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The Influence of Financial Performance and Political Connections on Stock Returns Transportation and Logistics Companies Going Public on the IDX (2021-2023)

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Abstract

Shares are also proof of return of shares or participants in a company in the form of a PT (Limited Liability Company). Finding empirical evidence regarding the influence of financial performance and political connections on stock returns is the aim of this research. This research was conducted quantitatively using a sample of transportation and logistics companies going public on the IDX (2021-2023). The analytical method used is multiple linear analysis. Simultaneously, the research results show that the variables ROA, CR and Political Connections have an effect on Stock Returns, but partially ROA and CR have an effect and Political Connections have no effect on Stock Returns.

Keywords: Return on Assets, Current Ratio, Political Connections, Stock Return

INTRODUCTION

An investor's primary goal is to maximize profits, while still considering potential risks. Stock returns are often a driving factor for investors to invest. capital they, as well as reason they willing face risk Which related to the investment. When the company's share issuance process goes well, the share price generally go on, Which in turn increases profit Which However, if the selling price of the shares is lower than the purchase price, investors could potentially experience a financial deficit. (Ersonal

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et al., 2015) *Stock profit* is the result of income or losses that shareholders receive from their stock investments. When investing capital in a company, firm, investors Of course hope For get results Which optimal as reward for decision And effort economy they moment This. *Return This* is form compensation for the sacrifice of funds invested in investments. (Marlina and Sari, 2009: 83).

Based on information or reports from the Indonesia Stock Exchange in 2024 in the first semester I, show that index price share in Transportation Company And Logistics experiences fluctuations as shown in the graph depicted below:



Table 1. Chart Index Price Share
(id.tradingview.com)

The graph above shows that the stock price index in this sector fluctuates. In June 2024, the share price fell by approximately 1.60%, resulting in lower returns in the sector. This phenomenon is also due to several factors, including financial performance and political connections.

Several studies have been conducted regarding the influence of financial performance on *stock returns, including* research results which state that financial performance can contribute. on profit share in company production in industry food This recorded during the 2015-2019 period on the Indonesia Stock Exchange, the figure reached 81.7%, stating that the higher the EPS value indicates the success of management in generating profits, so that happen price increases share And Safyra (2022) Wardani (2020)

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Results study show that performance finance own effect positive Which significant to Budialim (2013) *Stock returns in the* Consumer Goods Sector during the 2007-2011 period. In the food and beverage sub-sector manufacturing companies for the 2017-2021 period, there were results that performance finance own effect negative And No significant to Afni et al. (2023) *Stock returns* . Previous research by the Sharia Consumer Goods Industry Sector on the Indonesia Stock Exchange found financial performance results that significantly influenced Ayuningrum et al. (2021). *Stock returns* are in line with the company's research. Tumandung et al. (2017) *Food and Beverages* for the 2011-2015 period on the IDX. In research on manufacturing companies and mining companies, it was found that (Nurdin, (2017) (Simorangkir, (2019) *ROA* own effect negative And significant on *stock returns* . Then research and those who conduct research on (Yuliana, 2022) in the Metal Subsector and Similar Companies, (Hutahuruk, 2022) (Setiyono, 2016) *Property and Real Estate companies obtained* different results, where financial performance was found to have no significant effect on stock returns. There is also research stating that CR does not have a negative and significant effect on *stock returns* , namely in research and . Research stating that financial performance ((Kuncoro & Sudiyatno, 2022 (Rahmi et al., (2018) *CR* And *ROA* own positive and significant influence on research. Research on stock returns related to political connections is still very limited, Where study has done by they who conducted research on companies included in LQ-45 index on the time span from 2014 to 2019 with the finding that political connections had an insignificant negative effect on (Kurniawan, 2017) (Kurniasih et al., 2022)

The novelty of this study lies in the addition of political connections as a variable, which has not been widely discussed in previous research. Previous research, such as that conducted by Kurniasih et al. (2022), examined the influence of firm size, beta, price to book value, and political connections on stock returns. This study, entitled "The Effect of Financial Performance and Political Connections on Stock Returns in Publicly Listed Transportation and Logistics Companies on the IDX (2021-2023)," broadens the scope by highlighting the transportation and logistics sector. context political connections.

