

When signals meet sustainability: Stock price transitions across EPS, RETE, Interest Rate, and ESG Categories in Indonesian property firms

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Abstract

Stock prices in Indonesia's property and real estate sector fluctuated markedly between 2021 and 2025, reflecting the joint influence of firm-level fundamentals and macroeconomic conditions—yet most prior studies examine profitability, corporate life-cycle, and interest-rate signals in isolation from sustainability status, and rely on single cross-sectional snapshots rather than longitudinal evidence. This study addresses that gap by examining differences in stock prices across categories of Earnings Per Share (EPS), Retained Earnings to Total Equity (RETE), and interest rates, and by exploring how these signals interact with Environmental, Social, and Governance (ESG) Score status. Using secondary data from 31 listed companies (620 quarterly observations, 2021–2025) analyzed through the Friedman test, the Durbin–Conover post hoc test, and a supplementary Transition Network Analysis (TNA), the study finds statistically significant stock price differences across all EPS, RETE, and interest-rate categories, consistent with Signaling Theory. TNA further reveals that stock prices were predominantly stable across all 16 EPS–RETE–interest-rate–ESG combinations, but ESG-recognized firms reverted from Bull to Normal conditions far more readily (0.94–0.97) than non-ESG firms (0.60–0.69), a divergence interpreted through the Balinese-Hindu philosophy of Tri Hita Karana as reflecting differences in how firms balance profit generation with environmental and social responsibility. These findings suggest that sustainability status shapes not merely the direction but the *character* of stock price dynamics, offering both a longitudinal extension of signaling-based capital market research and a novel integration of Western finance theory with an indigenous value-based framework.

Keywords: earnings per share, retained earnings to total equity, interest rate, ESG score, transition network analysis, tri hita karana, stock price

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Introduction

Capital market development plays an important role in promoting national economic growth because it provides companies with a means of raising long-term funds while offering investment alternatives to the public. Within this mechanism, stock prices serve as a key indicator reflecting firm value, investor expectations, and future business prospects. Stock price movements are shaped by the interaction of demand and supply based on information about corporate performance, economic conditions, and investors' risk perceptions (Pereira da Silva, 2022). Investment decisions therefore depend heavily on the quality of information that accurately represents a company's fundamental condition. Such information is presented in financial statements generated by the accounting system and used as the basis for investors' fundamental analysis (Kieso et al., 2020). The importance of information transparency is also emphasized in Law Number 8 of 1995 concerning the Capital Market and Financial Services Authority Regulation Number 29/POJK.04/2016, which require public companies to submit reliable and timely financial statements. According to Signaling Theory, financial information acts as a signal that investors use to assess the quality of corporate performance and prospects. Positive information increases investor confidence and encourages stock price appreciation, whereas negative information has the opposite effect (Hamrouni et al., 2015).

The property and real estate sector is strategically important and worthy of examination because it makes a substantial contribution to national development while remaining highly sensitive to changes in macroeconomic conditions. During 2021–2025, the stock prices of companies in this sector exhibited considerable fluctuations. The average stock price increased from IDR 2,624.00 in 2021 to IDR 3,882.87 in 2024, before declining to IDR 3,650.17 in 2025. This pattern, however, did not occur uniformly across all companies. Several issuers, including PT Bumi Serpong Damai Tbk. (BSDE), PT Ciputra Development Tbk. (CTRA), PT Pantai Indah Kapuk Dua Tbk. (PANI), and PT Summarecon Agung Tbk. (SMRA), displayed different stock price movement patterns, indicating that stock price changes are influenced by a combination of internal and external company factors.

One internal factor that attracts investor attention is profitability, proxied by Earnings Per Share (EPS). EPS reflects a company's ability to generate profit for

each outstanding share and is therefore an important indicator for assessing company prospects and investment attractiveness. Studies by Hikmat et al. (2025) and Sasmita and Handayani (2024) show that EPS is among the information most strongly considered by investors when making investment decisions. In addition to profitability, this study uses Retained Earnings to Total Equity (RETE) as a proxy for the corporate life cycle. This ratio describes the maturity of a company through the proportion of retained earnings to total equity (Corelli, 2023). Previous studies, however, continue to report inconsistent findings regarding the effect of RETE on stock prices (Fithrayudi et al., 2022; Hikmah, 2011).

