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The Influence of WACC and DER on Share Prices of Palm Oil Plantation Companies with Roe as an Intervening Variable

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Abstract. *The palm oil industry is a strategic sector in Indonesia, with its stock price development influenced by the company's financial condition. Weighted Average Cost of Capital (WACC), Debt to Equity Ratio (DER), and Return on Equity (ROE) are factors suspected of influencing a company's stock price. However, the relationship between these variables still shows varying results, requiring further research. This study aims to analyze the effect of WACC and DER on ROE, the influence of WACC, DER, and ROE on stock prices, and the role of ROE in mediating the relationship between WACC and DER on stock prices of palm oil companies listed on the Indonesia Stock Exchange for the period 2021–2025. This study uses a quantitative approach with an explanatory research method. The research sample was obtained using a purposive sampling technique of 24 palm oil companies. The data used were secondary data from the company's annual financial reports and were analyzed using panel data regression with the help of Eviews 13 software. The results of the study indicate that WACC has an effect on ROE. DER does not have a significant effect on ROE. WACC and ROE do not have a significant effect on stock prices, while DER has an effect on stock prices. In addition, ROE is not able to mediate the effect of WACC and DER on stock prices.*

Keywords*: Companies; Oil; Palms; Price; Stock.*

1. Introduction

Coconut industry palm oil is one of the commodities global strategy that has role important in fulfillment need oil world vegetable, good for sector food, oleochemicals, and energy renewable. In addition Coconut industry palm oil become sector strategic in economy national, good as contributor foreign exchange and as provider field work. Request oil palm oil globally continuously show trend improvement along growth population, change pattern consumption, and encouragement policy energy green in various countries. Conditions This make industry coconut palm oil No only as commodities trade, but also as support performance company agribusiness and energy at the level international as well as follow play a role important in the capital market in Indonesia.

The capital market has role strategic in support growth economy a country through mechanism fundraising and investment. In Indonesia, the development of the capital market is reflected through activity trading shares on the Indonesia Stock Exchange show an increasing trend dynamic, especially in the sectors featured like industry coconut palm oil. This sector be one of support main export national and have Power pull tall for investors because potential high profitability as well as its relevance with the global market.

In context investment, price share is indicator main thing that reflects mark company at a time investor perception of performance and prospects companies in the future. Therefore that, analysis to factors that influence price share become very important. Various study show that price share influenced by performance finance reflected company in ratios finance, such as profitability and capital structure.

One of indicator main in evaluate performance company is *Return on Equity (ROE),* which describes ability company in produce profit from own capital. Research by Sugandi & Kasir, (2024) show that ROE has influence positive and significant to price shares, which means the more tall ability company produce profit, then the more investor interest in it is also high share company the findings. This supported by research Indarto & Farizki, (2024) who also found that ROE plays a role important in determine price shares in the incorporated companies in IDX Value 30 index.

In addition, research Wantah et al., (2023) show that ROE is significant influence price shares in the incorporated companies in LQ45 index. Similar results were also found by Jamali & Haeruddin, (2024) who confirmed that ROE becomes determinant main in formation price stocks in the sector banking. This is strengthen that profitability is fundamental factors that are highly considered by investors in taking decision investment.

Besides profitability, capital structure is also a factor. factor important things that influence mark company and price shares. Capital structure is often measured use *Debt to Equity Ratio (DER),* which reflects proportion of debt to equity company. High DER show high levels of leverage, which can increase risk finance company. Research by Senjaya & Sumawidjaja, (2023) find that DER has influence significant to price shares, although direction its influence can different depends condition company. Capital structure (DER) has an effect to performance finance company sector plantations, including company coconut palm oil (Susilo & Kurniasih, 2025) . However, the results other studies show that the influence of DER on performance company Still varies, depending on ability company in manage costs and activities its operations (Asikin et al., 2025) . Research by Brigham & Houston, (2019) state that optimal use of debt can increase performance company through leverage effect. However, the results different found by Lestari et al., (2025) who stated that the DER is high precisely impact negative to performance company consequence increasing risk financial and interest expense. Inconsistency results study This show that the influence of DER on performance company Still nature contextual.

Another study by Harfianto et al., (2024) show that DER has an effect to price stocks in the sector mining. However, the results different found by Sudimas & Wujarso, (2021) who stated that DER does not influential significant to price stock. Inconsistency results This show that connection between capital structure and pricing share Still become debate in literature finance, so that need study more carry on.