Connection political assessed own potential give benefit strategic for companies, such as helping adaptation and sustainability in environment business Which dynamic. Therefore, it is important for investors and market analysts to understand the link between political connections and their impact on stock returns.

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This research plays a crucial role in exploring the simultaneous influence of financial performance and political connections on stock returns, given the paucity of studies that combine both factors.

This research is expected to not only enrich theoretical understanding but also offer relevant practical applications for investors, company managers, and policymakers. Thus, the results are expected to make a significant contribution. for field business, investment, And policy public, and help various parties in making wiser and more strategic decisions.

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Signal theory

Signaling theory was first explained as a process in which the sender (owner of information) provides a signal in the form of information that reflects company conditions and can be beneficial to recipients (investors). This signal helps investors assess and decide whether to invest their capital in the company. Information regarding changes in stock price and volume provides relevant data used as reference in taking decision investment. Report finance be one of the signals from the entity to stakeholders, who play a role in influencing the decision-making process. (Spence, 1973) (Khairudin & Wandita, 2017) (Bahri, 2018) Sari & Zuhrotun (2006)

Return Share

According to Jogiyanto (2014), shares are proof of ownership or participation by a person in a limited liability company (PT). A PT company can offer its shares to the public after becoming a public company. from the company that have gone public this can be traded on the Stock Exchange. Stock returns, in essence, indicate the rate of return that investors obtain from their investments. in form of shares. Return this is profit Which originate from the difference between the share price and the dividends received during a certain period. Thus, stock returns reflect company performance in the capital market (Astuti & Surtikanti, 2021).

Performance Finance

Calculation performance finance is journey evaluation important to know , calculate, measure, interpret, and provide solutions for data for company finances in a certain period. Financial performance must be equipped with a results measurement system so that the steps the company will take can be identified.

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Because performance measurement can be considered a determining factor for future success, the purpose of financial performance assessment is very important to understand because the steps taken in performance measurement have the potential to influence the company's decision-making process. It is said that the ratio finance can be defined as description connection mathematical or balance between two quantities or more. Through this ratio analysis tool, we can describe or explain a company's financial condition or position. Financial performance measurement usually uses (Fahmi, 2013) (Munawir, 2010) (Khairudin et al., 2018) ROA and CR, according to research by Setiyono (2016) ROA is used to see the level of operational efficiency company in a way overall with count total profit clean to total assets. The higher this ratio, the better the company. ROA is a profitability measure that calculates all assets after deducting the cost of capital (Saputra & Asyik, 2017). This ratio can be determined by dividing after-tax income by total assets (Tarmizi et al., 2018). Measured company performance with CR , if more big And mark ratio company more fluent, can This increases activity in the company's operations, which in turn will lead to an increase in the company's share price. (Yuliana, 2022) Liquidity calculated with CR is a determining factor of financial performance, which can be calculated by comparing current assets with current liabilities (Irton et al., 2022). CR, which is size liquidity, can be calculated by dividing current assets into current liabilities (Geno et al., 2020).

Connection Political

According to Annisa (2017), the meaning of political connections is the political connection between the company and the company owner, which is characterized by close formal relations between politicians and the government. or informal. (Faccio, 2006) . Political connections seen from whether or not there is government ownership in the company. The criteria for political connections are whether the company owner is a politician affiliated with a political party or whether the company owner is a government official. (Adhikari et al., 2006) (Suwarno & Hardianti, 2014) In Seftiana et al.'s (2022) research, political connections were calculated using a dummy variable with a value of 1 if connected and a value of 0 if there is no political connection.

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Development Hypothesis

Influence Return on Assets (ROA) to Return Share

Return on Assets (ROA) is one of indicator main for measure profitability ratio of a company. With say other, ROA measure efficiency company in utilizing its assets to generate net income, after adjusting for the cost of financing those assets. Based on previous research, companies with high ROA tend to have better operational efficiency and superior financial performance, making them more attractive to investors (Mangantar et al., 2020; Wulandari & Darwis, 2019). This ratio is often used to evaluate a company's overall ability to optimize assets for profit . The higher the ROA, the more effectively the company utilizes its assets to generate profits (Safyra, 2022).

