SUMMARY

CITRA PUTRI SEPTANTI. Analysis The Impact of Macroeconomic Variables to Financial Performance and Stock Returns of State-Owned Banks in Indonesia Stock Exchange 2006-2016. Supervised by HERMANTO SIREGAR and HENDRO SASONGKO.

Financial sector is a sector with the largest market capitalization in the Indonesia Stock Exchange until 2015, which 92% of market capitalization in financial sector filled by banking subsector. There are 42 banks listed in the Indonesia Stock Exchange until 2015 and four of them are state-owned banks. Growth of state-owned bank’s market capitalization in the past few years is greater than the other banks. The quickly improvement of state-owned bank’s performance after the global economic crisis in 2008 made investors very interested to invest in the stocks of state-owned banks. The last few years there is an issue of state-owned bank’s holding that aims to strengthen capital, reduce costs and strengthen the domestic market base thus it can provide funding for government and private projects. The holding plan requires faster growth of their performance thus needed further research concerning financial performance and stock returns of state-owned banks. The purposes of this study are, (1) analyze developments of macroeconomic variables, financial performance and stock returns of state-owned banks in the Indonesia Stock Exchange, (2) analyze the impact of macroeconomic variables to the stock returns of state-owned banks, (3) analyze the impact of macroeconomic variables to the financial performance of state-owned banks, (4) analyze the impact of financial performance to the stock returns of state-owned banks, (5) analyze the impact of macroeconomic variables to the stock returns through financial performance of state-owned banks.

The data used in this study is secondary data in the form of quarterly data from 2006 to 2016. The macroeconomic variables are interest rate (SB), exchange rate (NT) and GDP growth. Financial performance variables are Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), Operating Expenses to Operating Income (BOPO) and Loan to Deposit Ratio (LDR). The dependent variable of this study is stock returns. The object in this study is four state-owned bank listed in Indonesia Stock Exchange from 2006 until 2016, that are Bank Rakyat Indonesia (BRI), Bank Mandiri, Bank Negara Indonesia (BNI) dan Bank Tabungan Negara (BTN). This research using descriptive and path analysis, using SPSS and Lisrel software.

The result showed that, first, all variables of macroeconomic, financial performance and stock returns of state-owned banks over the research’s period is quite volatile and showed a good performance. Second, directly, interest rate has a significant impact to the stock returns of Mandiri and BNI, exchange rate has a significant impact to the stock returns of BTN and GDP growth has a significant impact to the stock returns of BRI. Third, interest rate has a significant impact directly to the CAR of all state-owned banks except BNI, NPL of all state-owned banks, BOPO of all state-owned banks and LDR of all state-owned banks. Exchange rate has a significant impact to the CAR of all state-owned banks except Mandiri, NPL of all state-owned banks, BOPO of BTN and LDR of all
state-owned banks except BRI. GDP growth has a significant impact to the CAR of combined state-owned bank and Mandiri, NPL of BTN, BOPO of BTN and LDR of BTN. Fourth, CAR has a significant impact directly to the stock returns of combined state-owned banks and BNI; NPL has a significant impact to the stock returns of combined state-owned banks, Mandiri and BNI; BOPO has a significant impact to the stock returns of combined state-owned banks and BNI; LDR has a significant impact to the stock returns of BTN. Last, interest rate has a significant impact indirectly through financial performance to the stock returns of Mandiri and BNI, exchange rate has a significant impact to the stock returns of combined state-owned banks, Mandiri and BNI, GDP growth has no significant impact to the stock returns of all state-owned banks.

Keywords: financial performance, macroeconomics, path analysis, state-owned bank, stock returns.