In addition to DER, the concept capital costs also become factor important in determine mark company. *Weighted Average Cost of Capital (WACC)* is a weighted average cost of capital that reflects level minimum return expected by investors. WACC is used as base in taking decision investment and evaluation project company. Research by Ermaningtyas & Kurniawati, (2024) show that cost of capital has an effect to price shares, which shows that the more tall cost of capital, then mark company tend decrease.

In a way theoretically, WACC is related close with company capital structure, because debt and equity composition will influence capital costs incurred company. Therefore that, combination between DER and WACC to be factor important in explain change mark company and price shares. However Thus, the relationship between WACC, DER, and price share No always nature directly. In practice, investors do not only consider capital structure or capital costs in general directly, but also how factors the influence performance company. In case This is Return *on Equity (ROE)* allegedly play a role as bridging intervening variables connection between capital structure and pricing share.

A study state that WACC has influence significant to profitability company, where increasingly the higher the WACC, the higher big burden capital costs that can be lower performance finance company. Although thus, research empirically which special study the influence of WACC on performance company coconut palm oil Still relatively limited. *Weighted Average Cost of Capital (WACC)* reflect weighted average cost from all over source funding company and become indicator important in taking decision investment (Rahman, 2022) . Research by Wahyuni et al., (2024) show that WACC has an effect negative to performance company Because increasing cost of capital will pressing profit clean. However, research by Nguyen & Nguyen, (2020) find that WACC is not influential significant to performance company if company capable manage structure funding in a way efficient. Difference findings This show existence uncertainty empirical about the influence of WACC on performance company.

Research by Sandag et al., (2024) show that combination ROE, DER, and ROA variables in general simultaneous influential significant to price shares. In addition, research Widyatama et al., (2022) also showed that ROE and DER are together influence price shares, which indicates existence connection No direct between variables. Findings This indicates that performance profitability can become mechanism mediation in connection between capital structure and value company.

Although has Lots research that examines factors that influence price shares, results study previously Still show inconsistencies, especially related influence proxied capital structure with *Debt to Equity Ratio* (DER) to price shares. Some studies find that DER has an effect significant to price share (Harfianto et al., 2024; Senjaya & Sumawidjaja, 2023) temporary other studies show that DER does not own significant influence (Sudimas & Wujarso, 2021) .

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Differences result This show that connection between capital structure and pricing share Not yet own consistent conclusions.

On the other hand, the variable *Weighted Average Cost of Capital* (WACC) Still relatively seldom used in study empirically, especially in the context of the Indonesian capital market. In fact, WACC is indicator important that reflects total cost of capital company and become base in taking decision investment. Limitations use WACC variable in study previously cause lack of comprehensive understanding about role cost of capital in influence mark company and price share.

In addition, some big study previously tend only analyze influence direct between variables finance to price shares, without consider mechanism connection No direct through intervening variable. In fact, in In practice, investors do not only consider capital structure in general directly, but also how structure the influence performance company. In case This is *Return on Equity* (ROE) potential become variables mediation that explains connection between WACC, DER, and price share.

More further research that is specific study connection between WACC, DER, and price share with enter ROE as intervening variables are still very limited, especially in the sector industry coconut palm oil. In fact, the sector this own characteristics unique influenced by fluctuations price global commodities and policies government, so that allows existence pattern different relationships compared to sector other.

In terms of This is Return *on Equity (ROE)* as indicator profitability allegedly own role important in bridge influence capital structure and cost of capital against price shares. Therefore that, following comparative data on ROE and price is presented shares in several company subsector coconut palm oil listed on the Indonesia Stock Exchange during 2021-2025 period.

Table Comparison of ROE (%) and Stock Prices of Several Companies IDX Issuers 2021-2025

No	Issuer	Parameter	Unit	Year				
				2021	2022	2023	2024	2025
1	PT. SSMS	ROE	%	25	29	29	31	51
		Stock price	Rp/Share	973	1,267	1,354	1,078	1,530
2	PT. DSNG	ROE	%	11	15	10	19	10
		Stock price	Rp/Share	562	563	607	764	1,205
3	PT. FAPA	ROE	%	13	19	4	15	29
		Stock price	Rp/Share	2,797	3,745	4,918	5,307	5,690
4	PT. TAPG	ROE	%	15	30	15	29	33
		Stock price	Rp/Share	667	679	585	678	1,236
5	PT. LSIP	ROE	%	11	9	7	12	13
		Stock price	Rp/Share	1,254	1,226	1,000	935	1,226
6	PT. AALI	ROE	%	10	8	5	5	6

	Stock price	Rp/Share	9,741	9,938	7,634	6,382	6,645

Based on comparative data of Return on Equity (ROE) and price shares in several company subsector coconut palm oil listed on the Indonesia Stock Exchange during period 2021–2025, seen existence interesting phenomenon related connection between performance finance and movement price shares. In theoretically, high ROE reflect ability company in produce profit from own capital, so that should compared straight with improvement price shares. However, empirical data show that connection the No always consistent.