ROA is calculated by dividing the company's net profit by its total assets. A higher ROA indicates greater efficiency in asset management. An increase in ROA also reflects improvements. Overall company performance provides a positive signal to shareholders. Increased profits enable companies to pay higher dividends to shareholders, thus attracting new investors (Hardiningsih, 2002). This investor interest can increase demand for the company's shares, ultimately driving up share prices and providing greater returns to investors (Darajat, 2018).

With say other, the more big ROA something company, the more Good his position in utilizing assets to generate profits. High company profits are an indicator that the company's operational and financial strength is improving, which in turn has a positive impact on equity and trust investors (Amini, 2016; Guay & Verrecchia, 2006). From a conventional economic perspective, the main objective of investment is to obtain profit Which tall. By Because that, the shares that Providing large dividends will be more attractive to investors, thus contributing to an increase in share prices.

The results of previous research such as on Automotive and Component Companies and on Companies in the LQ45 Index on the IDX in 2010-2013 by Basalama et al. (2017) Ade (2015) *ROA results* have a positive and significant influence on *stock returns* . Meanwhile, research results from LQ45 Index Companies listed on the IDX in year 2014-2016 show that Inasari (2018) *ROA* influential negative on *stock returns* . Wibowo's research (2015) about Manufacturing Companies listed on the Stock Exchange Effect Indonesia find that *ROA* own connection positive significant to *Return* share. Based on description in on, hypothesis in study This is: H1: *Asset Return* has a positive effect on Stock Return.

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Influence Current Ratio (CR) to Return Share

Liquidity is a ratio used to measure a company's ability to meet its obligations. finance Its short-term liabilities are in the form of short-term debt. Liquidity ratios are necessary for analyzing financial statements because they illustrate a business's efforts to repay short-term debt that must be met immediately (Sukamulja, 2021). (Novita & Herliansyah, 2019). In this study, *the Current Ratio* (CR) is an indicator of liquidity measurement. A high *Current Ratio* indicates excess cash or other current assets compared to current needs. Therefore (Basalama et al., 2017) *Current Ratio* This can show the extent to which current assets guarantee payment obligation fluent they, so that influence interest investors to invest their capital in company. if (Cashmere, (2012) *Current Ratio* low, it can be said that the company lacks capital to pay off debt. However, if the results measurement ratio high, not yet Of course condition company Good. Matter this can happen because the assets are not being used optimally.

According to company, as consequence from improvement ability For using more available assets, the organization's ability to pay off debts that need to be paid in time short shown by connection positive between growth profit and current ratio. Businesses can reduce the risk of bankruptcy with this capacity. In addition, lending cash that can be used by the business Operational sales and profit development will be easily achieved. Amrullah (2021) Karelina et al. (2022) *The current ratio* describes the company's efficiency in completing short-term responsibilities and funding operational activities. If the company can manage operational financing effectively, investors will prefer the company. A high current ratio indicates that the company is in a good condition. liquid, Company Which liquid more alluring for investors. If many investors Which impressed to buy the company's equity, Thus, the company's stock price is expected to increase. and *profit* The company's stock is expected to rise. This indicates a positive correlation between *the current ratio* and stock *returns*

Results study company as well as component automotive with results CR give effect bad and does not have a big influence on stock returns . Meanwhile, the research results Alfi and Rahmawati 2020 on State-Owned Enterprises and companies Basalama et al. (2017) Khairani (2018) *property and real estate* shows that CR has a positive and significant influence on *Stock returns* . Prihantini's (2009) research on *the Real Estate and Property Industry* listed on the Indonesia Stock Exchange revealed that *CR* own positive influence and significant to Stock *returns* . Based on the description above, the hypothesis in this study is:

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H2: *Ratio fluent own* effect positive on *Return* share

Influence Connection Political to Return Share

Political connections refer to relationships that can facilitate the implementation of government activities in taking decision for the benefit of society and the state. According to shareholders or top management, political connections are created when one of them holds a government position. Companies with political connections have the potential to gain various benefits, such as access to certain conveniences and comforts, which allow the company to achieve significant financial gains with minimal operational costs. big profit the, the more high too level return share. However, connection political Also own impact negative, as found in research, this relationship can reduce company performance. Matter This cause decline interest investors For invest their funds in company shares, thus affecting share prices and will influence the decline of Kurniasih et al. (2022) (Wang et al., 2018) Li & Xia (2013) Stock returns . So it is suspected that political connections influence stock returns in companies. Transportation and Logistics Go Public on the IDX for the 2021-2023 period.

