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**FACTORS OF PROFITABILITY, SOLVENCY, LIQUIDITY,
EARNINGS PER SHARE, COMPANY SIZE AND CAPITAL
STRUCTURE ON STOCK PRICES IN CONSUMPTION
INDUSTRY SUB-SECTOR MANUFACTURING
COMPANIES LISTED ON THE INDONESIAN STOCK
EXCHANGE**

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Abstract

Company with focus main part sub sector industry consumption must knowing the level of financial ratios to find out whether the company's performance is running smoothly, but all of this does not have a significant impact on the share price because the profit from a share (EPS) causes an increase or decrease in the company's share price. In this research, researchers used quantitative methods. The population used was 16 companies and the sample used was 10 companies with 50 observations measured in the period 2017 - 2021. The technique used in this research is multiple linear regression analysis technique with SPSS version 20. The conclusion of this research is that Profitability does not have significant influence on share prices. Solvency does not have a significant influence on prices share. Liquidity No own influence significant to price share. Earnings per share has a significant influence on share prices. Company size does not have a significant influence on share prices. Capital structure does not have a significant influence on share prices. Simultaneously, it has a positive effect on share prices in manufacturing companies in the consumer industry sub-sector listed on the Stock Exchange Indonesia.

Keywords: Profitability, Solvency, Liquidity, Earnings per Share , Company Size, Capital Structure, Share Price

INTRODUCTION

Currently, shares are the best choice for investing because share prices are said to be a reflection of a company's value. Target of shareholders who invest To use get profit like capital gain And dividends yield . Capital gain is called an investor's profit when reselling their investment assets (OCBC NISP, 2021) , whereas dividend yield called type investment with objective as measurement will the entire amount of cash flow from investments used towards the equity position (accurate.id) . However, a profit will also be hit by a loss, this loss is a Capital Loss. Capital Loss is a loss of capital or a decrease in the value of an investment that causes loss for investors Which caused on price sell And buy an asset.

Factor Which cause influence For something condition on company own There are various types that include internal and external factors of the company. Investors always pay attention to information from companies in order to analyze the profits that can be obtained from a company. Previous research states that any information in a company plays a very important role in finding a product. Business performance can be measured using report finance. With report finance Which clear And transparent, investors can understand the state of the company. The economic situation helps investors make decisions investment Which wise And profitable. Based on information in financial reports, shareholders will have insight or knowledge regarding the condition of the company in question so they can compare this information in order have a chance to take it decision

The following are things an investor should pay attention to when looking at company information. Return on assets is referred to as information about the company for shareholders, whether the return on assets of the company that will be invested is high or not if it returns on assets from company ter group low so possibility price s a h a m 3 from the company did not experience a significant increase. Likewise with the Debt to Equity Ratio For know is company the Can follow debt period long, If the ratio is assessed to be greater, it will make the company more likely to fail to pay its obligations to creditors. Current Ratio is also referred to as a ratio measurement which functions to measure the company's performance in paying term debt long, Where We Can know number real until so far where assets fluent companies can secure current debt (Ismail 2016).

Return on assets (ROA) aims to assess the company's performance when generating profits based on the assets that have been used. Return on assets utilizes previous profits so that they can be assessed in the next period (accurate.id).

Debt to Equity Ratio is referred to as a ratio that assesses debt through equity (Hanafi & Halim, 2016). Debt to Equity Ratio summarize between debt and comparing it with equity in funding and showing the company's performance against its capital so that it is able to carry out its obligations (Sawir, 2012).

According to Kasmir (2016), the Current Ratio is referred to as a ratio that functions to assess a company regarding its obligations that will soon be due. The higher the value of the Current Ratio in a company, it is concluded that the



company's ability to pay current debt is smoother if the ratio is higher.

Earnings per share is referred to as a ratio that functions to measure the entire net profit from each number of shares outstanding. Usually Earnings per share has a relationship with company revenue. For example, if Earnings per share is high, then the profit obtained by the company will increase. Meanwhile, Baridwan stated that Earnings per share is referred to as the income obtained from all existing shares in a certain period, which is then used by the leadership to determine the dividends to be distributed. It can be concluded that Earnings per share is a comparison between net profit and the number of shares.

Company size is referred to as a measurement of the company's total assets by use various source Power so that Can obtain income through product which for sale. Capital Structure is referred to as the difference between foreign capital and company capital. If the capital structure is higher, the share price will be higher, and if the capital structure is low, the price of the 3 shares will also be lower.