In addition to company fundamentals, stock price changes are influenced by interest rate policy as an indicator of macroeconomic conditions. Mishkin (2022) states that changes in interest rates affect the cost of capital, investment activity, and investor preferences. Although higher interest rates theoretically tend to suppress stock prices, evidence from Indonesia shows that the property sector index increased by more than 15% in 2024 while Bank Indonesia maintained its policy rate at 6%. This condition indicates that the relationship between interest rates and stock prices is not always linear, as also shown by Ariantini and Purnamawati (2025), Aritonang et al. (2024), and Mendur and Martono (2025).

Beyond firm-level fundamentals and monetary policy, investors increasingly consider corporate sustainability performance—commonly proxied by inclusion in an Environmental, Social, and Governance (ESG) scoring index—as an additional signal of long-term risk management quality (Friede, Busch, & Bassen, 2015). In the Indonesian property and real estate sector, sustainability disclosure remains uneven: many issuers have not been formally recognized in ESG assessments, creating an opportunity to examine whether ESG status is associated with distinct patterns of stock price behavior alongside conventional financial signals. Most prior studies on EPS, RETE, and interest rates, however, treat these determinants in isolation from sustainability status and rely exclusively on Western finance theory, leaving open the question of how these signals jointly shape the character of price movements over time, not merely their average level.

This study addresses that gap in two ways. First, it employs a repeated-measures, longitudinal design across 20 quarterly periods (2021–2025) to examine differences in stock prices across EPS, RETE, and interest-rate categories, rather

than relying on a single cross-sectional snapshot as in most prior EPS–RETE–interest-rate studies. Second, it introduces a supplementary Transition Network Analysis (TNA) that maps how stock prices move between Bull, Normal, and Bear market conditions across 16 combinations of EPS, RETE, interest rates, and ESG Score status, and interprets these transition patterns through a dual theoretical lens: Signaling Theory, which explains how financial information reduces information asymmetry between managers and investors, and Tri Hita Karana, a Balinese-Hindu philosophical concept emphasizing harmonious relationships between humans, other humans, and nature (Dewi et al., 2024). Combining a conventional Western finance theory with an indigenous value-based philosophy is intended as a conceptual synthesis rather than a mere descriptive add-on: Signaling Theory explains why investors react to profitability and macroeconomic information, while Tri Hita Karana offers an interpretive framework for understanding why firms that balance financial performance with social and environmental responsibility (the Pawongan and Palemahan dimensions) may elicit qualitatively different investor behavior than firms that do not. Based on this rationale, the study analyzes differences in the stock prices of property and real estate companies during 2021–2025 according to EPS, RETE, and interest-rate categories, and explores the additional role of ESG Score status in shaping stock price transition patterns.

Literature review

The primary theoretical foundation of this study is Signaling Theory, proposed by Ross (1977), which explains that companies possess more complete information about their conditions and business prospects than investors, thereby creating information asymmetry. To reduce this asymmetry, companies disclose information through financial statements as signals to the market. Positive signals in the form of improved financial performance increase investor confidence and encourage stock price appreciation, whereas negative signals tend to reduce investment interest (Brigham & Houston, 2019). This information is generated through an accounting system that identifies, measures, records, and communicates financial transactions to produce reports relevant to economic decision making (Kieso et al., 2020). In practice, financial accounting focuses on

preparing financial statements in accordance with accounting standards to meet the information needs of external parties, particularly investors, creditors, and regulators (Kieso et al., 2020).

Financial statements subsequently form the basis of fundamental analysis in the capital market, where parties requiring long-term funds meet investors through the trading of financial instruments such as shares, bonds, mutual funds, and derivatives (Sunariyah, 2021). Among these instruments, shares are widely used as an indicator of firm value because stock prices are formed dynamically through demand and supply based on information available in the market. In this study, the company's internal signal is represented by profitability, proxied by Earnings Per Share (EPS), because EPS describes the profit earned per share and therefore reflects the company's ability to create value for shareholders (Kasmir, 2017). Company characteristics are also explained through the firm life-cycle concept, proxied by Retained Earnings to Total Equity (RETE), which indicates corporate maturity based on the proportion of retained earnings to total equity (Halim, 2024; Wild et al., 2020). External factors are represented by Bank Indonesia's policy interest rate, which affects the cost of capital, investment decisions, and investors' allocation preferences and thus contributes to stock price dynamics in the capital market (Sukirno, 2021).

