Inflation has a negative effect on stock returns of commercial banks in ASEAN

Kalam (2020)revealed that interest rates have an impact on stock returns. This finding is also supported by research by Nasser et al. (2017), which showed a significant influence of interest rates on stock returns in ASEAN-5 countries, namely Indonesia, Singapore, the Philippines, and Thailand. Changes in interest rates provide signals regarding inflation and economic conditions, where interest rate increases are often seen as a sign of strong economic growth, which increases investor confidence and in turn supports stock returns.

H7 :Interest Rate has a negative effect on Stock Returns of commercial banks in ASEAN

RESEARCH METHODOLOGY

The population in this study is all commercial banks that have gone public and are listed on the stock exchanges of ASEAN countries, such as Indonesia (IDX), Singapore (SGX), Malaysia (Bursa Malaysia), Thailand (SET), and the Philippines (PSE), during the period 2014 to 2024. The research sample was determined using the purposive sampling method, namely a sampling technique based on certain criteria determined by the researcher. The analysis technique used is panel data regression, starting with the model accuracy test with hypothesis testing using the t-test and F-test.

RESULTS AND DISCUSSION

Panel Data Regression Model Selection

1. Chow Test

Table 1. Chow Test Results

Chow Redundant Fixed Effects Tests

Equation: Untitled

Fixed Effects cross-section test

Effect Test	Statistics	df	Prob.
Cross-section F	0.746121	(16,163)	0.7434
Cross-section Chi-Square	13.217350	16	0.6568

Table 1 explains that the results of the redundant fixed effect or likelihood ratio for this model have an F probability value of 0.7434 which is greater than alpha 0.05, so H0 is accepted and H1 is rejected, the appropriate model from these results is the common effect model.

2. Hausman test

Table 2. Hausman Test Results

Correlated Random Effects - Hausman Tests

Equation: Untitled

Random Effects cross-section test

Test Summary	Chi-Sq. Statistic	Chi-Sq. df	Prob.
Cross-section Random	10.501486	7	0.1619

Table 2 explains that the results of the Hausman test show a probability value of 0.1619 (probability > 0.05), so H0 is rejected and H1 is accepted, so it can be interpreted that the random effects model is better than the fixed effects model.

3. Lagrange Multiplier Test

Table 3. Lagrange Multiplier Test Results

	Cross-section	Hypothesis Test Time
Breusch-Pagan	2.150183 (0.1426)	880.4693 (0.0000)
Honda	-1.466350	29.67270

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	Cross-section	Hypothesis Test Time
	(0.9287)	(0.0000)
King Wu	-1.466350	29.67270
	(0.9287)	(0.0000)
Standardized Honda	-0.804413	35.40540
	(0.7894)	(0.0000)
Standardized King Wu	-0.804413	35.40540
	(0.7894)	(0.0000)
Gourieroux, et al	-	-

Table 4 explains that the Breush-Pagan Probability (BP) value is 0.0000. The hypothesis is that if the Breush-Pagan Probability (BP) is smaller than alpha ($0.0000 < 0.05$) then H_0 is rejected and H_1 is accepted, so the appropriate model in the results above is the random effects model.

Hypothesis Testing

Table 5. Panel Data Regression Results – Random Effects Model

Dependent Variable: Stock Returns

Method: Panel Least Squares

Sample: 2014 2024

Periods included: 11

Cross-sections included: 17

Total panel (balanced) observations: 187

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.216681	0.119176	-1.818155	0.0707
Non-Performing Loan	1.649297	1.639447	1.006008	0.3158
Net Interest Margin	-3.538395	1.975591	-1.791057	0.0750
Return on Assets	6.124095	2.815552	2.175096	0.0309
Current Asset Ratio	0.479713	0.765925	0.626319	0.5319
Gross Domestic Product	1.171173	0.269528	4.345272	0.0000
Inflation	0.292349	0.520749	0.561401	0.5752
Interest Rate	1.005358	0.720644	1.395083	0.1647
R-squared	0.219172	Root MSE		0.115962
Adjusted R-squared	0.188637	Mean dependent var		0.051342
SE of regression	0.118525	SD dependent var		0.131584
Sum squared residual	2.514632	Akaike info criterion		-1.385543
Log likelihood	137.5483	Schwarz criterion		-1.247314
F-statistic	7.177682	Hannan-Quinn criter.		-1.329533
Prob(F-statistic)	0.000000	Durbin-Watson stat		2.789032

Referring to Table 5, each hypothesis in this study is described as follows.

