THE EFFECT OF FINANCIAL RATIOS TOWARDS STOCK PRICE

(Study on Food and Beverage Companies listed in Indonesia Stock Exchange Period 2013-2017)

By
Bintang Arnelia Jingga
014201500008

A Skripsi presented to the
Faculty of Business President University
in partial fulfillment of the requirements for
Bachelor Degree in Management

December 2018

PANEL OF EXAMINERS
APPROVAL SHEET

The Panel of Examiners declare that the skripsi entitled **"THE EFFECT OF FINANCIAL RATIOS TOWARDS STOCK PRICE (STUDY ON FOOD AND BEVERAGE COMPANIES LISTED IN INDONESIA STOCK EXCHANGE PERIOD 2013-2017)"** that was submitted by Bintang Arnelia Jingga majoring in Management from the Faculty of Business was assessed and approved to have passed the Oral Examinations on 4th December, 2018.

Panel of Examiners

Purwanto, ST., M.M
Chair - Panel of Examiners

Christina Liem, S.T., M.Comm
Examiner 2

Pandu Adi Cakranegara, S.E., MSc., MBA
Examiner 3

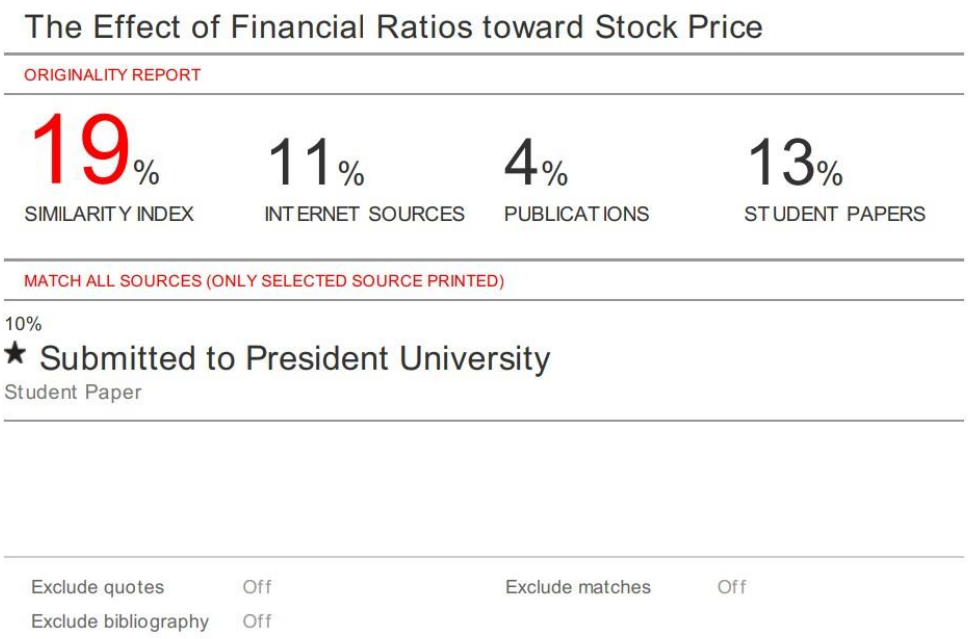
DECLARATION OF ORIGINALITY

I declare that this skripsi, entitled **"THE EFFECT OF FINANCIAL RATIOS TOWARDS STOCK PRICE (STUDY ON FOOD AND BEVERAGE COMPANIES LISTED IN INDONESIA STOCK EXCHANGE PERIOD 2013-2017)"** is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Cikarang, 21st October 2018

Bintang Arnelia Jingga

PLAGIARISM REPORT



The Effect of Financial Ratios toward Stock Price

ORIGINALITY REPORT

19%	11%	4%	13%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

MATCH ALL SOURCES (ONLY SELECTED SOURCE PRINTED)

10%

★ Submitted to President University

Student Paper

Exclude quotes	Off	Exclude matches	Off
Exclude bibliography	Off		

ACKNOWLEDGEMENT

Praise and gratitude to God who has provided health for me so that I could finish this thesis with the title of **"THE EFFECT OF FINANCIAL RATIOS TOWARDS STOCK PRICE (STUDY ON FOOD AND BEVERAGE COMPANIES LISTED IN INDONESIA STOCK EXCHANGE PERIOD 2013-2017)"**. This thesis is a final task that must be completed by all President University's students to obtain the bachelor degree. In writing this thesis, I got help and support from various parties. Therefore, I would like to thank all the parties who have helped and supported me during the thesis writing. The parties who have helped and supported me are as follows:

1. Dr. Jony Oktavian Haryanto, S.E., M.M., M.A. as the rector of President University.
2. Dr. Dra. Genoveva, M.M. as the head of Management Study Program.
3. Pandu Adi Cakranegara, S.E., Msc., MBA as my thesis advisor who has helped me in giving advice and opinions during the thesis writing.
4. All lecturers in the Management Study Program who have taught me during the study period.
5. Parents and friends who always support me from beginning to the completion of this thesis.

I also realizes that this thesis has several shortcomings. Therefore, I apologize if there are errors in writing or words that are not pleasing. Hopefully, this thesis can be useful for readers as a reference.

Cikarang, 21st October 2018

Bintang Arnelia Jingga

ABSTRACT

This research aims to analyze the effect of Financial Ratios towards Stock Price. Financial Ratios that are used in this research are Current Ratio (CR), Return on Equity (ROE), Net Profit Margin (NPM), Earnings per Share (EPS), and Debt Ratio (DR). The population used in this study is the food and beverage companies that have been listed on Indonesia Stock Exchange in 2013-2017, with a total sample of 13 companies. Then, the data used in this research are the secondary data since the data are obtained by looking at the financial reports that are published by the Indonesia Stock Exchange in 2013-2017.

The researcher uses multiple regression analysis to test the hypothesis. The result shows that Current Ratio, Return on Equity, Net Profit Margin, Earnings Per Share, and Debt Ratio simultaneously have a significant effect towards the Stock Price. Partially, Current Ratio, Return on Equity and Debt Ratio have a significant negative effect towards stock price, while the Net Profit Margin and Earnings Per Share have a significant positive effect towards stock price.

Keywords: Current Ratio, Return on Equity, Net Profit Margin, Earnings per Share, Debt Ratio, and Stock Price.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER I
INTRODUCTION

1.1 Background

Capital market nowadays is one of the important aspects of economic development in a country. This is because the capital market has an economic function since it provides facilities that can connect the investors and the issuers. Investors are parties with excess funds and have the willingness to invest their funds, while issuers are parties who need funds, for example, companies. By the capital market, those who have excess funds can invest their funds with the aim of obtaining a certain return, or profit, while the company can utilize the funds for investment purposes without having to wait for the availability of funds from the company's operations (Zabdi & Pandu, 2017).

However, any investment activity not only has an advantage but also has various risks and uncertainties that are difficult to predict by the investors. One of the risks that can arise from this stock investment is the fluctuation of the stock price (Faleria, Lambey, & Walandouw, 2017). Stock price fluctuations that occur at any time can certainly make investors experience in various financial risks. Therefore, an investor should really understand the stock price and always analyze the stock price before investing to minimize the errors.