Results research to Company Manufacturing with connection politics has no influence while research results on companies in the index LQ45 on the IDX in 2014-2019 shows that connection politics has a negative influence and insignificant towards Annisa (2017) Kurniasih et al. (2022) Return share . Research shows that Political connections have a negative and significant effect on stock returns (Li & Xia, 2013) . Based on the description above, the hypothesis in this study is:

H3: Connection Political Own Effect Positive on *Return Share*

METHOD STUDY

This study uses secondary data from *Return* on Shares, Return *on Assets, Current Ratio* , and Political Connections for the 2021-2023 period using quantitative analysis. The Indonesia Stock Exchange provided secondary data sources for this study (*www.idx.co.id*). A documentation approach was used in data collection. Transportation and logistics companies that went public on the IDX in 2021-2023 constituted the population in this study. The research sample was obtained using a *purposive sampling technique* , which is a selection method based on established standards. has been determined, as follows:

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Table 1. Criteria Retrieval Sample

No.	Criteria	Amount
1.	Company transportation And logistics go public on the IDX in 2021-2023	37
2.	Company transportation And logistics Which go public without being suspended from the IDX during the 2021-2023 period	31
3.	Data complete available For variables studies	12
Amount sample		12
Total Sample During the Research Period 2021-2023 (Three years) (12×3)		**36**

Following This is table explanation related measurement variables in study This:

Table 2. Variable Measurement Indicators

Variables	Measurement Variables
Return Asset (x1)	*ROA* is a measure of net profit obtained from all assets that have been used by the company. (Praditasari & Setiawan, 2017) . ROA = Profit After Tax / Total Asset
Asset Fluent (x2)	The current ratio is a commonly used measure of short-term solvency, a company's ability to meet its debt needs as they fall due. (Fahmi, 2013) . CR = Asset Fluent / Debt Fluent
Connection Political (X3)	Political connections can be identified through the presence or absence of direct government ownership in a company (Adhikari et al., 2006:538). Government ownership measured use variables dummy, in where company with holder share government (State-Owned Enterprises)
	given mark 1, whereas company without government ownership is given a value of 0 (Annisa, 2017).

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Return Share (Y)	Jogiyanto (2014) · *Stock return* is the rate of return on an investment made by an investor. *Stock return* can be calculated using formula: $Return\ Saham = \frac{(Pt - Pt1)}{Pt1} x\ 100\%$ Where *Pt* is price share on end period And *Pt1 is the stock price at the beginning of the period.*

Testing done with technique analysis descriptive statistics, test assumptions classic, hypothesis testing, and multiple linear regression analysis. The classical assumption tests used in this study are (1) normality test, (2) multicollinearity test, (3) autocorrelation test, (4) heteroscedasticity test. The hypothesis tests used in this study are (1) F test, (2) t test, (3) coefficient of determination test. The multiple linear regression model is:

Return Share = α + β1ROA + β2CR + β3KP + *et*

Where Y is a symbol indicating stock return; α as a constant symbol; β1ROA is symbol coefficient *regression Return asset (* ROA *); β2CR is symbol coefficient regression current assets This; β3KP is symbol coefficient regression connection political; And* et *is symbol tem error .*

RESULTS STUDY

Analysis Descriptive

Research data can be seen through minimum figures, maximum figures, average (mean), And standard deviation can served through various method use analysis descriptive statistics. Final sample after (Lubis et al., (2019) *Purpose of Collection Sample* There are 36 samples. The findings of the descriptive statistical test show that the maximum value for *return is 4.26.* This indicates that the company's performance in the capital market is quite good and is able to attract investors to invest funds in the capital market. PT Temas Tbk generated a minimum value of -0.92. This occurs when the company experiences a relatively low level of stock returns. Which impact negative for investors. Mark average *return* The shares is 0.15 which means good bias with a standard deviation of 0.95.