As for example, at PT SSMS, ROE experienced improvement from 25% in 2021 to 51 % in 2025. The increase This followed by an increase price share from Rp973 to Rp1,530 per share. The phenomenon This show existence connection positive between ROE and price appropriate shares with theory. However, the conditions different occurred at PT DSNG, where ROE experienced fluctuations from 11% (2021) to 19% (2024), but price share No show pattern consistent improvement. Even in some period, the increase in ROE does not followed by an increase price share in a way significant.

A more phenomenon contrast seen in PT LSIP, where ROE is relatively stable in the range of 7%–13%, but price share precisely experience decline from Rp1,254 in 2021 to Rp935 in 2024, before rise again in 2025. This is show that other factors besides profitability participate influence price share.

Apart from that, at PT AALI, ROE experienced decline from 10% (2022) to 5% (2023), followed by a decrease price share from Rp9,938 to Rp7,634. However, in the year next, price share return increase even though ROE is not show significant improvement.

Phenomenon This indicates that connection between ROE and price share No always linear and can influenced by other factors such as capital structure and cost of capital of the company. Inconsistency connection between ROE and price share This show there is a research gap, where in theoretical connection the nature positive, but in a way empirical No always thus. Therefore that, is necessary analysis more carry on with enter other variables such as debt to Equity Ratio (DER) and Weighted Average Cost of Capital (WACC) to understand mechanisms that influence price share in a way more comprehensive.

Based on description mentioned, there are gap research that lies in (1) inconsistency results study related the influence of DER on price shares, (2) still limited use WACC variable in study empirical, and (3) lack of research that examines the role of ROE as intervening variables in connection between capital structure and pricing shares, especially in the sector coconut palm oil.

2. Research Method

Study This use approach quantitative with method explanatory research. This method chosen Because study aim for explain connection causal between variables independent variables, intervening variables, and dependent variables bound through testing hypothesis. Approach

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quantitative allows researchers For measure the influence of each variable in a way objective based on numerical data obtained in the field (Sugiyono, 2016) . Types of data used in study This is secondary data in the form of report published financials in a way officially listed on the Indonesia Stock Exchange (IDX) in 2021 - 2025. Data collection techniques were carried out through documentation, namely collect data from document official from the Indonesia Stock Exchange.

3. Results and Discussion

3.1. Research Results

In the section This served results research data processing about influence *Weighted Average Cost of Capital* (WACC) and *Debt to Equity Ratio* (DER) against price share with *Return on Equity* (ROE) as intervening variables in the company subsector coconut palm oil listed on the Indonesia Stock Exchange for the 2021–2025 period. Data analysis was conducted use method panel data regression with help application *EViews.*

Stages analysis started from presentation statistics descriptive for give description general about characteristics of research data. Next done testing assumptions classical and panel data regression model selection for determine the best model to use in research. After the appropriate model obtained, done testing hypothesis which includes simultaneous test (F test), partial test (t test), coefficient determination (R^2), as well as analysis mediation for know the role of ROE as intervening variables. The following is the company name data that becomes sample study:

Table Data on Palm Oil Company Names

No	Company Name
1	PT Astra Agro Lestari Tbk
2	PT FAP Agri Tbk
3	PT Dharma Satya Nusantara Tbk
4	PT Jaya Agra Wattie Tbk
5	PT Andira Agro Tbk
6	PT Eagle High Plantations Tbk
7	PT Citra Borneo Utama Tbk
8	PT Gozco Plantations Tbk
9	PT Jhonlin Agro Raya Tbk
10	PT Menthobi Karyatama Raya Tbk
11	PT Provident Investasi Bersama Tbk
12	PT Pinago Utama Tbk
13	PT Cisadane Sawit Raya Tbk
14	PT Prime Agri Resources Tbk
15	PT Salim Ivomas Pratama Tbk
16	PT Sinar Mas Agro Resources and Technology Tbk
17	PT Sumber Tani Agung Resources Tbk
18	PT Tunas Baru Lampung Tbk
19	PT Teladan Prima Agro Tbk

20	PT Bakrie Sumatera Plantations Tbk
21	PT Pradiksi Gunatama Tbk
22	PT PP London Sumatra Indonesia Tbk
23	PT Sawit Sumbermas Sarana Tbk
24	PT Triputra Agro Persada Tbk

The data above chosen Because has in accordance with criteria research needed, so that data from 24 companies the done data analysis. Then done data analysis.