Ideally, stock price can reflect the value of a company. The higher the stock price, the higher the value of the company and vice versa (Widyantari & Yadnya, 2017). However, this finally makes some amateur investors only interested in stock price without knowing whether the price is reasonable or not. They are interested in the stock price that are always increasing from time to time and speculate that the price will continue to increase without considering the other indicators. This is actually what makes stock investment have a higher risk. It is because some of investors only rely on speculation and intuition in choosing stocks.

Actually, every investor who invest in stocks certainly expects the profit. There are investors who have a purpose to get dividends and some are expecting to get capital gains, which is when the price of the current stock is higher than the price of the previous

stock (Zabdi & Pandu, 2017). Thus, the stock price finally also become important for the company since it is one of the main reasons underlying investors to buy stock considering the stock price can reflect the company's value also company's ability to generate returns. In increasing the prosperity of stockholders, company's management is required to be able to increase the value of the company which is reflected in the increase in the company's stock price. The increasing stock price of the company will certainly increase the stock income of investors who invest in the company (Widyantari & Yadnya, 2017). Therefore, every company on Indonesia Stock Exchange (IDX) certainly want the stock that they sell to have a high price potential so that it can attract the investors. Thus, the company must also know what factors that can affect the stock price.

In relation to this research, the researcher will analyze factors that can affect the stock price. Actually, there are several factors that can affect the stock price. One of them is the internal factors. The internal factors in here mean the condition of a company. The condition of a company can be measured by performing a financial ratios analysis. In this study, the ratio that will be used are Current Ratio (CR) which is the ratio that indicates the ability of companies to pay its short-term debt, Return on Equity (ROE) that measures the return to the stockholders, Net Profit Margin (NPM) that measure how big and small the profit of a company is, Earnings Per Share (EPS) that indicate the amount of income earned on each common stock, and Debt Ratio (DR) that indicates the firm's long-term debt-paying ability. (Gibson, 2013)

In this research, the researcher will use companies in the Food and Beverage (F&B) industry. In Indonesia itself, F&B industry is growing rapidly. Airlangga Hartarto as the Minister of Industry said that the growth of F&B industry continued to increase. For example, in 2017 the growth of F&B industry was 9.23%, it increased from 2016 which was only 8.46% (Yasmin, 2018). Then, since food and beverage are needed by the people, it finally makes the prospect in this industry become very promising. According to Adhi S. Lukman as the Chairman of the Indonesian Food and Beverage Entrepreneurs Association, F&B industry can grow by more than 10 percent in 2018 (Setyaningsih, 2018). Looking at such conditions, many people or companies want to enter F&B industry. This can be seen from the increasing number of food and beverage companies

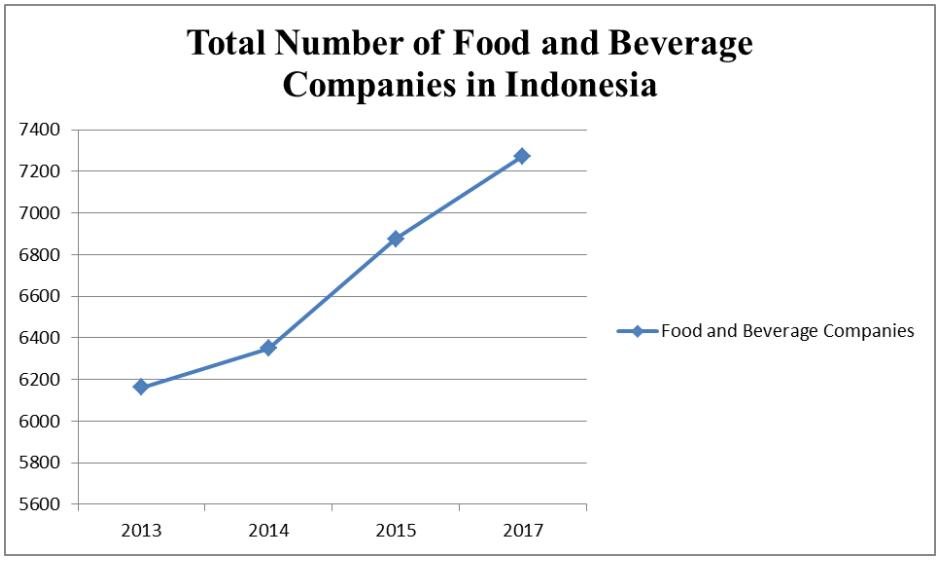
in Indonesia from year to year. The following are table and graph of the increasing number of F&B companies in Indonesia.

Table 1.1: The Total Number of Food and Beverage Companies

No.	Company	The Number of F&B Companies			
		2013	**2014**	**2015**	**2017**
1.	Food	5,795	5,975	6,453	6,684
2.	Beverage	367	374	422	589
Total Companies		**6,162**	**6,349**	**6,875**	**7,273**

Source: *(Badan Pusat Statistik, 2018)*

Figure 1.1: The Increasing Number of Food and Beverage Companies



Source: *Adjusted by the Researcher, 2018*

As can be seen in the table 1.1 and figure 1.1, the number of F&B companies in Indonesia always increases in each year. In 2013, the number of F&B companies was 6,162 and it continued to increase to 7,273 in 2017. This condition finally made the competition between F&B companies become tighter so that the managers of the companies competed to find investors to invest in their companies so that the companies could develop their business. Therefore, companies must strengthen their internal factors so that they can attract the investor and survive in the competition.

1.1.1 Need For Study

This research is needed by both, the investors and the issuers. By this research, the investors and the issuers will know what factors (internal factors) that can affect the stock price. It certainly will help the investors in choosing the right stocks and also help the issuers in improving their performance to increase their value.

1.2 Problem Statement

By looking at the background above, several problems that can be identified are as follow:

1. Risk on stock investment due to stock price fluctuations.
2. There are many amateur investors who only interested in stock price without analyzing them first (only rely on speculation).
3. Every company that issues stocks in the Indonesia Stock Exchange/IDX must increase their value.
4. Promising prospects in F&B industry lead to the tight competition.

1.3 Research Questions

By looking at the background above, then the research questions in this research are as follows:

1. Does CR significantly affect the stock price of F&B companies listed on the IDX?
2. Does ROE significantly affect the stock price of F&B companies listed on the IDX?
3. Does NPM significantly affect the stock price of F&B companies listed on the IDX?
4. Does EPS significantly affect the stock price of F&B companies listed on the IDX?
5. Does DR significantly affect the stock price of F&B companies listed on the IDX?
6. Do CR, ROE, NPM, EPS, and DR simultaneously have significant effect towards the stock price of F&B companies listed on the IDX?

1.4 Research Objectives

By looking at the research questions, then the research objectives are as follow:

1. To know whether CR significantly affects the stock price of F&B companies listed on the IDX or not.
2. To know whether ROE significantly affects the stock price of F&B companies listed on the IDX or not.

3. To know whether NPM significantly affects the stock price of F&B companies listed on the IDX or not.
4. To know whether EPS significantly affects the stock price of F&B companies listed on the IDX or not.
5. To know whether DR significantly affects the stock price of F&B companies listed on the IDX or not.
6. To know whether CR, ROE, NPM, EPS, and DR simultaneously have significant effect towards the stock price of F&B companies listed on the IDX or not.

