

ABSTRACT

The growth of stock investors in Indonesia and the complexity of investment decisions require a deeper understanding of what variables influence investors' decisions in choosing stocks.

This study examines coal sector companies listed on the Indonesia Stock Exchange (IDX) during the 2018-2022 period. The focus of the research is to analyze the effect of company performance as measured by Return on Equity (ROE), stock valuation as measured by Price Earning Ratio (PER), and dividend policy as measured by Dividend Payout Ratio (DPR) on investor decisions in choosing stocks. The purpose of this study is to determine how much influence each of these variables has on investor investment decisions and identify which variables have the greatest influence.

The method used is quantitative method. Data is obtained from the company's annual financial statements and Yahoo Finance to analyze company performance, stock valuation, dividend policy, and investment decisions. The population in this study were coal sector companies listed on the IDX, with samples taken using purposive sampling method, resulting in 6 coal sector companies during the 2018-2022 research period. The data analysis technique uses descriptive analysis and panel data regression analysis with the help of EViews12 software.

The results showed that simultaneously, company performance as measured by ROE, stock valuation as measured by PER, and dividend policy as measured by DPR have a significant effect on stock investors' investment decisions. Partially, company performance and dividend policy have a significant positive effect, while stock valuation has no significant effect. The regression results show that the variable with the greatest influence on stock investment decisions is company performance (ROE), followed by dividend policy (DPR), and stock valuation (PER) although not significant.

Based on these findings, it is recommended that coal sector companies focus on improving ROE and DPR to attract investor interest. Investors and potential investors are also advised to consider company performance and dividend policy in their investment decision making.

Keywords: Company Performance, Dividend Policy, Stock Investors, Stock Valuation