For the Non-Performing Loan (NPL) variable, the t-statistic value is $1.006008 < t$ table 1.972869946 and the probability value is $0.3158 > \alpha 0.05$, which means that H_0 is accepted and H_1 is rejected. Therefore, it can be explained that Non-Performing Loan (NPL) does not have a significant effect on the Stock Return of commercial banks in ASEAN. This insignificance can also be influenced by disparities in classification policies and handling of non-performing loans between ASEAN countries. Differences in reporting and transparency of financial data between member countries can create inconsistencies in the interpretation of NPL data by regional and global investors. In addition, during the 2014–2024 period, the ASEAN region is relatively stable economically and able to maintain a resilient banking system, so that even though there are fluctuations in NPL, their effect on Stock Return is not seen to be significant. This finding is supported by the study(Panca Putra Kusuma et al., 2023; and Subagyo et al., 2022)which also found that NPLs had no significant impact on bank stock returns. The practical implication is that bank management should

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maintain a healthy NPL ratio for long-term stability, even though in the short term, this variable is not a major determinant of stock price movements.

The Net Interest Margin (NIM) variable yields a t-statistic of $-1.791057 < t_{table} 1.972869946$ and a probability value of $0.0750 > \alpha 0.05$, indicating that H_0 is accepted and H_1 is rejected. This suggests that Net Interest Margin (NIM) does not significantly influence stock returns for commercial banks in ASEAN. The insignificance of NIM in this study may be due to several factors. First, investors place more emphasis on end-result indicators such as ROA rather than interest margins alone. Second, market conditions and interest rate structures vary across ASEAN countries, making it difficult to compare NIMs across countries. Third, during the 2014–2024 period, NIM fluctuations in the ASEAN region were relatively stable and not extreme, thus creating a less than strong signal for investors to change their investment strategies. These findings support the research findings (Subagyo et al., 2022), which states that NIM has no significant effect on stock returns. The practical implication is that while maintaining NIM within the efficient range is important, bank management should focus on more comprehensive strategies to improve profitability and stock attractiveness, such as productive asset management and improving overall operational efficiency.

The Return on Assets (ROA) variable yields a t-statistic of $2.175096 > t_{table} 1.972869946$, and a probability value of $0.0309 < \alpha 0.05$, indicating that H_0 is rejected and H_1 is accepted. Therefore, it can be concluded that Return on Assets (ROA) has a positive and significant effect on stock returns of commercial banks in ASEAN. This finding aligns with signaling theory, which states that information about managerial efficiency and company profitability is a positive signal to the market. A high ROA indicates that the bank has successfully managed its assets optimally, generating maximum profits, and this provides investors with confidence in the prospects for future profits and dividend distributions. This finding is supported by research findings (Metyopandi et al., 2023; and Obala & Olweny, 2018), which states that ROA has a significant effect on stock returns.

The Capital Adequacy Ratio (CAR) variable yields a t-statistic of $0.626319 < t_{table} 1.972869946$ and a probability value of $0.5319 > \alpha 0.05$, indicating that H_0 is accepted and H_1 is rejected. Therefore, it can be concluded that the Capital Adequacy Ratio (CAR) does not significantly influence the stock returns of commercial banks in ASEAN. From a signaling theory perspective, a high CAR should signal a bank's strong capacity to withstand volatile market conditions, thus increasing investor confidence. However, in practice, investors are likely more interested in indicators that directly impact profits, such as ROA or net profit, rather than prudential indicators such as CAR. This insignificance can also be explained by contextual factors such as differences in capital policies and investor expectations in each ASEAN country. This research supports the findings of (Fordian, 2018 and Tahmat, 2020), which indicates that CAR has no significant effect on stock returns. The practical implication is that bank management must maintain the CAR ratio in accordance with regulatory requirements and to ensure long-term stability, but must be aware that capital market investors may not directly perceive the relationship between CAR and stock returns. Therefore, increasing CAR needs to be accompanied by a business strategy that also increases profitability to positively impact stock performance.