Table Statistical Data Results Descriptive

	Stock price	**WACC**	**DER**	**ROE**
Mean	3.7804	0.7376	1.1534	0.7646
Median	4.4445	0.7310	1.0398	0.7508
Maximum	6.88243	0.8368	4.4102	1.6535
Minimum	0.6931	0.6554	0.7488	0.2709
Std. Dev.	2.2114	0.03865	0.4360	0.1083
Skewness	-0.0611	0.5412	4.4885	3.8286
Kurtosis	1.3503	2.7969	30.6913	42,654
Jarque-Bera	13.6810	6.0642	4237.0080	8155.6718
Probability	0.0010	0.0482	0	0
Sum	453.6533	88.5191	138.40976	91.7530
Sum Sq. Dev.	581.9458	0.1778	22.6258	1.3976
Observations	120	120	120	120

Based on results data processing of 120 observations company subsector coconut palm oil period 2021–2025, obtained description statistics descriptive that provides information beginning about characteristics of each variable research. Variables price stock (Y) has average value of 3.780 with standard deviation of 2.211. Standard value relative deviation big compared to the average shows that price share own level high variation between company and between period. This indicates that movement price shares in sub-sectors coconut palm oil tend fluctuating, which is likely big influenced by factors external like price global commodities and market conditions.

variable (X1) has average value of 0.737 with standard relative deviation small, namely 0.038. This is show that company's cost of capital tend stable and not experience significant fluctuations. Stability This can indicate that company own structure relative funding consistent during period study.

variable (X2) shows average value of 1.153 with standard deviation of 0.436. This value show existence variation leverage level between company, which reflects differences in funding strategies in use of debt. Variations This important Because can influence level risks faced by each company. Meanwhile that, the ROE (Z) variable has average value of 0.764 with standard deviation of 0.108. This is show that level profitability company relatively stable, although still there is variation between company.

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Reviewed from skewness and kurtosis values, partly big variables show non - normal distribution, especially in the DER and ROE variables which have the kurtosis value is very high. This indicates the existence of extreme data (outliers) that can influence data distribution in overall.

Hypothesis study will tested with analysis regression multiple. This is aim For answer problem study that is connection between two or more variables independent to variables dependent. Hypothesis testing in study This there are two tests namely hypothesis testing simultaneous, hypothesis partial, Sobel test, and analysis coefficient determination (Adjusted R2). The following hypothesis test results:

1) Simultaneous Test (F)

Table Simultaneous Test Results

Regression Model	Prob(F-statistic)
Model 1(WACC and DER →ROE)	0.1557
Model 2 (WACC, DER, ROE →Stock Price)	0.0000

Based on simultaneous test results on model 1, obtained Prob(F-statistic) value of 0.1557 which is more big from level significance of 0.05. This is show that in a way simultaneous WACC and DER variables do not influential significant towards ROE. With Thus, the regression model used Not yet capable explain influence second variables independent to profitability company in a way together. This result indicates that level profitability company subsector coconut palm oil No only influenced by capital structure and cost of capital, but also influenced by other factors outside the research model.

In industry coconut palm oil, profitability companies are greatly influenced by factors external like crude palm oil (CPO) prices, costs operational, productivity land, conditions exports, as well as fluctuations mark exchange. In addition, the results this also shows that change structure funding company Not yet Of course in a way direct impact on ability company in produce profit. Condition This can happen Because company need time for optimize use of funds originating from from debt and capital in activity its operations.

Based on results testing simultaneously (F test) in model 2, obtained the value of n Prob(F-statistic) is 0.0000, which is more small from level significance of 0.05. With thus, it can concluded that in a way simultaneous WACC, DER, and ROE variables have an influence significant to price share company subsector coconut palm oil. This result show that the regression model used in study own good ability in explain connection between variables independent and variable dependent. In terms of overall, combination between cost capital, debt structure, and profitability capable give significant contribution in explain variation price shares in the market.