1.5 Significance of the Study

The benefits of this research are:

1. For the investors, this research can be used as a tool to analyze the stocks that are traded on the IDX using variables used in this study so that it could help the investors to make the right investment decisions.
2. For the company, this research is expected to give useful input for the company's activities improvement, especially in encouraging the improvement of the company's profitability in order to attract investors.
3. For the next researchers, this research could be utilized as a reference for further research.

1.6 Limitation

This research was conducted with several limitations as follows:

1. The scope of the sample in this research is only food and beverage subsector.
2. The period of this research is from 2013 to 2017. Meanwhile, other researches use a relatively long period of research.
3. This research uses five independent variables, which are Current Ratio, Return on Equity, Net Profit Margin, Earnings Per Share, and Debt Ratio. Meanwhile, there are still a lot of other fundamental factors that can affect the company's stock price. Thus, this research may not cover the overall factors that can affect the company's stock price.

1.7 Organization of the Skripsi

The systematics of writing on this proposal is as follows:

a. Chapter I: Introduction

This chapter describes the background of conducting the research including the need of study, the problem statement, research questions, and research objectives. Besides, this chapter also describes the significance of the study, limitations and organizational structure of the skripsi.

b. Chapter II: Literature Review

This chapter discusses a number of theories that are relevant to the study, including the theory of Stock Price and Financial Ratios such as CR, ROE, NPM, EPS, and DR. Then, this chapther also will mention the previous research and research gaps.

c. Chapter III: Methods

This chapter describes the theoretical framework, hypothesis, operational definitions of variables, research design, instrument and the sample including the population, sample size, sampling technique. Also, this chapter explains the data collection method and data analysis techniques.

d. Chapter IV: Data Analysis

This chapter discusses the results of the descriptive statistics test, normality test, multicollinearity test, autocorrelation test, heteroscedasticity test and also discusses the results of hypothesis testing such as the coefficient of determination (Adjusted-R^2), Simultaneous (F-test) and Partial (T-test).

e. Chapter V: Conclusion

This chapter is the final chapter that contains conclusions from the results of the research that has been conducted in response to the research questions in this research. Also, this chapter contains suggestions or recommendations for the investors, F&B companies, and further researchers.

CHAPTER II
LITERATURE REVIEW

2.1 Introduction

In this chapter, the researcher will discuss all the literature review that is related to this research such as the theory of Stock Price and Financial Ratios. Also, since the research about the effects of financial ratios towards stock price has been done before by the previous researchers, then this chapter will reveal the gaps in the research result of the previous researchers.

2.2 Stock Price

Stock is a document indicating the possession of a company. Meanwhile, the stock price is the highest amount somebody is willing to pay for the stock, or the lowest amount that somebody can be purchased for. Stock price volatility occurs since it largely depends upon buyers and sellers expectation (Ircham, Handayani, & Saifi, 2014). Those expectations finally form a demand and supply. The more people who buy the stocks, then the stock price tend to move up and vice versa. The more people who sell their stocks, then the stock price tend to move down (Rahmadewi & Abundanti, 2018).

Actually, the stock price is always monitored by the investors and the potential investors (Zaki, Islahuddin, & Shabri, 2017). They usually will analyze the stock price before making a transaction. In analyzing the stock price, the investors can use two approaches, which are fundamental and technical analysis. However, the most commonly used approach is the fundamental analysis (Egam, Ilat, & Pangerapan, 2017). It is because fundamental analysis focuses on financial ratios analysis. Through financial ratio analysis, investors can obtain information or an overview of the company's financial condition (Qoribulloh, 2013).

2.3 Financial Ratios

Financial Ratios are tools that are utilized to assess varied aspects of a company's operation and financial performance based on the data or information contained in the company's financial statements such as balance sheet, income statements, and cash

flow statements (Egam, Ilat, & Pangerapan, 2017). Financial ratios are used to explain and provide a description of the good and bad condition of a company's financial position (Qoribulloh, 2013). Actually, there are several types of financial ratios which can be used to measure a company's performance such as liquidity, profitability, and solvency ratio (Kristanti & Sutono, 2016).

2.3.1 Liquidity Ratio

This ratio demonstrates the ability of a company to meet its obligations or pay off its short-term debt. This ratio can be used to measure how liquid a company is. If the company is able to fulfill its short-term debt, then it means the company is liquid and vice versa (Gibson, 2013). In this study, the liquidity ratio that the researcher used is Current Ratio.

2.3.1.1 Current Ratio (CR)

This ratio measured how much current assets of the company could be used to cover current liabilities or short-term liabilities. In other words, this ratio shows how many times current liabilities could be covered by cash and other current assets (Gibson, 2013). The greater the ratio is, the greater the company's ability to cover its current liabilities. This certainly can give investors the confidence to invest their capital in the company so that it can eventually increase the stock price (Asmirantho & Somantri, 2017). However, the current ratio that is too high is also not always good as it is indicated that the amount of company funds is not used to invest effectively (Rahmadewi & Abundanti, 2018). Current Ratio is usually measured as:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Source: *(Gibson, 2013)*

2.3.2 Profitability Ratio

This ratio shows the amount of profit obtained in a certain period by a company. This ratio is utilized to evaluate how efficiently a company's manager in generating profits in each sale (Gibson, 2013). In this study, the profitability ratios that will be used are ROE, NPM, and EPS.

2.3.2.1 Return on Equity (ROE)

ROE shows how effective and efficient a company is in managing their own capital (Gibson, 2013). It measures the profitability of the investment made by the company's shareholders. This ratio often used in comparing two or more companies for good investment opportunities and cost-effective management (Heikal, Khaddafi, & Ummah, 2014). In fact, the high value of ROE would increase the profit's growth. ROE is very attractive to shareholders and also to the management since it is an important measure or indicator of shareholders value. The higher the ROE is, then the higher the company's value. This will surely be an attraction for investors to invest their capital in the company and finally increase the stock price (Purnamasari, 2015). Return on Equity is usually measured as:

$$\text{Return on Equity} = \frac{\text{Net Income}}{\text{Total Equity}}$$

Source: *(Gibson, 2013)*

2.3.2.2 Net Profit Margin (NPM)

Net Profit Margin is the ratio used to show the company's ability to generate net profits by comparing the net income of a company with its sales (Gibson, 2013). The relationship between net income and net sales will show management's ability in determining the sales price and also its ability in reducing operating expenses. The greater the Net Profit Margin means that the sales pricing strategy applied by the company has succeeded. It also shows that the company is efficient in suppressing unnecessary costs so that the company is able to maximize the net income. This ratio can be utilized by investors to find out the company's ability in making profits. By looking at the company's NPM ratio, investors can assess whether the company is profitable or not. Therefore, the high level of NPM of a company is very important because it can increase the investor's confidence to invest in the company (Damayanti & Valianti, 2016). Net Profit Margin is usually measured as:

$$\text{Net Profit Margin} = \frac{\text{Net Income}}{\text{Net Sales}}$$

Source: *(Gibson, 2013)*

2.3.2.3 Earnings Per Share (EPS)

EPS is a portion of the profit of a company that is distributed to each outstanding stock (Purnamawati, Panjaitan, & Marheni, 2017). EPS are a measure of profitability that is very useful when it is compared to earnings per share in similar companies. If EPS is calculated for several years, it will show whether the company's profitability is getting better or even getting worse. The higher the EPS value of a company, then the greater the profit that the company has for each stock. Thus, there will be a lot of investors who will pay for the company's shares (Faleria, Lambey, & Walandouw, 2017). Earnings Per Share is usually measured as:

$$\text{Earnings Per Share} = \frac{\text{Net Income}}{\text{Total Outstanding Shares}}$$

Source: (Purnamawati, Panjaitan, & Marheni, 2017)

2.3.3 Solvency Ratio

This ratio measures a company's ability to fulfill its long-term liabilities, which is the liability with a maturity of more than one year. This ratio compares the overall debt of the company to its assets or equity (Kamar, 2017). However, the solvency ratio that the researcher used in this study is Debt to Asset Ratio or Debt Ratio.