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Table 3. Results Test Statistics Descriptive

Statistics Descriptive					
	N	Minimum	Maximum	Average	Std. Deviation
Return Share	36	- .92	4.26	.1527	.94809
ROA	36	- .38	2.07	.1040	.35901
CR	36	.29	6.77	2.2200	1.81376
Connection Political	36	0	1	.25	.439
Valid N (listwise)	36				

Source: Data Which Processed by SPSS, 2024

ROA has a maximum value of 2.07 at Express Transindo Utama Tbk, due to the company's strong performance in managing assets and generating profits . minimum *ROA* as big as -0.38 in PT Jaya Trishindo Tbk, matter This Can happen Because companies are less able to generate profits. The average *ROA value* is 0.10 which tends to Good with mark standard deviation 0.36. Matter This Because A company manage its assets efficiently. *ROA figures* It can be said that it is good if more than 2%. *CR* has a maximum value of 6.77 at PT Pelayaran Nasional Ekalya Purnamasari Tbk, which means the company's current assets are capable of paying off all short-term liabilities in the near future. A CR score of at least 0.29 at PT Samudera Indonesia Tbk, in other words, indicates the company cannot maintain management's ability to run its operations and meet its short-term obligations. Therefore, it can be said that a company with average *CR* below 1 has poor liquidity capacity. Average CR score is 2.22, which means it tends to good with standard deviation score of 0.81 , which is evident from the financial reports that show the ability of each company to pay its short-term obligations.

Political Connection has a maximum value of 1 at PT Jaya Trishindo Tbk, PT Blue Bird Tbk, and PT Samudera Indonesia Tbk. This is due to the presence of the government (BUMN) as Wrong One holder its shares. Mark minimum Political Connection is 0 For PT Mineral Sumberdaya Mandiri Tbk, Adi Sarana Armada Tbk, PT Pelayaran Nasional Ekalya Purnamasari Tbk, PT Indomobil Multi Service Tbk, PT Krida Network Archipelago Tbk, PT Prima Globalindo Logistik Tbk, Sidomulyo Selarah Tbk, Express Transindo Utama Tbk, and PT Temas Tbk, which means with

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a standard deviation value of 0.43, the company does not have direct government wnership.

Test Assumptions Classic

Equality regression Which has determined given certainty with use classical assumption test. If the classical assumptions are not met, the regression model may experience skew (Riswan & Dunan, 2019). The normality test (Table 5) is a traditional assumption test that used For determine whether variables study own distribution normal or not. Sig. (2-tails) 0.007 more big from a significant value of 0.05 Which means that the data The residuals follow a normal pattern. In the heteroscedasticity test, the fact that the data follows a homoscedasticity pattern (Figure 2) indicates that the research model is stated to have no disturbances . heterosensitivity on model regression And study This. Mark tolerance Each variable is greater than 0.10 and the VIF value is less than 10, so there is no multicollinearity problem in the variables of this study (Table 4). The Durbin-Watson test value (Table 6) is 2.286 which is greater than the dU value of 1.6539 at the 0.05 significance level and less than the 4-dU value (2.346) so there is no positive autocorrelation. or negative.

Test Hypothesis

Table 4. Results Test Hypothesis

Koefisien								
Jenis		Koefisien Non-standar		Koefisien Standar	t	Sig.	Statistik Kolinearitas	
		B	Std. Error	Beta			Toleransi	VIF
1	(Konstan)	.382	.319		1.195	.024		
	ROA	.145	.490	.055	.296	.039	.886	1.128
	CR	-.092	.103	-.175	-.890	.041	.784	1.275
	Koneksi Politik	-.163	.408	-.075	-.399	.693	.852	1.174

Source: Data Which Processed by SPSS, 2024

Study this uses test F And test t. Results F statistical test (Table 7) shows that the calculated F value is 0.268 with a significance level of 0.048 which is smaller than 0.05. So it can be concluded that stock *returns* are influenced by *ROA* , *CR* and the relationship political on moment Which The same. By Because That, model regression study This suitable to test the hypothesis. In the t-test (Table 4) *ROA* and