In a way conceptual, significance of simultaneous testing This indicates that decision investments made by investors do not only based on one indicator finance only, but is results from evaluation comprehensive to various fundamental aspects of the company. WACC

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reflects efficiency cost funding, DER describes level risk finance company, while ROE shows ability company in produce profit. Third variables this, when considered in a way together, giving a clearer picture comprehensive about condition finance and prospects company. More continue, results this also shows that although in a way partial No all variables own influence significant, but in combination certain variables the still own Power explain the strong to price shares. This indicates existence possibility interaction or relatedness No direct between variables independent in influence investor perception of mark company. In the context of industry coconut palm oil, significance influence simultaneous this can also explained by the characteristics complex industry and influenced by various internal and external factors external. Investors do not only consider One aspect like profitability or capital costs only, but also pay attention to reflected risk in debt structure and dynamic market conditions. Therefore that, approach analysis that combines a number of variables at a time become more relevant in explain movement price share.

In addition, the significant simultaneous test results also strengthen validity of the research model, which means that the model is built has capable catch part big the relationship that occurs between variables studied. This is also supported by the value coefficient determination (R^2) which shows that the model has sufficient ability in explain variation price shares. With thus, it can concluded that in a way together WACC, DER, and ROE variables have role important in influence price shares, although individually the influence of each variable can different. Findings This confirm importance use approach multivariate in analysis finance, in particular in understand factors that influence decision investment in the capital market.

2) Partial Test (T)

Table Partial Test Results

Hypothesis	Connection Structural	Coefficient Influence	t- statistic	Probability	Note:
H1	WACC→ ROE	0.2531	1.7934	0.07549	Accepted
H2	DER→ ROE	0.03576	0.7523	0.4533	Rejected
H3	WACC →Stock Price	-0.6981	-0.2460	0.8061	Rejected
H4	DER →Stock Price	-2.8110	-2.0044	0.0479	Accepted
H5	ROE →Stock Price	-0.6422	-0.3607	0.7190	Rejected
H6	WACC→ ROE →Stock Price	-0.3891	-0.3537	0.7235	Rejected
H7	DER →ROE →Stock Price	-0.6065	-0.3253	0.7449	Rejected

1) The effect of WACC on ROE

Based on results testing known that WACC variable has mark coefficient of 0.2531 with mark probability of 0.07549. This value show that WACC is indicated have influential to the ROE reflected from mark probability approaching the critical limit. This is show that improvement capital costs tend to followed by an increase in the company's ROE coconut palm oil, so H1 is accepted.

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Condition This show that companies that have higher capital costs tall allegedly capable utilise source funding optimally for support activity operations and expansion business so that can increase level return equity company. In the industry coconut palm oil which is capital intensive, use of more funds big often needed For development land, improvement production and investment operations that ultimately can increase profitability company. With Thus, the results study This show that WACC is indicated influential on ROE in the company coconut palm oil.

2) The effect of DER on ROE

Based on results testing known that DER variable has mark coefficient of 0.03576 with mark probability of 0.4533. The probability value is higher big from 0.05 shows that DER has not capable give significant influence on the company's ROE coconut palm oil.

Coefficient positive show that increase in corporate debt tend followed increase in ROE, however influence the relatively small and not yet Enough strong in a way statistics. This is show that use of debt by companies Not yet fully capable increase profitability company. Condition the can caused by Because part excessive use of debt Lots used for fulfil need operational and obligation company compared to for activity productive and capable increase profit company in a way significant. With Thus, DER has not capable give significant influence on ROE in the company coconut palm oil.

3) The Effect of WACC on Stock Prices

Based on results testing known that WACC variable has mark coefficient of -0.6981 with mark probability of 0.8061. The probability value the show that WACC is not influential significant to price share company coconut palm oil.

Coefficient negative show that improvement capital costs tend to followed decline price shares, although influence the Not yet Enough strong in a way statistics. This indicates that investors in the sector coconut palm oil Not yet fully make company's cost of capital as base main in taking decision investment. Investors are suspected more consider factor external like world CPO prices, conditions exports, policies government, and prospects industry coconut palm oil. With Thus, WACC has not yet capable give influence significant to price share company coconut palm oil.

4) The Effect of DER on Stock Prices

Based on results testing known that DER variable has mark coefficient of -2.8110 with mark probability of 0.0479. The probability value the show that DER has an effect to price share company coconut palm oil.