2.3.3.1 Debt Ratio (DR)

DR is a ratio to measure the amount of company's assets that are financed by debt. This ratio emphasizes the importance of the role of debt financing for a company by showing the percentage of company assets supported by debt funding (Gibson, 2013). The greater the debt to total asset ratio means the greater the level of company dependence on external parties and the greater the cost of debt that must be paid by the company. The increasing DR has an impact on the profitability of the company because some of the profits must be used to pay the interest loans (Damayanti & Valianti, 2016). Therefore, information about increasing DR will be accepted by the market as a bad signal that will give negative input to investors in making decisions to buy shares. Debt Ratio is usually measured as:

$$\text{Debt Ratio} = \frac{\text{Total Liabilities}}{\text{Total Assets}}$$

Source: *(Gibson, 2013)*

2.4 Previous Research

Table 2.1: Previous Research

No.	Title, Year, Author	Method	Result
1.	Sari Ariyanti, Topowijono, Sri Sulasmiyati (2016): *"Pengaruh Profitabilitas dan Leverage Terhadap Harga Saham (Studi pada Perusahaan Konstruksi dan Bangunan yang Terdaftar di Bursa Efek Indonesia Periode 2011-2014)"*	• Purposive Random Sampling • Multiple Regression Analysis	• Significant (+): Earnings Per Share (EPS) • Insignificant: Return on Equity (ROE), Debt Ratio (DR), and Debt to Equity Ratio (DER)
2.	Edhi Asmirantho (2017): "The Effect of Financial Performance on Stock Price at Pharmaceutical Subsector Company Listed in Indonesia Stock Exchange"	• Purposive Sampling • Descriptive Statistics • Classical Assumption Testing • Panel Data Regression Test	• Significant (+): Earnings Per Share (EPS) • Insignificant: Current Ratio (CR), Debt to Equity Ratio (DER), Total Assets Turnover (TATO), and Return on Equity (ROE)
3.	Reina Damayanti, Reva Maria Valianti (2016); *"Pengaruh Debt to Assets Ratio, Debt to Equity Ratio, Return on Assets dan Net Profit Margin Terhadap Harga Saham pada Perusahaan Indeks LQ-45 di Bursa Efek Indonesia"*	• Purposive Random Sampling • Classical Assumption Testing • Multiple Regression Analysis	• Significant (+): Return on Assets (ROA) and Net Profit Margin (NPM) • Significant (-): Debt to Assets Ratio (DAR) • Insignificant: Debt to Equity Ratio (DER)
4.	Gerald Edsel Yermia Egam, Ventje Ilat, Sonny Pangerapan (2017):	• Purposive Sampling	• Significant (+): Earnings Per Share (EPS)

	"The Influences of Return on Asset (ROA), Return on Equity (ROE), Net Profit Margin (NPM), and Earning per Share (EPS) Against the Stock Prices of The Companies Listed on LQ45 Index in Indonesian Stock Exchange on the Period Of 2013-2015"	• Classical Assumption Testing • Multiple Regression Analysis	• Significant (-): Net Profit Margin (NPM) • Insignificant: Return on Assets (ROA) and Return on Equity (ROE)
5.	Rondonuwu Ester Faleria, Linda Lambey & Stanley Kho Walandouw (2017): *"Pengaruh Current Ratio, Net Profit Margin dan Earning Per Share Terhadap Harga Saham di Bursa Efek Indonesia (Studi Kasus pada Sub Sektor Food and Beverages)"*	• Classical Assumption Testing • Multiple Regression Analysis	• Insignificant: Current Ratio (CR), Net Profit Margin (NPM), and Earnings Per Share (EPS)
6.	Muhammad Ircham, Siti Ragil Handayani, Muhammad Saifi (2014): *"Pengaruh Struktur Modal dan Profitabilitas Terhadap Harga Saham (Studi pada Perusahaan Makanan dan Minuman yang Terdaftar di Bursa Efek Indonesia Tahun 2009-2012)"*	• Purposive Sampling • Descriptive Statistics • Multiple Regression Analysis	• Significant (+): Debt to Equity Ratio (DER), Debt to Assets Ratio (DAR), and Earnings Per Share (EPS) • Significant (-): Return on Equity (ROE)
7.	Karnawi Kamar (2017): "Analysis of the Effect of Return on Equity (ROE) and Debt to Equity Ratio (DER) on Stock Price on Cement Industry Listed in Indonesia Stock Exchange (IDX) in the Year of 2011-2015"	• Saturation Sampling • Descriptive Statistics • Classical Assumption Testing	• Significant (+): Current Ratio (CR), Debt to Equity Ratio (DER), and Earnings Per Share (EPS) • Significant (-): Return on Equity (ROE) • Insignificant: Net Profit Margin (NPM)

		• Regression Analysis	
8.	Novia Kristanti, Sutono (2016): *"Pengaruh Earning Per Share, Return on Equity dan Debt to Equity Ratio Terhadap Harga Saham pada Perusahaan Food and Beverages yang Terdaftar di Bursa Efek Indonesia"*	• Purposive Sampling • Multiple Regression Analysis	• Significant (+): Return on Equity (ROE) • Significant (-): Earnings Per Share (EPS) and Debt to Equity Ratio (DER)
9.	Aditya Pratama & Teguh Erawati (2014): *"Pengaruh Current Ratio, Debt to Equity Ratio, Return on Equity, Net Profit Margin dan Earning Per Share Terhadap Harga Saham (Study Kasus pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2008-2011)"*	• Classical Assumption Testing • Multiple Regression Analysis	• Significant (+): Current Ratio (CR), Debt to Equity (DER), and Earnings Per Share (EPS) • Significant (-): Return on Equity (ROE) • Insignificant: Debt to Equity Ratio (DER)
10.	Yulia Purnamawati, Fery Panjaitan, Marheni (2017): *"Analisis Pengaruh Return on Assets (ROA), Earning Per Share (EPS), Price Earning Ratio (PER), dan Net Profit Margin (NPM) Terhadap Harga Saham (Studi pada Perusahaan Telekomunikasi yang Terdaftar di Bursa Efek Indonesia Periode Tahun 2012-2016)"*	• Purposive Sampling • Multiple Regression Analysis	• Insignificant: Return on Assets (ROA), Earnings Per Share (EPS), Price Earning Ratio (PER), and Net Profit Margin (NPM)
11.	Yunita Setya Purwaningtyastuti, Kartika Hendra Titisari, and Siti Nurlaela (2018): "Factors that	• Purposive Random Sampling	• Significant (+): Net Profit Margin (NPM)