2.1 ESG score as a complementary signal

Beyond earnings-based and macroeconomic signals, an increasing body of literature examines corporate environmental, social, and governance (ESG) performance as an additional signal of firm quality and long-term risk management. A large-scale meta-analysis by Friede et al. (2015), synthesizing more than 2,000 empirical studies, concludes that the relationship between ESG performance and financial performance is predominantly non-negative and, in many contexts, positive, suggesting that sustainability disclosure can function as a credible signal rather than merely a cost. In emerging markets such as Indonesia, however, ESG assessment coverage remains limited, and property and real estate companies vary considerably in whether they are formally included in ESG scoring indices. This variation offers a natural setting in which to examine whether ESG status corresponds to distinct investor response patterns, a question this study

addresses descriptively through Transition Network Analysis rather than through formal hypothesis testing, given the exploratory nature of the ESG classification used here.

2.2 Tri hita karana as a complementary interpretive framework

To interpret sustainability-related patterns in stock price behavior within a framework attentive to the Indonesian context, this study draws on Tri Hita Karana, a Balinese-Hindu philosophical concept meaning “three causes of well-being.” According to Dewi et al. (2024), Tri Hita Karana comprises three harmonious relationships: Parahyangan (the relationship between humans and God), Pawongan (the relationship among human beings), and Palemahan (the relationship between humans and nature). Although rooted in local philosophy, Tri Hita Karana has been applied in prior Indonesian accounting and management research as a normative-interpretive lens for corporate social and environmental responsibility, on the premise that sustained firm value requires balance between financial performance and social-environmental responsibility, not financial performance alone (Dewi et al., 2024). In this study, the Pawongan dimension is associated with a firm's capacity to generate profit and retain earnings for stakeholders (proxied by EPS and RETE), while the Palemahan dimension is associated with a firm's demonstrated environmental and social commitment (proxied by ESG Score inclusion). It is important to note that Tri Hita Karana is used here strictly as a complementary interpretive framework for the supplementary, descriptive-exploratory Transition Network Analysis discussed in Section 4.3—it is not operationalized as a measurable construct and is not subject to statistical hypothesis testing. This positioning is intended to avoid overstating the theory's explanatory role while still offering a value-based lens that complements the information-economics logic of Signaling Theory.

Taken together, Signaling Theory explains why investors respond to profitability, retained-earnings, and interest-rate information when forming expectations of firm value, ultimately reflected in stock price changes, while the ESG-Signaling and Tri Hita Karana perspectives jointly provide a basis for interpreting whether, and how, sustainability status corresponds to qualitatively

different patterns of price stability versus persistence once a bullish episode occurs.

2.3. Hypotheses

H₁: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the high-EPS category.

H₂: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the low-EPS category.

H₃: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the high-RETE category.

H₄: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the low-RETE category.

H₅: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the high-interest-rate category.

H₆: There is a significant difference in the stock prices of property and real estate companies during 2021–2025 within the low-interest-rate category.

Consistent with its descriptive-exploratory role explained above, ESG Score status is not formulated as a separate hypothesis; it is instead examined through the supplementary Transition Network Analysis reported in Section 4.3.

Research method

This study employs a quantitative approach with a descriptive research design and hypothesis testing to analyze the stock price dynamics of property and real estate companies listed on the Indonesia Stock Exchange during 2021–2025. The population consists of 92 companies, while the sample was selected using purposive sampling based on the following criteria: companies were continuously listed throughout the study period, did not conduct an initial public offering during the period, were not suspended or delisted, and consistently published financial statements throughout the observation period. These criteria produced a sample of 31 companies and 620 units of analysis derived from quarterly data over five years (20 quarterly periods per company). The study used secondary data consisting of financial statements, stock prices, and the policy interest rate

obtained from the Indonesia Stock Exchange, official company websites, and Bank Indonesia publications through documentation and literature-review techniques.

EPS, RETE, and interest-rate values were each classified into high and low categories based on their respective mean values, consistent with prior repeated-measures designs in this literature. For the supplementary analysis, sample companies were further classified according to inclusion or exclusion in a recognized ESG scoring index during the observation period, resulting in 10 companies classified as ESG-included and 21 companies classified as ESG-excluded.

Data analysis was conducted using Jamovi software, beginning with descriptive statistical analysis to describe the characteristics of the research data. A normality test was then performed to determine the appropriate hypothesis-testing method. Normally distributed data would be analyzed using repeated-measures ANOVA to identify stock price differences within the same companies over the observation periods. Non-normally distributed data were analyzed using the Friedman test, followed by the Durbin–Conover post hoc test when significant differences were found.