Coefficient negative show that the more tall corporate debt levels so price share tend experience decline. Condition This show that investors tend to look at height use of debt as improvement risk finance company. High debt levels can increase interest expense and risk of financial distress so that lower investor interest in share company. With Thus, DER has an effect to price share with direction connection negative.

5) The Effect of ROE on Stock Prices

Based on results testing known that ROE variable has mark coefficient of -0.6422 with mark probability of 0.7190. The probability value the show that ROE is not influential significant to price share company coconut palm oil.

Coefficient negative show that ROE increases tend to followed decline price shares, however connection the No Enough strong in a way statistics. This indicates that investors in the company coconut palm oil No only consider level profitability company in determine decision investment, but also consider condition industry and factors external others that influence prospects company. With Thus, ROE has not yet capable give influence significant to price share company coconut palm oil.

6) Indirect Effect of WACC on Stock Prices through ROE

Based on results testing known that influence No direct WACC to price share through ROE has mark coefficient of -0.3891 with mark probability of 0.7235. This value show that ROE has not yet capable mediate the influence of WACC on price share company coconut palm oil.

This matter show that change company's cost of capital Not yet capable influence price share through improvement profitability company. Condition the can happen because investors in the sector coconut palm oil more consider factor external compared to indicator profitability company.

With Thus, ROE has not yet capable mediate the influence of WACC on price share company coconut palm oil.

7) Indirect Effect of WACC on Stock Prices through ROE

Based on results testing known that influence No direct DER against price share through ROE has mark coefficient of -0.6065 with mark probability of 0.7449. This value show that ROE has not yet capable mediate the influence of DER on price share company coconut palm oil.

This matter show that influence capital structure against price share more nature direct compared to through improvement profitability company. Investors tend to more sensitive to corporate debt levels compared to change level return equity company. With Thus, ROE has not yet capable mediate the influence of DER on price share company coconut palm oil.

3.2 Discussion

In research this, discussion focused on the influence of WACC and DER on ROE, the influence of WACC, DER, and ROE on price shares, as well as the role of ROE as intervening variables in connection between variables independent and price share company subsector coconut palm

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oil listed on the Stock Exchange Indonesia. In addition, discussions were also held with consider characteristics industry coconut palm oil which is affected by various factor external like fluctuations price global commodities, conditions economy, and perception investor risk to company.

1) The effect of WACC on ROE

Research result show that the Weighted Average Cost of Capital (WACC) has mark coefficient of 0.2531 with mark probability of 0.07549. This value show that WACC has indication influence to ROE to ROE Where reflected in mark probability approaching the critical limit.

In a way theoretically, WACC is a weighted average the company's cost of capital originating from from debt or equity. Although high capital costs generally reflect increasing burden funding, however in condition certain greater use of capital big precisely give opportunity for company for increase capacity operational and productive more benefits tall.

At the company coconut palm oil, its height capital costs are not always impact negative to profitability company. Coconut industry palm oil is industrial nature capital intensive (capital intensive) so need large funding for opening land, development plantation, purchase tool production, as well as improvement capacity processing. Use of these funds can increase productivity company so that profit company and returns equity also experienced improvement.

Research result This in line with trade-off theory states that use source funding company can give benefit for improvement performance company during company Still capable manage risk and cost of capital optimally. In conditions said, the increase capital costs can balanced with improvement profit company so that profitability company still increase.

In addition, the results study This is also supported by several study previous which shows that structure funding and capital costs can influence profitability company. Research conducted by Putra and Badjra (2015) shows that capital structure has influence to profitability company. Another study by Dewi and Sudiartha (2017) also stated that that optimal use of company capital can increase ability company in produce profit.

In addition, in company based commodities, use of funds originating from from debt or equity generally used for investment term long like expansion land, development facility production, and improvement capacity operational. Impact from use of the funds No always direct reflected in profitability in term short. As a result, changes in WACC do not in a way direct affect ROE during period research. Kumar et al., (2019) also found that efficiency capital costs not yet Of course impact directly on the increase performance finance company. Another study by Purwono et al., (2016) as well as Alhabsyi & Hwihanus, (2024) confirm that improvement impacted cost of capital negative to effectiveness management assets and efficiency operational company. Research by Rahman, (2022) show that WACC has an effect negative to profitability company. Satria & Nugraha, (2023) also showed that the cost of capital is high reduce profit net and ratio profitability company. With thus, it can concluded that WACC is not is factor the main determining factor level profitability company subsector coconut palm oil.

