



Analysis of Factors Affecting Stock Prices in Food And Beverage Companies Listed on the Indonesia Stock Exchange

Yousita Abigail Lesnussa¹, Aprina Wati², Fera³, Julia Monik Nasution⁴, Tika Meisin br Sinulingga⁵, Ribka Sari Butar-Butar⁶

^{1,2,3,4,5}Student of Management Study Program, Universitas Prima Indonesia

⁶Lecturer of Management Studies Program, Universitas Prima Indonesia

ARTICLE INFO

ABSTRACT

Keywords:

ROE;
EPS;
NPM;
Stock price;

This research has the aim to test the truth of Return On Equity (ROE), Earning Per Share (EPS), and Net Profit Margin (NPM) giving a simultaneous or partial effect on stock prices. In this research, the value of the company/company is proxied using Price to Book Value (PBV). This research uses a population of 25 Food and Beverage companies on the IDX list during the 2018-2020 period. Materials/data for the acquisition test are sourced from the financial report notes issued by the IDX. The sampling procedure uses a purposive sampling method that only uses Food and Beverage companies that are listed in succession during the 2018-2020 period, publishes historical stock prices during the research period, and does not experience losses during the research period. The number of samples that passed the category was 17 Food and Beverage companies which were studied for 3 years so the observation data were 51 observations. The results of the Coefficient of Determination in this study, which can be observed in Adjusted R Square, have a score of 79.8%. Stock prices can be influenced by ROE, EPS, and NPM, while the remaining 20.2% are influenced by other aspects that are not included in the study.

E-mail:

ribkasaributarbutar@unprimdn.ac.id

Copyright © 2020 Enrichment: Journal of Management.
All rights reserved.

1. Introduction

The development of the company's condition is increasing, creating interest in investors to carry out investments [1]. One of the company's sub-sectors that is getting a lot of attention is the food and beverage company. The food and beverage industry is increasing rapidly, this can be seen from the number of companies listed on the Stock Exchange from last year to the following year. The competition that occurs between these industries makes companies improve and create food and beverage products that are varied and unique to attract consumers' purchasing power [2].

Opportunities to invest in food and beverage companies are very promising because they will continue to experience growth in demand and supply for food and beverages in line with the increasing population in Indonesia. In developing companies engaged in this sector, one of the preferences of the industry to obtain capital subsidies is to use the capital market. In capital market activities, stock prices are an important part that must be known by capital owners before investing because stock prices reflect the achievements of the issuer. There are two main factors in welcoming the increase in stock prices, namely internal factors and external factors. Internal factors or

fundamental factors are factors that cause it from within the company and can be controlled by the company's management, then external factors or non-fundamental factors can be caused by economic conditions, for example, interest rates and government policies [3].

The fundamental impact of industry on changes in stock prices can be seen by conducting a fundamental analysis. Fundamental analysis is an analysis that involves the fundamental elements presented in the financial statements of an industry. Based on the financial statements, owners of capital can evaluate the financial performance of an industry, including investment decisions. To find out whether the issuer is healthy or not, we can use ratio analysis. In this study, the fundamental analysis uses the ratio of Return on Equity (ROE), Earning Per Share (EPS), and Net Profit Margin (NPM). Investors have a goal in investing to earn a profit from an investment, so an internal analysis of financial ratios needs to be carried out. Carrying out a fundamental analysis with the ratio to be studied, can send a signal to the owner of capital to invest [4]. [5] argues that the high return on equity describes the company's good prospects, following the positive response from investors which resulted in the stock price peaking. Next according to [6] ROE shows the company's ability to create a return on its equity. The high profit of the company indicates that the industry has good expectations and has an impact on rising stock prices. Then [7] reflects the company's ability to carry out its equity management effectively and efficiently, so that investors have an interest in investing and the company can provide large returns to investors. The higher the return obtained by the owner of the company, the greater the share price of the company.

Return on Equity (ROE) is defined as the performance of a company with the capital owned to make a profit. The higher the ROE value, the more optimal the company is in managing its capital in obtaining and increasing margins. This proves that the stock price will soar when the ROE value increases. The difference between theory and facts at PT Mayora Indah Tbk in 2020 the value of ROE decreased by 2.1% from 20.7% in 2019 to 18.6% in 2020. This situation is contrary to the stock price which in 2020 increased by Rp. 660 from 2019 Rp. 2,050 to Rp. 2,710.

According to [8] revealed that investors are more interested in companies that are able to provide high earnings per share. If the profit per share is high, it will increase the amount of dividends received by investors, so that investors will invest and have a good impact on stock prices. Then according to [9] When investing, investors pay attention to the EPS value of a company. A company with a high EPS value indicates that the company is able to prosper its investors. This condition will trigger investors to invest and have an impact on rising stock prices.