As a supplementary, descriptive-exploratory analysis, this study also applied Transition Network Analysis (TNA) to visualize stock price transition patterns across three market conditions—Bull Market (an upward stock price trend), Normal Market (a relatively stable stock price movement), and Bear Market (a downward stock price trend)—in each observation period. In the TNA, each market condition is represented as a network node, and each directed edge represents the empirical transition probability from one condition to another in the subsequent quarter. TNA results were computed for 16 combinations formed from the high/low categories of EPS, RETE, and interest rates, crossed with ESG-included/ESG-excluded status. Consistent with its exploratory purpose, TNA is not used as the basis for accepting or rejecting the study's hypotheses; rather, it is used to enrich the discussion of stock price dynamics beyond the mean-based comparisons captured by the Friedman and Durbin–Conover tests. It should be noted that market-condition classification in this study follows a directional (increasing/stable/decreasing) rather than a fixed percentage-based threshold, consistent with the exploratory intent of the analysis; future research could

strengthen this classification by adopting a standardized quantitative threshold (e.g., a fixed percentage price-change cutoff) to enhance replicability.

Results and discussion

4.1 Normality and hypothesis testing (Friedman test)

Table 1 reports, for each of the six tested categories, the results of both the Shapiro–Wilk normality test and the subsequent Friedman test, consolidated into a single table because the two tests were applied sequentially to the same six categories and are most efficiently interpreted together.

Table 1. Normality test and friedman test results

Category	N Groups	Shapiro–Wilk Range	Normality p	χ^2	df	Friedman p
High EPS	8	0.359–0.466	<0.001	20.1	7	0.005
Low EPS	12	0.315–0.452	<0.001	32.4	11	<0.001
High RETE	7	0.315–0.368	<0.001	28.4	6	<0.001
Low RETE	13	0.336–0.466	<0.001	33.8	12	<0.001
High Interest Rates	12	0.333–0.466	<0.001	36.1	11	<0.001
Low Interest Rates	7	0.315–0.454	<0.001	27.7	7	<0.001

The Shapiro–Wilk results in Table 1 show that all six categories were non-normally distributed at the 5% significance level ($p < .001$ in every case), so the hypotheses were tested using the nonparametric Friedman test rather than repeated-measures ANOVA. The Friedman test results, reported in the same table, show that every significance value was below the 5% error level ($p < .05$); therefore, all alternative hypotheses (H_1 – H_6) were accepted. Significant differences in stock prices were found among property and real estate companies during 2021–2025 in the high-EPS category ($\chi^2 = 20.1$; $p = .005$), the low-EPS category ($\chi^2 = 32.4$; $p < .001$), the high-RETE category ($\chi^2 = 28.4$; $p < .001$), the low-RETE category ($\chi^2 = 33.8$; $p < .001$), the high-interest-rate category ($\chi^2 = 36.1$; $p < .001$), and the low-interest-rate category ($\chi^2 = 27.7$; $p < 0.001$).

These findings are consistent with Signaling Theory: because EPS and RETE convey information about a firm's current profitability and accumulated internal

capital, respectively, quarter-to-quarter changes in these signals are plausibly interpreted and re-priced by investors, producing statistically significant within-company price differences across the observation period. This is in line with Hikmat et al. (2025) and Sasmita and Handayani (2024), who found EPS to be among the profitability signals most strongly weighted by investors. The significant difference within the low-EPS category (H_2) further suggests that even among comparatively weaker earners, incremental changes in profitability still carry signaling value, rather than being uniformly discounted by the market. For RETE, the significant differences in both the high- and low-RETE categories (H_3 , H_4) support the firm life-cycle interpretation advanced by Corelli (2023) and Halim (2024), while helping reconcile the mixed findings reported by Fithrayudi et al. (2022) and Hikmah (2011): rather than RETE having no systematic association with price, the present longitudinal design suggests its association may vary meaningfully across periods, which a single cross-sectional test could mask. Finally, the significant differences across both high- and low-interest-rate categories (H_5 , H_6) reinforce Mishkin's (2022) view that interest rates shape the cost of capital and investor preferences, while also corroborating the non-linear relationship documented by Ariantini and Purnamawati (2025), Aritonang et al. (2024), and Mendur and Martono (2025): interest-rate effects on property-sector stock prices were statistically detectable, but, as the sector's continued growth in 2024 illustrates, they did not translate into a simple, uniformly negative price response.