2. The effect of DER on ROE

Research result show that DER has mark coefficient of 0.03576 with mark probability of 0.4533. The probability value the show that DER has not capable give significant influence on the company's ROE coconut palm oil. Although thus, the coefficient positive show that DER increases tend to followed increase in ROE, although its influence relatively small.

Research result This show that use of corporate debt Not yet fully capable increase level return equity company. In the condition certain, the use of debt is indeed can increase profitability through leverage effects, especially if the funds obtained used for activity productive and capable produce profit more big compared to debt costs incurred company.

But in the company coconut palm oil, the use of debt is suspected No all of it used for activity expansion that results in improvement profit in a way directly. Some of the funding possibility used for need operational, financing asset fixed, or fulfillment obligation company so that its influence to increase in ROE to less than optimal.

In addition, the sector coconut palm oil is industries that are heavily influenced by fluctuations price global commodities. Instability world CPO prices can cause profit company experience enough change big so that influence capital structure against profitability become not enough seen in a way significant. With Thus, the results study show that DER has not capable give significant influence on the company's ROE coconut palm oil.

Research result This in line with study (Pratama & Rahmawati, 2021) which states that capital structure is not always influential to profitability companies in the sector with level volatility high. In addition, (Dang et al., 2020) also found that high debt usage Not yet Of course capable increase performance finance company. However other studies state company with high DER tend face limitations flexibility operational consequence increasing obligation finance, so that control cost operational become less than optimal (Purwono et al., 2016) . The results of other studies also show that that a capital structure dominated by debt has an impact significant to efficiency operational company, where the increase in DER is followed by an increase in the Operating Ratio which reflects decline efficiency operational (Alhabsyi & Hwihanus, 2024) . According to (Kasmir, 2016b) optimal use of debt can be increase profit company. However, if too high, then interest expense will be lower profitability. Research by (Otoxsusilo et al., 2023) show that capital structure influences to profitability company. With thus, it can concluded that DER is not is factor the main determining factor company ROE level subsector coconut palm oil.

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3. The Effect of WACC on Stock Prices

Research result show that WACC has mark coefficient of -0.6981 with mark probability of 0.8061. The probability value the show that WACC has not capable give influence significant to price share company coconut palm oil. Coefficient negative show that improvement capital costs tend to followed decline price shares, although influence the No Enough strong in a way statistics.

In a way theory, height company's cost of capital can increase risk company and lower mark company in the eyes of investors. The more big costs that must be covered company in get funding, then ability company in produce profit can decrease so that investors tend to evaluate company not enough interesting.

In context industry coconut palm oil, factors external like fluctuations price commodities own distant role more big in influence performance company. (Basher & Sadorsky, 2016; Boubaker et al., 2018; Mensi et al., 2019) show that price global commodities have influence significant to movement price stocks in the sector based source Power nature. Conditions This cause internal variables such as cost of capital becomes not enough relevant in taking decision investment. With thus, it can concluded that WACC is not become factor main thing that investors consider determine price shares in the company subsector coconut palm oil.

4. The Effect of DER on Stock Prices

Research result show that the debt to Equity Ratio (DER) has mark coefficient of -2.8110 with mark probability of 0.0479. This value show that DER has an effect to price share company coconut palm oil. This is show that the more tall corporate debt levels so price share company tend experience decline.

In a way theory, DER is the ratio used dor measure level use of debt compared to equity in funding company. The high DER indicates that company own more dependence big against debt so that increase risk finance company. According to theory capital structure, excessive use of debt tall can increase interest burden and the risk of financial distress which ultimately can lower mark company in the eyes of investors.

Research result This show that investors tend to notice corporate debt levels in take decision investment. The more tall company DER level then investors assess company own greater risk big so that investor interest in share company become decrease. Decrease the investor's interest impact on the decline price share company.

At the company coconut palm oil, high use of debt become investor attention because industry coconut Palm oil is greatly influenced by conditions external like fluctuations world CPO prices, policies exports, value exchange rates, and global market conditions. In unstable market conditions stable, high corporate debt levels can increase investor concerns about ability company in fulfil his obligations.