RESEARCH METHODS

The independent variables in the research are Profitability Ratios, Solvency, Liquidity, Earnings per share, Company Size and Capital Structure. The type of data used that is data secondary Which sourced from Exchange Effect Indonesia And website from each company in the consumer industry sector. Quantitative is the type used in this research, because the object is to test various hypotheses that have been assumed. The research analysis method will use a regression analysis test

multiple. Test normality called as test Which evaluate data will distributed in a way normal or not. To detect the normality of data, there are 2 ways, namely: Graphic Analysis and Statistical Analysis. Graphic Analysis is a graph created from observational data that has been processed And Then plotted in accordance with axis Which desired Which will become basic calculation/data analysis. Statistical analysis is called a data processing technique that will influence data processing with the aim of obtaining information for retrieval purposes decision.

Multicollinearity test is referred to as a test that pays attention to two or more variables that have a strong relationship or not in a model. The multicollinearity test can be seen by the tolerance value and variance inflation (VIF) value. If $H_0: VIF < 10$ then multicollinearity does not occur and if $H_a: VIF > 10$ then it means multicollinearity occurs. The heteroscedasticity test functions to be able to analyze differences in variance in the regression model from one residual observation to another (Ghozali, 2018: 120). The criteria for heteroscedasticity testing are if the significance value is >0.05 , it means that there are no symptoms of heteroscedasticity and vice versa, if the significance value is <0.05 .

The data analysis method in this research uses the classic assumption test to determine whether the data is suitable for use in research. Following is the result of the equation regression:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 e$$



RESULTS AND DISCUSSION

The results of the Descriptive Analysis are in the table below:

Descriptive Statistics						
	N	Minimum	Maximum	Sum	Mean	Std. Deviation
ROA	50	-.9997	-.1010	-28.6087	-.572175	.3346364
CR	50	1.0663	7.6725	164.8826	3.297651	1.6853476
EPS	50	.7780	3.7520	109.0810	2.181620	.6920873
DAR	50	.0044	.7734	12.2444	.244889	.2151336
DER	50	-.8687	.8567	-15.0696	-.301392	.4222243
Harga	50	2.18	4.92	172.89	3.4577	.62350
Valid N (listwise)	50					

Figure 1. Descriptive Statistics

One-Sample Kolmogorov-Smirnov Test							
		ROA	CR	EPS	DAR	DER	Harga
N		50	50	50	50	50	50
Normal Parameters ^{a,b}	Mean	-.572175	3.297651	2.181620	.244889	-.301392	3.4577
	Std. Deviation	.3346364	1.6853476	.6920873	.2151336	.4222243	.62350
e	Absolut	.187	.126	.099	.132	.126	.106
	Most Extreme	.156	.126	.099	.117	.126	.106
Differences Positive		-.187	-.094	-.068	-.132	-.090	-.069
	Negative	1.325	.889	.699	.932	.890	.750
Kolmogorov-Smirnov		.060	.408	.712	.350	.407	.628
Z Asymp. Sig. (2-tailed)							

a. Test distribution is Normal.

b. Calculated from data.

Figure 2. Normality Test

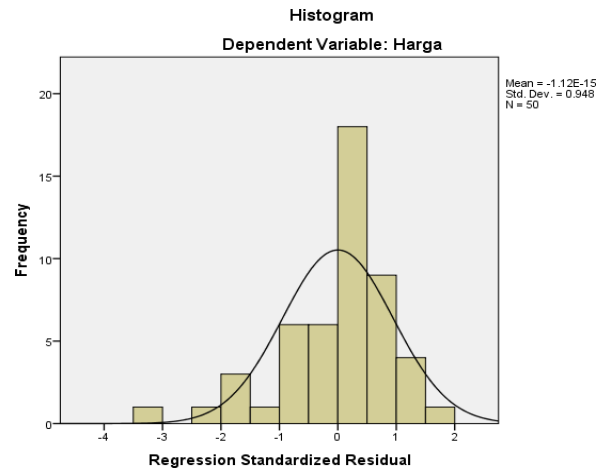


Figure 3. Histogram graph

Based on picture above curve on chart histogram a normal distribution pattern. And if the distribution is normal, it can be concluded that the regression model has a normal distribution. The probability plot graph shows that the data is spread mostly along a diagonal line, so it can be said that the data is normally distributed.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.675	.190		8.827	.000		
ROA	-.137	.109	-.074	-1.260	.214	.877	1.141
CR	-.032	.031	-.087	-1.046	.301	.430	2.323
EPS	.802	.054	.890	14.828	.000	.830	1.205
DAR	.290	.188	.100	1.541	.130	.710	1.408
DER	.033	.129	.022	.252	.802	.391	2.554