	Affect Stock Prices at the Manufacturing Companies Listed on The Indonesia Stock Exchange"	• Descriptive Statistics • Classical Assumption Testing • Multiple Regression Analysis	• Significant (-): Current Ratio (CR) and Debt to Equity Ratio (DER) • Insignificant: Earnings Per Share (EPS) and Return on Equity (ROE)
12.	A. Rizal Qoribulloh (2013): The "Influence of Financial Ratios on Stock Price of Manufacturing Companies Listed in Indonesian Stock Exchange in 2011"	• Purposive Sampling • Descriptive Statistics • Classical Assumption Testing • Multiple Regression Analysis	• Significant (+): Earnings Per Share (EPS) and Return on Assets (ROA) • Significant (-): Return on Equity (ROE) • Insignificant: Net Profit Margin (NPM)

Source: *(Ariyanti, Topowijono, & Sulasmiyati, 2016), (Asmirantho & Somantri, 2017), (Damayanti & Valianti, 2016), (Egam, Ilat, & Pangerapan, 2017), (Faleria, Lambey, & Walandouw, 2017), (Ircham, Handayani, & Saifi, 2014), (Kamar, 2017), (Kristanti & Sutono, 2016), (Pratama & Erawati, 2014), (Purnamawati, Panjaitan, & Marheni, 2017), (Purwaningtyastuti, Titisari, & Nurlaela, 2018) and (Qoribulloh, 2013).*

2.5 Research Gaps

From the table 2.1, it is show that the research about the effect of financial ratios (using the variable of CR, ROE, NPM, EPS, and DR) towards stock price is actually has been done by the previous researchers. However, there are different result from each research that commonly called as the Reasearch Gaps. It can happen because each researcher certainly conducts the research in a different year with a different research periods. Some researchers may use the research period of 3 years and some may be more. Then, the use of different industries can also be the cause of the gap in each research. Besides, the gaps in the research results can also occur due to the different number of samples in each research.

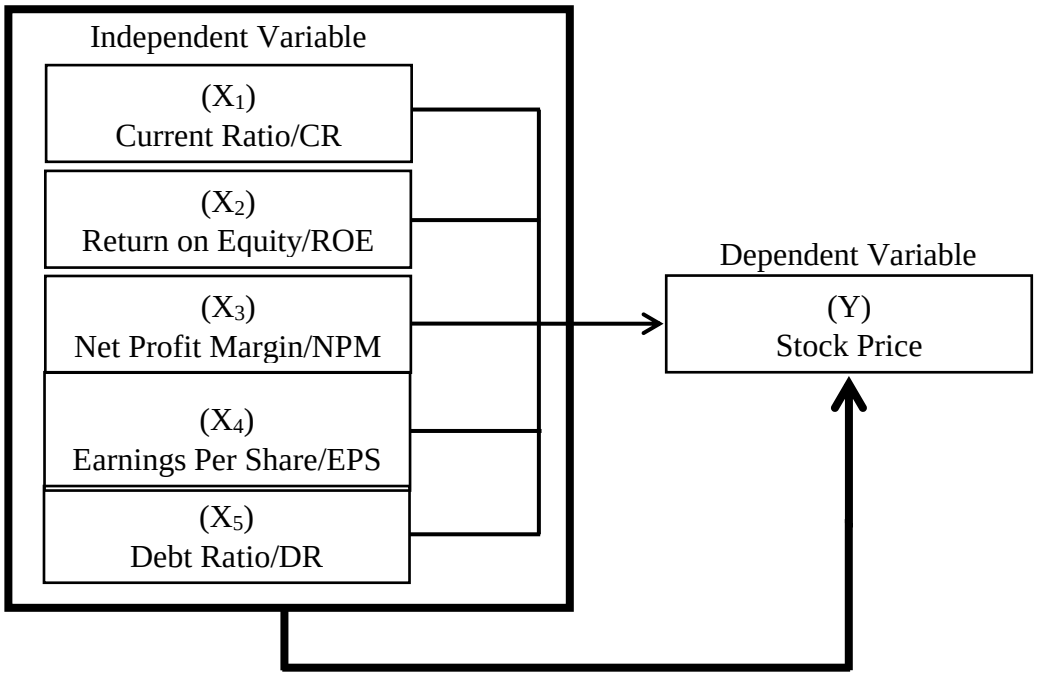
CHAPTER III
RESEARCH METHODS

3.1 Introduction

This chapter clearly defines the methods used to conduct the study. It provides information on the populations, which is, who the populations were and how they were sampled. The researcher also discusses the methods used to collect the data. Besides, this chapter will include the theoretical framework, hypothesis, and operational definitions of variables.

3.2 Theoretical Framework

Figure 3.1: Theoretical Framework



Source: *Adjusted by the Researcher, 2018*

3.3 Hypothesis

By looking at the model of the theoretical framework above, the hypothesis is formulated as follows:

H_1: CR significantly affects the stock price of F&B companies listed on the IDX.

H_2: ROE significantly affects the stock price of F&B companies listed on the IDX.

H_3: NPM significantly affects the stock price of F&B companies listed on the IDX.

H_4: EPS significantly affects the stock price of F&B companies listed on the IDX.

H_5: DR significantly affects the stock price of F&B companies listed on the IDX.

H_6: CR, ROE, NPM, EPS, and DR simultaneously have significant effect towards the stock price of F&B companies listed on the IDX.

3.4 Operational Definitions of Variables

In order to avoid the possibility of different interpretations of the problem discussed, then it is needed to provide an affirmation of the operational definition. The variables used in this study are as follows:

Table 3.1: Operational Definitions

DEPENDENT VARIABLE				
Variable	**Concept**	**Formula**	**Data Source**	**Scale**
Y: Stock Price	The cost of purchasing a stock on an exchange. (Ircham, Handayani, & Saifi, 2014)	Closing Price	IDX	Ratio
INDEPENDENT VARIABLE				
Variable	**Concept**	**Formula**	**Data Source**	**Scale**
X_1: CR	To measure the company's ability to pay off its current liabilities using its current assets. (Gibson, 2013)	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	IDX	Ratio
X_2: ROE	To measures the ability of a company in generating profits from its shareholders' investments. (Gibson, 2013)	$\frac{\text{Net Income}}{\text{Total Equity}} x\ 100$	IDX	Ratio
X_3: NPM	To show the company's ability to generate net profits. (Gibson, 2013)	$\frac{\text{Net Income}}{\text{Net Sales}} x\ 100$	IDX	Ratio
X_4: EPS	To measure the ability of each stock in generating profits. (Purnamawati, Panjaitan, & Marheni, 2017)	$\frac{\text{Net Income}}{\text{Outstanding Shares}} x\ 100$	IDX	Ratio
X_5: DR	To measure the amount of assets financed by debt. (Gibson, 2013)	$\frac{\text{Total Assets}}{\text{Total Liabilities}} x\ 100$	IDX	Ratio

Source: *Adjusted by the Researcher, 2018*

3.5 Research Design

The type of this research is associative research since it purpose is to determine the effect or relationship between two or even more variables. Based on data used in this research, this research is included in quantitative research because it refers to the calculation and the analysis of data is in the form of numbers.

3.6 Instrument

This research uses SPSS version 20 as a tool for processing data. It helps the researcher to conduct descriptive statistic test, normality test, multicolliniearity test, autocorrelation test, heteroscedasticity test, and hypothesis testing. Then, the researcher also uses Microsoft Excel 2010 as a tool to store all data that has been collected and create tables.

