

ABSTRACT

This study examines the effect of microeconomic variables such as: Earnings per Share (EPS), Debt-to-Equity Ratio (DER), Tobin's Q (TBQ), and Return on Assets (ROA) and macroeconomic variables such as: real interest rate, exchange rate (IDR/USD), and Gross Domestic Product (GDP) on stock prices in the Building Products and Fixtures sub-sector listed on the Indonesia Stock Exchange during 2018–2023. Using panel data regression with a fixed effect model and applying lagged structures for microeconomic indicators, the findings reveal that microeconomic and macroeconomic factors jointly influence stock prices, although their individual impacts vary in significance. The use of lagged models strengthens causal interpretation, reflecting the delayed market response to published financial reports. These results align with the Efficient Market Hypothesis, Signaling Theory, and Dividend Discount Model, providing insights into the interaction of firm fundamentals and macroeconomic conditions in determining stock valuation.

Keywords: *Stocks; Microeconomic; Macroeconomic; FE; RE.*

JEL: G12, G14, G32, E44, E52