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Findings This in line with (Ahmad et al., 2021; Dang et al., 2020; Vo, XV, & Ellis, 2017) and (Dang et al., 2020) which states that high leverage impact negative to mark company Because increase risk financial. (Hirdinis, 2019) also found that capital structure has influence significant to mark companies, in particular when the proportion of debt is too high high. (Sari & Pratama, 2022) add that high debt levels can lower investor confidence and impact straight to the bottom price shares. According to (Fahmi, 2018) , capital structure is one of the factor affecting price Stocks. Research by (Dinata et al., 2023) show that DER has an effect to price share.

In context industry coconut palm oil, the risks posed by debt become more big Because dependence to price global commodities. When prices commodities experience decline, company with high debt levels will face pressure more finances heavy. This is make investors more careful and tend to avoid company with high DER.

In addition, the behavioral finance perspective also explains that investors tend to more sensitive to risk compared to potential profit. (Baker et al., 2005) state that perception risk play role important in determine decision investment. With Thus, the high DER is perceived as signal strong risk so that lower investor interest in share company said. With thus, it can concluded that DER is the most dominant factor in influence price share Because in a way direct reflect level risk company.

5. The Effect of ROE on Stock Prices

Research result show that ROE has mark coefficient of -0.6422 with mark probability of 0.7190. The probability value the show that ROE has not yet capable give influence significant to price share company coconut palm oil. Coefficient negative show that ROE increases tend to followed decline price shares, although connection the No Enough strong in a way statistics.

In a way theory, high ROE show ability company in produce profit for holder share so that should can increase investor interest in share company. The more tall level profitability company, then the more big opportunities for investors to gain profit so that price share tend increase.

6. The role of ROE in Mediating the Effect of WACC on Stock Prices

Research result show that influence No direct WACC to price share through ROE has mark coefficient of -0.3891 with mark probability of 0.7235. The probability value the show that ROE not yet capable mediate the influence of WACC on price share company coconut palm oil.

The results show that change company's cost of capital Not yet capable influence price share through improvement profitability company. This is can caused by Because connection between WACC and ROE and ROE price share Not yet show enough influence strong in a way statistics.

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In a way theory, improvement company's cost of capital can influence profitability the company that ultimately impact to investor assessment and pricing share company. However, in the company coconut palm oil, mechanism the Not yet seen in a way significant Because price share company more Lots influenced by factors external compared to internal conditions of the company.

7. The role of ROE in Mediating the Effect of DER on Stock Prices

Research result show that influence No direct DER against price share through ROE has mark coefficient of -0.6065 with mark probability of 0.7449. The probability value the show that ROE has not yet capable mediate the influence of DER on price share company coconut palm oil.

Research result This show that influence capital structure against price share more tend happen in a way direct compared to through improvement profitability company. This can seen from results testing previously shown that DER has influence direct to price shares, whereas the influence of DER on ROE and the influence of ROE on price share Not yet show significant results.

In a way theory, the use of debt can increase profitability company if the funds obtained capable used in a way effective For produce more profit big. Increase profitability the Then expected can increase investor confidence so that price share company experience improvement.

But in the company coconut palm oil, investors tend to more notice level risk company consequence use of debt compared improvement profitability company. High DER is considered increase risk finance company so that influence decision investor investment in direct without through ROE changes.

In addition, the condition industry coconut palm oil affected fluctuations price global commodities cause profitability company tend No stable so that ROE is not yet capable become strong intervening variable in connection between DER and price shares. With Thus, the results study show that ROE has not yet capable mediate the influence of DER on price share company coconut palm oil.

4. Conclusion

Based on results study about influence *Weighted Average Cost of Capital* (WACC) and *Debt to Equity Ratio* (DER) against price share with *Return on Equity* (ROE) as intervening variables in the company subsector coconut palm oil listed on the Indonesia Stock Exchange for the 2021–2025 period, then can obtained a number of conclusion as following: Research results show that the Weighted Average Cost of Capital (WACC) is indicated influential on Return on Equity (ROE). This show that change capital costs tend to followed increase in company ROE coconut palm oil. Meanwhile that, Debt to Equity Ratio (DER) has not capable give influence significant on ROE, although own direction connection positive. Condition the show that use of

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corporate debt Not yet fully capable influence profitability company in a way significant. Research results show that the Weighted Average Cost of Capital (WACC) has not capable give influence significant to price share company coconut palm oil, although own direction connection negative. Debt to Equity Ratio (DER) has an effect to price shares. This is show that corporate debt levels become attention main investor in taking decision investment in sub-sectors coconut palm oil. In addition, Return on Equity (ROE) has not yet capable give influence significant to price share company coconut palm oil.

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