The return obtained by investors on the shares owned has a strong appeal. The higher the EPS value, the higher the profit received by investors [10]. Earning Per Share (EPS) is the main thing in analyzing and assessing the company's workability. In analyzing the basis of stocks, EPS is the first place that must be considered. Industry gains and losses are listed therein. A negative EPS value indicates a company is experiencing a loss, while a positive EPS value indicates a company is making a profit. There is a difference between theory and fact at PT Delta Jakarta Tbk reporting that the decrease in earnings per share of Rp. 25,267 from Rp. 422,315 in 2018 decreased to Rp. 397,048 in 2019. On the other hand, the share price increased by Rp. 1,300 from Rp. 5,500 to Rp. 6,800.

According to [11] said that investors have an interest in companies that have high profits. The greater the profit of a company, the greater the profit received by investors. Meanwhile, according to [12] investors are interested in investing in companies that have a high NPM value, because they are considered capable of obtaining large profits from the company's operational activities which ultimately have an impact on increasing share prices. Net Profit Margin (NPM) represents the state of an industry in obtaining a net profit from all sales activities. The high value of this ratio is considered the better, which in turn can inflate investor confidence to invest their capital in the company. In PT Indofood Sukses Makmur Tbk, there are differences in the theory of NPM. In 2020, the NPM value increased by 3% while the share price decreased by Rp. 1,

2. Methods

The research approach carried out by researchers uses quantitative methods whose sources are obtained using the results of IDX publications, references from books, articles on the internet, and scientific references that are in line with the research theme. Quantitative methods are closely related to the starting number of data collection, interpreting until showing results. The research was conducted using a food and beverage sub-sector manufacturing company on the IDX list for the period 2018-2020. Purposive sampling is used as a technique for sample selection, namely the sample selection is based on the parameters previously set by the researcher [13].

Table 1.
SAMPLING CRITERIA

No.	Keterangan	Jumlah
1.	The Food and Beverage Industry listed on the IDX during the period 2018-2020.	25
2.	The food and Beverage Industry does not have historical prices stocks for 2018-2020 regularly	(1)
3.	The Food and Beverage Industry listed on the IDX suffered losses during the research period.	(7)
	Number of Samples	17
	Year of Observation (2018-2020)	3
	Total Observation Data	51

The data analysis technique uses multiple linear regression analysis

3. Results and Analysis

3.1 Multiple Linear Regression Analysis Results

Table 2
RESULTS OF MULTIPLE LINEAR REGRESSION ANALYSIS

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.352	.419		.245	.000
SQRT_ROE	5.645	1.793	.301	3.148	.003
SQRT_EPS	2.704	.312	.698	8.676	.000
SQRT_NPM	-.146	2.210	-.006	-.066	.948

a. Dependent Variable: SQRT_HargaSaham

Based on Table 2, the equation for multiple linear regression is obtained as follows: $Y = 2.352 + 5.645X_1 + 2.704X_2 - 0.146X_3 + e$. The value of the regression equation constant above is 2,352 which states that if the ROE, EPS, and NPM are constant, the stock price is 2,352. The ROE regression coefficient of 5.645 means that for every 1% increase in ROE, the stock price increases by 5,645. The EPS regression coefficient of 2.704 means that for every 1% increase in the EPS variable, the stock price increases by 2.704. NPM has a regression coefficient of -0.146 which means that the addition of 1% of the NPM variable causes the stock price to decrease by 0.146.

a. t-test

Table 3
T-TEST RESULTS

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.352	.419		.245	.000
SQRT_ROE	5.645	1.793	.301	3.148	.003
SQRT_EPS	2.704	.312	.698	8.676	.000
SQRT_NPM	-.146	2.210	-.006	-.066	.948

a. Dependent Variable: SQRT_HargaSaham

Based on the results of the test calculation, it shows that the ttable score with a probability of 0.05 at the degrees of freedom $n = 51$, $k = 3$, $n-k-1 = 47$ is 2.01174. ROE has a tcount value of $5.645 > 2.01174$ using a significance score of $0.003 < 0.05$ so that ROE has a positive and significant effect on stock prices. EPS has a tcount of $2.704 > 2.01174$ with sig. $0.00 < 0.05$ then EPS has a positive and partially significant effect on stock prices. NPM has a tcount of $-0.146 < 2.01174$ along with a significance of $0.948 > 0.05$ so NPM does not affect stock prices.

b. F test

Table 4
T-TEST RESULTS

Model		ANOVA ^a				
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38301.886	3	12767.295	67.004	.000 ^b
	Residual	8955.685	47	190.546		
	Total	47257.571	50			

The score Fcount > Ftable which is $67,004 > 2.79$ means that ROE, EPS, and NPM together have a real influence on the Stock Price where the significance is $0.000 < 0.05$. This problem can be calculated using F table = $F(K;n-K) = F(3;51) = 2.79$.

c. Coefficient of Determination

Table 5
RESULTS OF THE COEFFICIENT OF DETERMINATION

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.900 ^a	.810	.798	13.80386

Score Adjusted R Square (R2) the coefficient of determination is 0.798 or has the same value as 79.8%, which means that as much as 79.8% of the variations in the transformation of firm value can be described by the ROE, EPS, and NPM variables. The remaining 20.2% is described by other variables.