Overall, stock price dynamics in the property and real estate sector varied with changes in company conditions and the economic environment during the study period, meaning that stock price movement patterns were not constant from one period to another.

Table 2. Summary of Durbin–Conover post hoc test results

Category	Significant Pairs	Period with Strongest Difference	Statistic	p-value	Most Frequent Period
High EPS	9	Q3 2023–Q2 2024	4.048	<0.001	Q2 2024
Low EPS	22	Q1 2021–Q1 2025	3.831	<0.001	Q1 2021 & Q2 2021
High RETE	12	Q1 2021–Q1 2023	3.847	<0.001	Periods in 2021
Low RETE	21	Q3 2023–Q2 2024	4.131	<0.001	Q2 2024 & Q3 2023
High Interest Rates	24	Q3 2023–Q2 2024	4.556	<0.001	Q2 2024
Low Interest Rates	15	Q1 2021–Q3 2021	3.389	<0.001	Q1, Q2 & Q4 2021

The Durbin–Conover post hoc test shows that every category contained pairs of periods with significant stock price differences following the Friedman test. The number of significant pairs ranged from 9 to 24, with the largest number in the high-interest-rate category (24 pairs), followed by the low-EPS category (22 pairs) and the low-RETE category (21 pairs). The strongest differences generally involved Q2 2024, particularly in the high-EPS, low-RETE, and high-interest-rate categories, a period that coincided with continued property-sector price growth despite Bank Indonesia holding its policy rate at a relatively high level, consistent with the non-linear interest-rate effect noted in Section 4.1. In the low-EPS, high-RETE, and low-interest-rate categories, differences more frequently involved the early observation periods, especially 2021, plausibly reflecting the sector's post-pandemic recovery phase. Overall, these results confirm that stock price changes among property and real estate companies were not evenly distributed across all observation periods but were concentrated in specific periods reflecting shifts in company fundamentals and macroeconomic conditions.

4.3 Supplementary transition network analysis: stock price behavior by EPS, RETE, interest rate, and ESG score status

To enrich interpretation of the mean-based results above, this section reports the supplementary, descriptive-exploratory Transition Network Analysis (TNA) across all 16 combinations of EPS, RETE, interest-rate, and ESG Score status. Rather than discussing each combination in isolation, results are synthesized into a summary table (Table 3) followed by a thematic discussion organized around two overarching patterns identified across the 16 combinations.

Table 3. Transition probabilities across 16 combinations of EPS, RETE, Interest Rate, and ESG Score Status

No	EPS	RETE	Interest Rate	ESG	Normal→Normal	Bull→Normal	Normal→Bull
1	High	High	High	In	0.94	0.95	0.06
2	High	High	High	Out	0.95	0.62	0.05
3	High	High	Low	In	0.94	0.94	0.06
4	High	High	Low	Out	0.94	0.94	0.06
5	High	Low	High	In	0.93	0.96	0.07
6	High	Low	High	Out	0.94	0.68	0.06
7	High	Low	Low	In	0.93	0.96	0.07
8	High	Low	Low	Out	0.94	0.64	0.06
9	Low	High	High	In	0.94	0.96	0.06
10	Low	High	High	Out	0.95	0.64	0.05
11	Low	High	Low	In	0.94	0.95	0.06
12	Low	High	Low	Out	0.95	0.60	0.05
13	Low	Low	High	In	0.93	0.97	0.07
14	Low	Low	High	Out	0.94	0.69	0.06
15	Low	Low	Low	In	0.94	0.96	0.06
16	Low	Low	Low	Out	0.94	0.66	0.06

Pattern 1: Market-wide dominance of Normal conditions, regardless of combination.

Across all 16 combinations, the Normal-to-Normal transition probability remained consistently high (0.93–0.95), indicating that, irrespective of a company's EPS, RETE, interest-rate, or ESG Score status, stock prices in the property and real estate sector predominantly moved within stable, non-extreme conditions from one quarter to the next. From a Signaling Theory perspective, this suggests that while profitability, retained-earnings, and interest-rate signals were strong enough to produce statistically significant period-to-period price differences (Section 4.1), they were generally not strong enough, either individually or in combination, to push the market into sustained bullish territory. This is consistent with a market in which investors incorporate available signals cautiously, favoring incremental re-pricing over speculative repositioning.