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CR have significant values of 0.039 and 0.041, respectively, which are smaller than 0.05, indicating that *the ROA* and *CR variables* partially influence stock *returns* . Political own mark GIS 0.693 And more big from 0.05 Which means that Political Connection variable does not have a partial effect on stock *returns* . The coefficient value of determining R square customized is 0.167 Which means that independent variables (*ROA* , *CR* and Political Connections) were able to influence the dependent variable (Stock *Return*) by 16.7%. Meanwhile, the remaining 83.3% was influenced by other variables outside this study. The formula Multiple linear regression in table 4 can be made as follows:

Return Share = 0.382 + 0.145 - 0.092 -0.163 + ET

DISCUSSION

ROA own effect positive Which significant to Return share

Return *on assets* has a positive and significant impact on stock returns because it reflects a company's efficiency in generating profits from its assets. A high return on assets indicates that a company is able to manage resources effectively and generate greater profits. This increases the attractiveness of investors to buy the company's shares. Investors tend to choose companies with a high return on assets because they see the potential for stable and sustainable profits, which can lead to increased stock prices. Companies with a high ROI allow m `achieve profitability Which Good and can manage costs efficiently to support growth long-term. This factor has a positive impact on companies, increasing stock demand and ultimately leading to higher stock returns. There is a positive effect between *return on assets* and *return on equity* in companies in the transportation and logistics subsector, which is consistent with the average annual movement. This indicates that, on average, *return on assets* and stock returns tend to increase. These results indicate that an increase in *return on assets* also increases a company's net profit, which means the company's sales value also increases. The results of this study are consistent with previous research conducted by the company. automotive And component as well as company in index LQ45 on IDX on 2010-2013 with Basalama et al. (2017) Ade (2015) *ROA results* have a positive and significant effect on *stock returns* . Meanwhile, the results of this study are not in line with and inconsistent with research on LQ45 index companies listed on the IDX in 2014-2016. show Inasari (2018) *that ROA* own effect negative to *Return* share.

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CR own effect negative Which significant on Return share

The Current Ratio is a measuring tool to determine a company's ability to pay short-term debt or current liabilities that will soon fall due. *CR* shows company capabilities to meet obligation short term due date. (CR) own effect negative And significant to Return share Because indicates inefficiency in the use of current assets. Although a high CR indicates good liquidity Good, matter That can reflect that company own a number of big asset current assets that are not used optimally to generate profits. Companies that have cash or supply Which very big, but No invest it in productive expansion, can be considered not fully utilizing resources. Investors are more interested in companies that can use their assets efficiently to generate profits and growth, rather than simply holding them in cash. or asset fluent other. CR Which too tall can indicates management Inefficient working capital, which can impact a company's long-term performance, ultimately negatively impacting stock returns. This can occur because investors perceive the company's current debt as greater than its revenue, or the company's assets are reduced due to the large current liabilities, thus reducing investor confidence. For invest And *return* Share company will decrease. The height *CR* It does not mean that investors give a good view of the company, because when the company has a good ability to pay short-term debt on the company's stock *returns* , the stock *returns* of transportation sector companies fall. The results of this study are consistent with previous research conducted by the company. automotive And component with results Basalama et al. (2017) *CR* Effect negative which is not significant on stock *returns* . Meanwhile Therefore, the results of this study are inconsistent and inconsistent with study Alfi And Rahmawati year 2020 in Body Business Owned by Country and property and real estate companies that show Khairani (2018) *CR* has a positive and significant effect on stock returns.

Connection Political No Influential Significant on Return Share

Company Which own connection political is company Which own Close ties with the government allow them to gain certain advantages such as easy access to credit, reduced tax risk, and other short-term benefits. However, political connections do not significantly impact stock returns. The stock market tends to view excessive political involvement as a potential risk, which can undermine investor confidence. Investors are more interested in company performance driven by operational efficiency and market competition than political influence.

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Dependence on policy government Which influenced by dynamics political can also increase uncertainty, especially because sudden policy changes can harm company. Factors like performance finance Which solid, revenue growth, And efficiency operational own impact Which more big to price shares compared to political connections. In addition, too close political ties can damage a company's reputation. company, especially If associated with practice Which not enough transparent or unethical, which ultimately reduces investor interest.