3.2 The Effect of Return On Equity on Stock Prices

This calculation is carried out to show that ROE has a partial and real influence on stock prices in the food and beverage industry on the IDX list for the period 2018-2020. The large ROE value implies that the company has good opportunities in the future. Those who wish to invest have the opportunity to give a positive value to companies with high ownership in terms of the value of their return on equity. The results of this study are in line with the results of research conducted by [14][15][16] which states that return on equity has a significant effect on stock prices. This means that when the return on equity is increased, it will have an impact on increasing stock prices.

3.3 Effect of Earning Per Share on Stock Price

The experimental results reveal that EPS has a segmental impact on stock prices in the Food and Beverage industry that has been registered on the IDX for the period 2018-2020. The results of this observation agree with Shindi's research (2020) in the study of the Effect of ROE and EPS on Stock Prices in Development Companies Listed on the IDX from 2012-to 2017. The amount of profit that investors get from their investment will increase the stock price. Investors have an interest in a high EPS ratio value before investing because this ratio reveals the profits per share received by investors. The results of this study support the results of research conducted by [17][4][18] which state that earnings per share have a significant effect on stock prices. It can be concluded that when earnings per share are increased, it will also have an impact on increasing stock prices.

3.4 Effect of Net Profit Margin on Stock Prices

Based on the obtained observations, the hypothesis formulation was carried out stating that the net profit margin had no segmental effect on stock prices in the Food and Beverage Industry on the IDX List for the period 2018-2020. The trigger for net profit margin does not affect stock prices because NPM does not describe all parts of the company in earning profits but only from sales. High costs are also a factor in the reduced profit earned on sales activities carried out by the company. The results of this study do not support the results of the study [2][19][3] which states that the net profit margin has a significant effect on stock prices.

4. Conclusion

Based on the research findings, the researcher draws the following conclusions Return On Equity has a partial effect on stock prices in Food and Beverage companies on the IDX List for the 2018-2020 period, along with the score $t_{count} > t_{table}$, which is $5,645 > 2,01174$ and the significance is $0.003 < 0.05$. Earning Per Share has a partial and real influence on the Stock Price in Food and Beverage companies on the IDX List for the 2018-2020 period, along with the score $t_{count} > t_{table}$, namely $2.704 > 2.01174$ with sig. $0.00 < 0.05$. Net Profit Margin does not have a partial impact on the Share Price in the Company Food and Beverage on the IDX List for the period 2018-2020, along with the score $t_{count} < t_{table}$ i.e $-0.146 < 2.01174$ along with its significance $0.948 > 0.050$. The calculated score $F_{count} > F_{table}$ which is $67,004 > 2.79$ means that ROE, EPS, and NPM Together have a real influence on the Stock Price where the significance is $0.000 < 0.05$, so Return On Equity, Earning Per Share, Net Profit Margin provide simultaneous influence on the Share Prices in Food and Beverage Companies in the IDX List for the period 2018-2020.

The following are suggestions that the researcher conveys based on the results of the research carried out Researchers expect the company to be able to advance the company's financial productivity every period so that it is eligible to compete with its competitors to win the trust of shareholders Before investing in the capital market, investors are asked to be good at reading and understanding various accounting ratios in financial statements. Since the research carried out by researchers is limited to Food and Beverage Companies and is only carried out in the 2018-2020 period, it is hoped that the next researcher will examine different populations and periods.

5. References

- [1] A. S. A. D. Nasib, "Pengaruh Firm Size Dan Leverage Ratio Terhadap Kinerja Keuangan Pada