3.7 Sampling

The populations that the researcher use in this research is the food and beverage companies that have been listed on the Indonesia Stock Exchange in 2013-2017. Then, the researcher uses purposive sampling as the sampling technique since the sample is chosen with the aim to adjust the criteria of sample selection that has been determined. The criteria for selecting the samples in this study include:

1. Food and Beverage companies listed on Indonesia Stock Exchange in 2013-2017.
2. Food and Beverage companies that publish the annual reports continuously for the past five years, from 2013 to 2017.
3. Food and Beverage companies that have complete financial data that is related to the variables needed.
4. Food and Beverage companies that have a positive net income during 2013-2017.

Based on those criteria, there are 13 companies out of 16 populations that meet all the criteria. Here are the details:

Table 3.2: Sample Size

No.	Description	Amount
1.	Food and Beverage companies listed on Indonesia Stock Exchange	16
2.	Food and Beverage companies that is delisted during the research period	(1)
3.	Food and Beverage companies that have a negative net income during the research period	(2)
	Total Sample	**13**

Source: *Adjusted by the Researcher, 2018*

Here is the list of companies that taken as the sample:

Table 3.3: List of Companies

No.	Code	Company's Name
1.	ADES	PT Akasha Wira International Tbk.
2.	AISA	PT Tiga Pilar Sejahtera Food Tbk.
3.	CEKA	PT Wilmar Cahaya Indonesia Tbk.
4.	DLTA	PT Delta Djakarta Tbk.
5.	ICBP	PT Indofood CBP Sukses Makmur Tbk.
6.	INDF	PT Indofood Sukses Makmur Tbk.
7.	MLBI	PT Multi Bintang Indonesia Tbk.
8.	MYOR	PT Mayora Indah Tbk.
9.	ROTI	PT Nippon Indosari Corpindo Tbk.
10.	SKBM	PT Sekar Bumi Tbk.
11.	SKLT	PT Sekar Laut Tbk.
12.	STTP	PT Siantar Top Tbk.
13.	ULTJ	PT Ultrajaya Milk Industry & Trading Co. Tbk.

Source: *(Indonesia Stock Exchange, 2018)*

3.8 Data Collection Method

This research uses quantitive data since the data is in the form of numbers. Then, data collection method in this research is secondary data where data are obtained through annual reports published by the Indonesia Stock Exchange (IDX) on its official website at www.idx.co.id

3.9 Data Analysis Techniques

The data analysis techniques in this study are as follow:

3.9.1 Descriptive Statistic

Before conducting a hypothesis test, the researcher conducts a descriptive statistical test first. The purpose is to describe the data so that it becomes an information that is easy to understand. Descriptive statistics in this study include mean that describe the average number of all data, minimum that describe the lowest data of all variable, maximum that describe the biggest data of all variable and standard deviation that describe the spread of values in the sample.

3.9.2 Classical Assumption Testing

Before regressing the data, the researcher conducts a classical assumption testing first so that the regression models can produce unbiased estimators. Classical assumption testing includes normality test, multicollinearity test, heteroscedaticity test, and autocorrelation test.

3.9.2.1 Normality Test

The purpose of this test is to check whether all the variable have a normal distribution or not (Ghozali, 2016). In this study, the normality testing was carried out by using One-Sample Kolmogorov-Smirnov test. A variable is considered to be normally distributed if the test result show a significance value above 5% and vice versa.

3.9.2.2 Multicollinearity Test

The purpose of this test is to check whether the independent variables have a correlation or not. The regression model can be considered as a good model if its independent variables do not have a correlation between each other (Ghozali, 2016). The presence or the absence of multicollinearity in a model can be known by looking at the tolerance value and value - inflating factor (VIF). Tolerance values greater than 0.10 and VIF less than 10 means good since it indicates there is no multicollinearity and vice versa.

3.9.2.3 Heteroscedasticity Test

This test is conducted to determine if there is a variance inequality from the residual of an observation to another observation. The regression model can be considered as a good model if it is homoscedasticity or not heteroscedasticity (Ghozali, 2016). Heteroscedasticity in this study was tested using scatterplot test. If there are certain patterns, then it shows that heteroscedasticity has occurred. However, if the dots spread above and below the number of 0 and do not form a certain pattern, then there is no heteroscedasticity.

3.9.2.4 Autocorrelation Test

Autocorrelation test aims to test whether there is a correlation between the errors in the period t with the error in the period t-1 (Ghozali, 2016). Autocorrelation in this study was tested using Runs-Test. If the test result show that the significance value is above 5%, then it indicates that there is no autocorrelation in the regression model and vice versa.

3.9.3 Multiple Regression Analysis

This test is used to know the effect of independent variables on the dependent variable with the following equation:

$$Y = \alpha + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + e$$

Where:

Y = Stock Price

α = Constanta

X_1 = Curren Ratio (CR)

X_2 = Return on Assets (ROE)

X_3 = Net Profit Margin (NPM)

X_4 = Earnings Per Share (EPS)

X_5 = Debt Ratio (DR)

b_{1-5} = Regression coefficients

e = Disturbance error / Residual

3.9.3.1 Coefficient of Determination (Adjusted-R^2)

Adjusted-R^2 is the value that shows how much independent variables can illustrate the variation of dependent variable. The value of adjusted-R^2 is between 0 or 1. If the value of adjusted-R^2 is relatively small, then it shows that the independent variables can not illustrating the dependent variable and vice versa (Ghozali, 2016). The adjusted-R^2 is used in this study because adjusted-R^2 only gives the percentage of variation if only those independent variables affect the dependent variable in reality. (Investopedia, 2018)

3.9.3.2 Simultaneous Test (F-Test)

This test is conducted to find out whether the independent variables simultaneously have a significant effect towards the dependent variable (Ghozali, 2016). In this research, the value of F arithmetic will be compared with F table at a significant level (a) = 5%.

3.9.3.3 Partial Test (T-Test)

This test is performed to know whether the dependent variable significantly affected by each independent variable or not (Ghozali, 2016). In this research, the t-count will be compared with t-table at a significant level (a) = 5%.

CHAPTER IV
DATA ANALYSIS

4.1 Descriptive Statistics Test

Table 4.1: Descriptive Statistics Test Results

	N	Minimum	Maximum	Mean	Std. Deviation
CR	65	51,39	778,30	218,2602	149,78839
ROE	65	,36	143,53	22,7708	27,07180
NPM	65	,28	39,44	10,4852	9,53107
EPS	65	2,25	627,00	171,8405	157,69603
DR	65	15,00	75,00	46,0923	13,74514
SP	65	180,00	13675,00	3319,1385	3465,39105
Valid N (listwise)	65				

Source: *Data is Processed by SPSS 20, 2018*

The number of samples is 13 companies per year so that the amount of entire observation is 65 samples. From the table 4.1, it is show that Current Ratio/CR (X_1) has a minimum value of 51.39 (at PT Multi Bintang Indonesia Tbk) with a maximum value of 778.30 (at PT Delta Djakarta Tbk). The average value of Current Ratio/CR (X_1) is 218.2602 with a standard deviation of 149.78839.

Return on Equity/ROE (X_2) has a minimum value of 0.36 (at PT Sekar Bumi Tbk) with a maximum value of 143.53 (at PT Multi Bintang Indonesia Tbk). The average value of Return on Equity/ROE (X_2) is 22.7708 with a standard deviation of 27.07180.