In the context of global markets, companies that rely on domestic political connections may be less competitive in influencing stock returns. Political connections can have negative impacts, such as reduced financial support due to a less favorable market response to political involvement. Furthermore, companies with political connections often indicate less than optimal performance because some of the company's value may be used to meet political interests related parties, Which reducing the profits that investors can enjoy.

The results of this study are inconsistent with previous research. A study of companies showed that political connections have a negative but insignificant impact on stock returns (Kurniasih et al., 2022). Conversely, other research found that political connections have a significant negative effect on stock returns (Li & Xia, 2013). This difference indicates that the influence of political connections on stock returns is not significant. return share Can varies depends on context market, characteristics companies, and other variables.

CONCLUSION AND SUGGESTION

This study aims to examine the influence of financial performance and political connections to return share on company transportation And logistics Which registered in stock Exchange. Results main study show that: (1) Return on Assets (ROA) positive influence and significant on stock returns; (2) Current Ratio (CR) has a negative effect and significant to stock returns; (3) political connections do not show influence significant on stock returns.

Companies are advised to increase ROA and CR because both have the potential to impact stock prices. To increase ROA, companies can focus on optimizing asset utilization through investments in technology or innovations that can increase output without requiring significant additional assets. Furthermore, diversification product or market can also help improve profitability without having to increase assets excessively. In an effort to increase CR, which represents liquidity

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company, step which can done is management debt term short with more Be careful, as well as ensure availability cash or equivalent cash Which adequate to meet short-term obligations without sacrificing long-term investment opportunities. With these steps, companies can demonstrate more efficient and stable financial performance, ultimately increasing investor confidence, driving stock demand, and potentially increasing stock returns.

On the other hand, companies should not overly prioritize building political connections, as investors tend to pay more attention to market competitiveness and operational efficiency. In the study this, adjusted value R square recorded as quite low, namely 0.167, which means that the independent variable is only able to explain 16.7% of the variation of the dependent variable. One of the limitations of this study is the limited number of samples, considering that companies in the sector transportation and logistics often times have separate or less transparent data management systems. For future research, it is recommended to expand amount samples and consider additonal variables, such as company size, level of inflation, Debt to Equity Ratio (DER), and Return on Equity (ROE), in order to obtain understanding Which more comprehensive about factors Which affect stock returns.

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ATTACHMENT

Test Normality

Table 5. Results Test Normality

Test Kolmogorov-Smirnov One Sample		
		Mark Non-standard Prediction
N		36
Parameter Normala,b	Average	.1526753
	Std. Deviation	.14850141
Difference Most Extreme	Absolute	.175
	Positive	.135
	Negative	- .175
Statistics Test		.175
Asymp. Sig. (2- tails)		.007c

Source: Data Which processed by researchers (2024)

Test Autocorrelation

Table 6. Test Results Autocorrelation

Summary Modelb					
Type	R	R rectangle	R Square Which customized	Error estimation	DurbinWatson
1	.157a	.025	.167	.97930	2,286

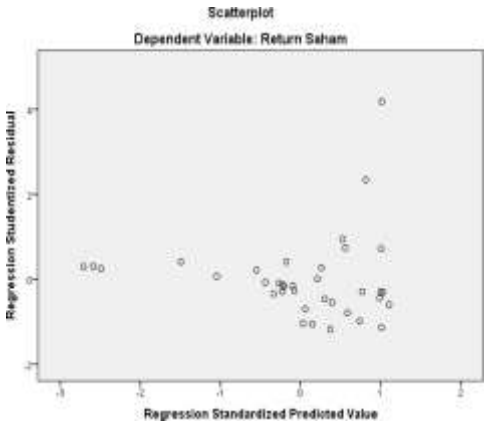
Source: Data Which processed by researchers (2024)

Test Heteroscedasticity

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Picture 2.



Test Hypothesis

Table 7. Results F Test

ANOVA						
Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.772	3	.257	.268	0.048 billion
	Remainder	30,689	32	.959		
	All over	31,461	35			

Source: Data Which Processed by SPSS, 2024

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