For the Gross Domestic Product (GDP) variable, the t-statistic value is $2.175096 > t_{table} 1.972869946$ and the probability value is $0.0309 < \alpha 0.05$, which means that H_0 is rejected and H_1 is accepted. Therefore, it can be explained that Gross Domestic Product (GDP) has a positive and significant effect on the stock returns of commercial banks in ASEAN. This finding is in line with signaling theory, which states that expectations of improving economic performance will send a positive signal to market players, including stock investors. In a growing economy, banks have greater opportunities to distribute credit, develop business lines, and increase profit margins. Investors will respond to these positive expectations by increasing interest in bank stocks, which ultimately drives up stock returns. This finding is also consistent with research (Saputra et al., (2019) and Soon et al., (2023), which states that GDP significantly affects banking sector stock returns.

The inflation variable yields a t-statistic of $0.561401 < t_{table} 1.972869946$, with a probability value of $0.5752 > \alpha 0.05$, indicating that H_0 is accepted and H_1 is rejected. Therefore, inflation does not significantly impact stock returns for commercial banks in ASEAN. Theoretically, rising interest rates increase the cost of funds for banks, potentially reducing profit margins from lending activities. Furthermore, investors may shift funds from stocks to more attractive fixed-income instruments due to high interest rates, potentially reducing demand for bank stocks. However, the insignificance of this finding could be due to several factors. First, differences in interest rate structures and mechanisms across ASEAN countries make it difficult for investors to draw general conclusions from a single interest rate indicator. Second, some banks may have hedged against interest rate fluctuations, thus indirectly impacting stock performance. Third, the capital market may have anticipated interest rate changes in stock valuations early on. This supports the findings (Pratiwi, Robiyanto, & Martono, 2021) which states that interest rates do not have a significant effect on stock returns.

The Interest Rate variable obtained a t-statistic value of $1.395083 < t_{table} 1.972869946$ and a probability value of $0.1647 > \alpha 0.05$, which means that H_0 is accepted and H_1 is rejected. Therefore, it can be explained that the Interest rate does not have a significant effect on Stock Returns of commercial banks in ASEAN. Theoretically, inflation can increase bank operating costs and reduce the real value of income and assets, thereby disrupting profitability. On the other hand, in conditions of high inflation,

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people's purchasing power decreases and demand for credit can also weaken. Based on signaling theory, high inflation can cause economic uncertainty and increase risk perceptions among investors. However, the insignificant effect of inflation in this study may be due to the stability of inflation in many ASEAN countries during the 2014–2024 period, which makes price fluctuations not a major concern for investors. This finding is in line with (Febrianti et al., 2024 and MS Khan, 2025), which states that inflation does not have a significant effect on stock returns

CONCLUSIONS, LIMITATIONS, AND SUGGESTIONS

The conclusion that can be drawn from this study is that Return on Assets (ROA) and Gross Domestic Product (GDP) have a positive and significant relationship with stock returns. Meanwhile, the Net Interest Margin (NIM) variable shows a negative but insignificant relationship with stock returns. The Non-Performing Loan (NPL), Capital Adequacy Ratio (CAR), inflation, and interest rates also do not show a statistically significant relationship with stock returns. This study is limited to only 17 commercial banks from five ASEAN countries with annual data for the period 2014–2024. Future researchers can expand the object of study not only limited to the banking sector, but also other industrial sectors such as insurance, property, manufacturing, or technology, to obtain broader generalizations of the findings and compare the sensitivity of stock returns between sectors to economic and financial factors.

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