Net Profit Margin/NPM (X_3) has a minimum value of 0.28 (at PT Sekar Bumi Tbk) with a maximum value of 39.44 (at PT Multi Bintang Indonesia Tbk). The average value of Net Profit Margin/NPM (X_3) is 10.4852 with a standard deviation of 9.53107.

Earnings Per Share/EPS (X_4) has a minimum value of 2.25 (at PT Sekar Bumi Tbk) with a maximum value of 627.00 (at PT Multi Bintang Indonesia Tbk). The average value of Earnings Per Share/EPS (X_4) is 171.8405 with a standard deviation of 157.69603.

Debt Ratio/DR (X_5) has a minimum value of 15.00 (PT Delta Djakarta Tbk and PT Ultrajaya Milk Industry & Trading Co. Tbk) with a maximum value of 75.00 (at PT

Multi Bintang Indonesia Tbk). The average value of Debt Ratio/DR (X_5) is 46.0923 with a standard deviation of 13.74514.

Stock Price/SP (Y) has a minimum value of 180.00 (PT Sekar Laut Tbk) with a maximum value of 13,675.00 (at PT Multi Bintang Indonesia Tbk). The average value of Stock Price/SP (Y) is 3,319.1385 with a standard deviation of 3,465.59105.

4.2 Classical Assumption Testing

4.2.1 Normality Test

Table 4.2: Normality Test Result

		CR	ROE	NPM	EPS	DR	SP
N		65	65	65	65	65	65
Normal Parameters[a,b]	Mean	218,26	22,77	10,49	171,84	46,09	3319,14
	Std. Deviation	149,788	27,072	9,531	157,696	13,745	3465,391
Most Extreme Differences	Absolute	,255	,302	,256	,207	,188	,269
	Positive	,255	,302	,256	,207	,094	,269
	Negative	-,149	-,228	-,147	-,148	-,188	-,183
Kolmogorov-Smirnov Z		2,053	2,433	2,067	1,667	1,515	2,167
Asymp. Sig. (2-tailed)		,000	,000	,000	,008	,020	,000

a. Test distribution is Normal.

b. Calculated from data.

Source: *Data is Processed by SPSS 20, 2018*

From the table above, the result of the normality test shows that the significance values of all variables are below 5%. Thus, it can be said that the data is not normally distributed. Then, to normalize the data, the researcher transforms the data into Natural Logarithm (Ln). The table below is the result of the normality test after the data is transformed into Ln.

Table 4.3: The Result of Normality Test after Transformation Data

		LNCR	LNROE	LNNPM	LNEPS	LNDR	LNSP
N		65	65	65	65	65	65
Normal Parameters[a,b]	Mean	5,2218	2,7500	1,9837	4,6346	3,7691	7,5718
	Std. Deviation	,54896	,85934	,91022	1,12852	,38703	1,06702
Most Extreme Differences	Absolute	,131	,129	,104	,106	,244	,134
	Positive	,131	,129	,104	,064	,142	,134
	Negative	-,083	-,104	-,102	-,106	-,244	-,105
Kolmogorov-Smirnov Z		1,053	1,041	,842	,856	1,970	1,084
Asymp. Sig. (2-tailed)		,218	,228	,478	,456	,001	,191

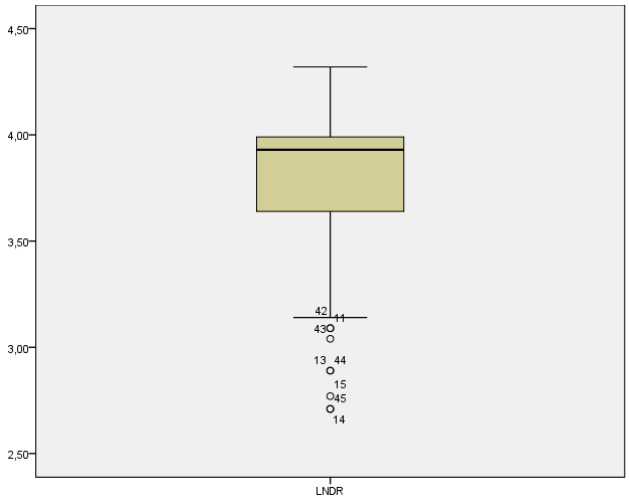
a. Test distribution is Normal.

b. Calculated from data.

Source: *Data is Processed by SPSS 20, 2018*

The result of normality test after the data is transformed into Ln show that CR, ROE, NPM, EPS, and Stock Price has been normally distributed while DR is still not normally distributed. Actually, one of the reasons why the data is not normally distributed is due to outliers (Akhtar, 2017). Therefore, to normalize the DR, the researcher uses a box plot to detect the outliers. Below are the outliers of DR data.

Figure 4.1: The Outliers of LNDR



Source: *Data is Processed by SPSS 20, 2018*

As can be seen on the picture above, the outliers of Debt Ratio are the data number 45, 44, 43, 42, 15, 14, 13, and 11. The data number 45, 44, 43, and 42 is actually the data of PT Ultrajaya Milk Industry & Trading Co. Tbk., while the data number 15, 14, 13, and

11 is the data of PT Delta Djakarta Tbk. Since the outliers is on the data of those companies, then the researcher remove all the data from those companies and does the normality test again. The table below is the result of normality test after removing the outliers.

Table 4.4: The Result of Normality Test after Removing the Outliers

		LNCR	LNROE	LNNPM	LNEPS	LNDR	LNSP
N		55	55	55	55	55	55
Normal Parameters[a,b]	Mean	5,0485	2,6945	1,8062	4,6162	3,9151	7,5235
	Std. Deviation	,36921	,91194	,84684	1,14066	,17130	1,09365
Most Extreme Differences	Absolute	,092	,139	,129	,079	,161	,123
	Positive	,074	,139	,129	,059	,081	,123
	Negative	-,092	-,112	-,123	-,079	-,161	-,113
Kolmogorov-Smirnov Z		,679	1,027	,955	,589	1,193	,913
Asymp. Sig. (2-tailed)		,746	,242	,321	,879	,116	,375

a. Test distribution is Normal.

b. Calculated from data.

Source: *Data is Processed by SPSS 20, 2018*

The results of the normality test after the researcher remove the outliers show that the significance value of DR has become more than 5% so that the data of DR has been normally distributed. Then, since the significance value of all variables finally has been above 5% so that it could be concluded that the data of all variable has been normally distributed.

4.2.2 Multicollinearity Test

Table 4.5: Multicollinearity Test Result

Model		Collinearity Statistics	
		Tolerance	VIF
1	LNCR	,646	1,548
	LNROE	,202	4,943
	LNNPM	,239	4,178
	LNEPS	,532	1,881
	LNDR	,589	1,699

a. Dependent Variable: LNSP

Source: *Data is Processed by SPSS 20, 2018*

From the table above, the results of multicollinearity test show that all tolerance of all variables is above 10% (the lowest tolerance is 0.202 or 20.2%) and all VIF of all variables are below 10 (the highest VIF is 4.943). Thus, it can be said that the multicollinearity is not occured in this regression model.