- Perusahaan Pertambangan,” JWEM STIE Mikroskil, vol. 9, no. April, pp. 13–20, 2019.
- [2] I. K. D. D. Solihin, “Pengaruh Current Ratio Dan Net Profit Margin Terhadap Harga Saham Pada Perusahaan Makanan Dan Minuman Yang Terdaftar Di Bursa Efek Indonesia (Bei) Periode 2015-2018,” J. Ilm. Feasible, vol. 2, no. 2, pp. 183–191, 2020.
- [3] A. K. Mustofa, “Pengaruh Net Profit Margin Dan Return On Asset Terhadap Harga Saham Pt Adhi Karya Persero Tbk Periode 2009 - 2020,” J. Ilm. FEASIBLE Bisnis, Kewirausahaan Kop., vol. 4, no. 1, pp. 50–51, 2021.
- [4] M. F. D. H. Pasaribu, “Pengaruh Earning Per Share, Return On Assets, Dan Debt To Equity Ratio Terhadap Harga Saham,” Nominal Barom. Ris. Akunt. dan Manaj., vol. 9, no. 2, pp. 258–274, 2020.
- [5] A. Nainggolan, “Pengaruh EPS, ROE, NPM, DER, PER Terhadap Harga Saham Pada Perusahaan Perbankan Yang Terdaftar Dibursa Efek Indonesia Periode 2014-2017,” J. Manaj., vol. 5, no. 2, pp. 61–70, 2019.
- [6] A. S. Utomo, “Pengaruh Roa Dan Eva Terhadap Harga Saham Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia,” J. Adz-Dzahab J. Ekon. dan Bisnis Islam, vol. 4, no. 2, pp. 21–29, 2019.
- [7] I. N. Sutapa, “Pengaruh Rasio Dan Kinerja Keuangan Terhadap Harga Saham Pada Indeks Lq45 Di Bursa Efek Indonesia (Bei) Periode 2015-2016,” KRISNA Kumpul. Ris. Akunt., vol. 9, no. 2, p. 11, 2018.
- [8] E. S. R. S. Saputra, “Pengaruh CR, DER, ROE, TAT, dan EPS terhadap Harga Saham Industri Farmasi di BEI Tahun 2011-2015,” J. Online Insa. Akuntan, vol. 2, no. 1, pp. 119–136, 2017.
- [9] B. F. A. Triyonowati, “Pengaruh Eps Dan Dps Terhadap Harga Saham Perusahaan Pertambangan Terdaftar Di Bei,” J. Ilmu dan Ris. ..., vol. 8, no. 3, pp. 169–175, 2020.
- [10] S. Rahmadini, “Pengaruh Roe Dan Eps Terhadap Harga Saham Pada Perusahaan Pembangunan Tahun 2012-2017 Yang Terdaftar Di BEI,” KRISNA Kumpul. Ris. Akunt., vol. 12, no. 1, pp. 50–54, 2020.
- [11] O. H. P. D. S. A. A. Effendy, “Pengaruh Net Profit Margin Dan Debt To Equity Ratio Terhadap Harga Saham,” J. Akunt., vol. 9, no. 1, pp. 24–36, 2020.
- [12] D. P. Yahya, “Pengaruh Current Ratio, Net Profit Margin Dan Earning Per Share Terhadap Harga Saham,” J. Ilmu dan Ris. Manaj., vol. 9, no. 5, pp. 1–19, 2020.
- [13] Sugiono, *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Bandung: Alfabeta, 2012.
- [14] H. Ratnaningtyas, “Pengaruh Return on Equity, Current Ratio Dan Debt To Equity Ratio Terhadap Harga Saham,” J. Proaksi, vol. 8, no. 1, pp. 91–102, 2021.
- [15] M. Y. M. Bachri, “Pengaruh Return On Equity Dan Net Profit Margin terhadap Harga Saham pada Perusahaan Perkebunan yang Terdaftar di Bursa Efek Indonesia,” J. Hum., vol. 4, no. 1, pp. 34–45, 2020.
- [16] K. A. T. P. D. A. N. N. S. R. Damayanti, “Pengaruh Return on Assets, Return on Equity , Earning Per Share Dan Debt To Equity Ratio Terhadap Harga Saham,” J. Ris. Akunt. Warmadewa, vol. 3, no. 1, pp. 1–14, 2022.
- [17] M. Q. H. M. M. D. L. T. W. S. Manoppo, “Pengaruh Earning Per Share Terhadap Harga Saham Perusahaan Manufaktur Sektor Barang Konsumsi yang Terdaftar Di Bursa Efek Indonesia Periode 2015-2018,” J. Adm. Bisnis, vol. 9, no. 2, p. 1, 2019.
- [18] A. M. B. Rifuddin, “Pengaruh Earning Per Share Terhadap Harga Saham Pada PT. Bank Mandiri (Persero), Tbk Periode 2010-2019,” J. Neraca Perad., vol. 1, no. 1, pp. 8–13, 2021.
- [19] N. D. K. I. F. Rachmi, “Pengaruh Net Profit Margin, Return On Asset, Return On Equity, dan Earning Per Share Terhadap Harga Saham di Masa Pandemi Covid-19 (Studi Empiris Pada Perusahaan Publik Sektor Pertambangan di Bursa Efek Indonesia),” J. Ris. Bisnis dan Investasi, vol. 7, no. 2, pp. 58–68, 2021.