a. Dependent Variable: Harga

Figure 4. Multicollinearity Test

Based on table above, the tolerance value for ROA is 0.877 > 0.1 and the VIF

value is 1.141 < 10. The tolerance value for CR is 0.430 > 0.1 and the VIF value as big



as $2,323 < 10$. Mark tolerance for EPS is $0.830 > 0.1$ and VIF value of $1,205 < 10$. The tolerance value for DAR is $0.710 > 0.1$ and the VIF value is $1.408 < 10$. The tolerance value for DER is $0.391 > 0.1$ and the VIF value is $2.554 < 10$. It can be seen that the data above has a tolerance value > 0.1 and $VIF < 10$, so this does not happen. i multicollinearity. Based on table above, the significant value of ROA is $0.561 > 0.05$, the significant value of CR $0.200 > 0.05$, mark significant EPS $0.616 > 0.05$, mark significant DAR $0.458 > 0.05$ And significant value of DER $0.162 > 0.05$. The significant value in the table above shows a value greater than 0.05, so no symptoms occur heteroscedasticity.

From the table above, it shows that the Adjusted R Square value is 0.853 or 85.3%, which means that Return on assets , Current Ratio , Earnings per share , Debt to Asset Ratio and Debt to Equity Ratio have an influence on share prices of 85.3% and the remaining 14.7% is influenced by other variables not studied. If you look at the table above , the T table value is 2.016 so it can be concluded that Earnings per share In particular , it has a positive effect on the prices of 3 shares with a calculated t value of $14,828 > t$ table 2,016. Meanwhile, Return on Assets , Current Ratio , Debt to Asset Ratio and Debt to Equity Ratio partially do not have a significant effect on stock prices.

From the results of the table above, it shows that Return on assets , Current Ratio , Earnings per share , Debt to Asset Ratio and Debt to Equity Ratio 1 simultaneously has a positive influence on the price of 3 shares because F count is $58.069 > F$ table 2.31.

The discussion in this research is as follows:

1. Testing with a partial test states that Return on assets does not have a significant effect on share prices, so H0 is rejected and H1 is accepted. This is the same if seen from the research of Geraldly Welan, Paulina Van Rate and Joy E Tulung (2019) and the opposite if seen from the research of Muhammad Zakaria (2021) which states that the more positive the return on assets value, the more efficient it is for the company to generate higher profits.

2. Testing with a partial test states that the Current Ratio does not have a significant effect on Share Prices³, so H0 is rejected and H2 is accepted. This is the same if seen from the research of Intan Dwi Yuniati (2022) and the opposite if seen from the research of Neneng Faridatul Husna and Nanan Sunandar (2022) which states that the Current Ratio has a significant effect on stock prices.

3. Testing with a partial test states that for Earnings per share the effect on Share Prices is that H0 is accepted and H3 is rejected. This is the same if seen from the research of Sigit Sanjaya and Winda Afriyenis and also the research of Muhammad Zakaria (2021) which says that increasing EPS will benefit the company, the opposite if seen from the research of Sunaryo (2011) which says Earnings per share has no significant effect on share prices. .

4. Testing with a partial test states that the Debt to Asset Ratio does not have a significant effect on share prices³, so H0 is rejected and H4 is accepted. This is as



straight as seen from the research of Nufzatutsaniah and Arif Saepurohman (2022), the opposite if seen from Andi Nuraisyah Amin's research (2018) which states that the Debt to Asset Ratio has a positive influence on stock prices.

5. Testing with a partial test states that the Debt to Equity Ratio does not have a significant effect on share prices, so H₀ is rejected and H₅ is accepted. This is the same if seen from the research of Geraldly Welan, Paulina Van Rate and Joy E Tulung (2019) and Muhammad Zakaria (2021), the opposite if seen from the research of Andi Nining AF (2021) which states that the Debt to Equity Ratio has a positive effect on stock prices.

CONCLUSION

1. Return on assets has no significant effect on share prices in manufacturing companies in the consumer industry sub-sector listed on the Indonesia Stock Exchange.
2. Current Ratio has no significant effect on 3 share prices in manufacturing companies in the consumer industry sub-sector listed on the Indonesia Stock Exchange.
3. Earnings per share partially influence 3 share prices in manufacturing companies in the consumer industry sub-sector listed on the Indonesia Stock Exchange.
4. Debt to Asset Ratio does not have a significant effect on share prices in manufacturing companies in the consumer industry sub-sector listed on the Indonesia Stock Exchange.
5. Debt to Equity Ratio has no significant effect on share prices in manufacturing companies in the consumer industry sub-sector listed on the Indonesia Stock Exchange.

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