Pattern 2: A marked divergence in Bull-market persistence by ESG Score status.

The most notable pattern in Table 3 concerns the Bull-to-Normal transition probability, which differed sharply between ESG-included and ESG-excluded combinations. Among the eight ESG-included combinations, Bull-to-Normal probabilities ranged narrowly between 0.94 and 0.97, indicating that once these companies entered a Bull condition, the market reverted to Normal almost immediately in the following quarter. By contrast, among the eight ESG-excluded combinations, Bull-to-Normal probabilities were markedly lower and more variable, ranging from 0.60 to 0.69 (with the exception of the high-EPS, high-RETE, low-interest-rate pair, where both ESG groups showed an identical value of 0.94). This means that ESG-excluded companies were, on average, considerably more likely to sustain a Bull condition across consecutive quarters than their ESG-included counterparts.

Interpreted through the Tri Hita Karana framework, this divergence can be read as reflecting differences in the balance between the Pawongan dimension (profit generation and capital retention for stakeholders, proxied by EPS and RETE) and the Palemahan dimension (environmental and social responsibility, proxied by ESG Score inclusion). Companies recognized in the ESG Score, having

demonstrably invested in the Palemahan dimension, appear to attract more risk-averse, stability-oriented investor behavior: once a bullish episode occurs, gains are more quickly absorbed and prices revert to stable levels, consistent with a market that treats these firms as fundamentally sound but not speculative vehicles. Companies excluded from the ESG Score, in contrast, exhibit more persistent Bull episodes, which may plausibly reflect a different, more momentum- or news-driven investor base less anchored to sustainability considerations—though this interpretation, being descriptive-exploratory rather than causally tested, should be treated as a hypothesis for future confirmatory research rather than a settled conclusion. This pattern is broadly consistent with the ESG–financial performance literature (Friede et al., 2015), which finds that ESG recognition is generally associated with more stable, lower-volatility return profiles rather than with outsized short-term gains.

Normal-to-Bull transition probabilities, by comparison, were uniformly low across all 16 combinations (0.05–0.07), regardless of EPS, RETE, interest-rate, or ESG status, reinforcing the Pattern 1 finding that the property and real estate sector as a whole exhibited limited capacity to move from stable into sustained bullish conditions during 2021–2025. Taken together, Patterns 1 and 2 suggest that profitability, corporate life cycle, interest rate policy, and ESG Score status jointly influenced the character of stock price dynamics—specifically, how long a bullish episode persisted once it occurred—more than they influenced the market's overall capacity to enter a bullish phase in the first place.

Conclusion

This study finds statistically significant differences in the stock prices of property and real estate companies listed on the Indonesia Stock Exchange during 2021–2025 across all six tested categories, high and low EPS, RETE, and interest rates, consistent with Signaling Theory and extending prior single-period studies to a five-year, repeated-measures design. The supplementary Transition Network Analysis shows that price movements across all 16 combinations of EPS, RETE, interest rates, and ESG Score status were dominated by Normal-to-Normal transitions, indicating overall price stability, but reveals a marked divergence in Bull-to-Normal persistence between ESG-included (0.94–0.97) and ESG-excluded

(0.60–0.69) companies, interpreted through Tri Hita Karana as reflecting differences in how firms balance the Pawongan (profit-and-capital) and Palemahan (environmental-social) dimensions of value creation.

Theoretically, this study contributes by synthesizing Signaling Theory with the indigenous Tri Hita Karana framework to explain not only whether stock prices differ across profitability, life-cycle, and interest-rate categories, but also how the character of price dynamics varies with corporate sustainability status, offering a template for future Indonesian capital-market research that combines mainstream finance theory with locally grounded value systems. Practically, ESG-recognized property and real estate companies appear better suited to stability-oriented investment strategies, whereas non-ESG companies may offer higher-persistence but riskier bullish opportunities; pursuing ESG recognition may help managers secure a more stable investor response conducive to long-term capital raising; and regulators would benefit from expanding and standardizing ESG assessment coverage in the sector. These conclusions are nonetheless limited by the directional rather than threshold-based market-condition classification, the descriptive treatment of ESG status rather than a continuous performance score, and the focus on a single sector and country, suggesting that future research adopt standardized quantitative thresholds, formally test continuous ESG metrics through confirmatory moderation/mediation analysis, extend the analysis to other sectors or emerging markets, and operationalize Tri Hita Karana as a composite, empirically testable index.

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