4.2.3 Autocorrelation Test

Table 4.6: Autocorrelation Test Result

	Unstandardized Residual
Test Value[a]	,00522
Cases < Test Value	32
Cases >= Test Value	32
Total Cases	64
Number of Runs	28
Z	-1,260
Asymp. Sig. (2-tailed)	,208

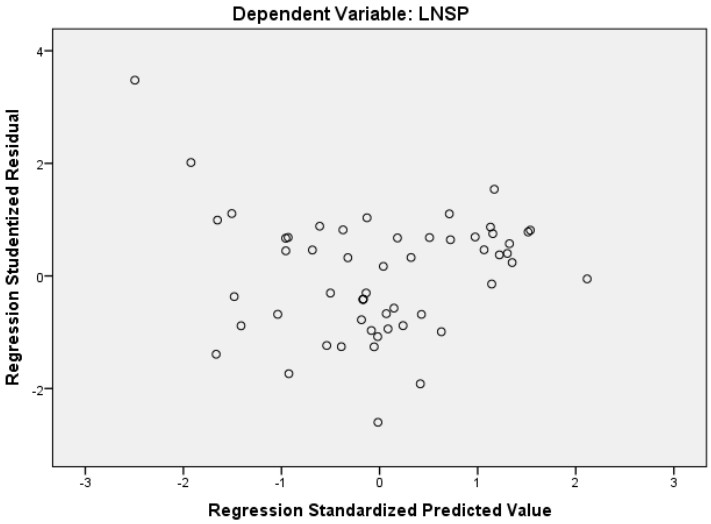
a. Median

Source: *Data is Processed by SPSS 20, 2018*

From table 4.6, it could be seen that the significance value is 0.208. Since the significance value value is above 0.05, then the null hypothesis is accepted. Therefore, it can be said that the autocorrelation is not occured in this regression model.

4.2.4 Heteroscedasticity Test

Figure 4.2: *Heteroscedasticity Test Result*



Source: *Data is Processed by SPSS 20, 2018*

From the picture of scatterplot above, the results of heteroscedasticity show that the dots are spread above and below zero. All the dots spread randomly and do not form a particular pattern so that it can be said that heteroscedasticity is not occured in the regression model.

4.3 Multiple Regression Analysis

Table 4.7: Multiple Regression Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14,409	3,071		4,691	,000
	LNCR	-,768	,255	-,259	-3,010	,004
	LNROE	-,597	,185	-,497	-3,230	,002
	LNNPM	1,070	,183	,829	5,853	,000
	LNEPS	,468	,091	,488	5,132	,000
	LNDR	-1,402	,576	-,220	-2,432	,019

a. Dependent Variable: LNSP

Source: *Data is Processed by SPSS 20, 2018*

From table 4.7, it could be seen that the regression models that is obtained are:

$$Y = 14.409 – 0.768X_1 - 0.597X_2 + 1.070X_3 + 0.468X_4 - 1.402X_5 + e$$

The regression equation can be interpreted as follows:

a. $\alpha = 14.409$ is a constant number which indicates that there will be an increase on the value stock price (Y) as much as Rp 14,409 if CR, ROE, NPM, EPS, and DR are 0.
b. $b_1 = -0.768$ indicates that there will be a decrease in the stock price (Y) as much as 0.768% for every 1% increase in CR (X_1).
c. $b_2 = -0.597$ indicates that there will be a decrease in the stock price (Y) as much as 0.597% for every 1% increase in ROE (X_2).
d. $b_3 = 1.070$ indicates that there will be an increase in the stock price (Y) as much as 1.070% for every 1% increase in NPM (X_3).
e. $b_4 = 0.468$ indicates that there will be an increase in the stock price (Y) as much as 0.468% for every 1% increase in EPS (X_4).
f. $b_5 = -1.402$ indicates that there will be a decrease in the stock price (Y) as much as 0.1.402% for every 1% increase in DR (X_5).

4.3.1 Coefficient of Determination (Adjusted-R^2)

Table 4.8: The Result of Adjusted-R^2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,875[a]	,765	,741	,55674

a. Predictors: (Constant), LNDR, LNROE, LNEPS, LNCR, LNNPM

b. Dependent Variable: LNSP

Source: *Data is Processed by SPSS 20, 2018*

The value of adjusted R square is 0.741, which means the variations of the independent variables in this study such as the CR, ROE, NPM, EPS, and DR explain 74.1% variance of variable Stock Price, while the remaining 25.9% will be explained by the other variables that is not used in this research. Therefore, it can be concluded that CR, ROE, NPM, EPS, and DR have a very strong relationship to the Stock Price.

4.3.2 Simultaneous Test (F - Test)

Table 4.9: F-Test Result

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	49,400	5	9,880	31,874	,000[b]
	Residual	15,188	49	,310		
	Total	64,588	54			

a. Dependent Variable: LNSP

b. Predictors: (Constant), LNDR, LNROE, LNEPS, LNCR, LNNPM

Source: *Data is Processed by SPSS 20, 2018*

Table 4.9 shows that the value of $F_{counted}$ is 31.874 with the significance level of 0.000. Since the value of probability is less than the significance level of 5% (0.000 < 0.05), it shows that this regression model can be used to estimate the stock price. Then, the value of F_{table} is actually only 2.40 (k=5, df: 55 – 5 - 1= 49, and $\alpha = 5\%$). It is smaller than the value of $F_{counted}$ ($F_{table} < F_{counted}$ or 2.40 < 31.874). Therefore, it can be concluded that CR, ROE, NPM, EPS, and DR have simultaneously significant effects towards the stock price.

4.3.3 Partial Test (T - Test)

Table 4.10: T-Test Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14,409	3,071		4,691	,000
	LNCR	-,768	,255	-,259	-3,010	,004
	LNROE	-,597	,185	-,497	-3,230	,002
	LNNPM	1,070	,183	,829	5,853	,000
	LNEPS	,468	,091	,488	5,132	,000
	LNDR	-1,402	,576	-,220	-2,432	,019

b. Dependent Variable: LNSP

Source: *Data is Processed by SPSS 20, 2018*

The results of the regression analysis above show that five independent variables such as CR, ROE, NPM, EPS, and DR significantly affect the Stock Price as the dependent variable because the significant level of each variable is smaller than 0.05. Further explanation as follows:

1. CR partially has a significant negative effect towards stock price since the t-value of CR is -3.010 and its significance level is 0,004. (sig.t < α = 5%).
2. ROE partially has a significant negative effect towards stock price since the t-value of ROE is -3.230 and its significance level is 0,002. (sig.t < α = 5%).
3. NPM partially has a significant positive effect towards stock price since the t-value of NPM is 5.853 and its significance level is 0,000. (sig.t < α = 5%).
4. EPS partially has a significant positive effect towards stock price since the t-value of EPS is 5.132 and its significance level is 0,000. (sig.t < α = 5%).
5. DR partially has a insignificant negative effect towards stock price since the t-value of DR is -2.432 and its significance level is 0,019. (sig.t < α = 5%).

4.4 Discussions

4.4.1 The Effect of CR towards Stock Price

T-test results show that CR has a significant negative effect on stock price. This result is in line with the result of research conducted by Yunita Setya Purwaningtyastuti, Kartika Hendra Titisari, and Siti Nurlaela (2018) which also states that CR has a

significant negative effect on stock price. However, this result is contrary to the results of research conducted by Aditya Pratama & Teguh Erawati (2014) which state that CR has a significant positive effect on stock price. The result also contrary to the result of research conducted by Rondonuwu Ester Faleria, Linda Lambey & Stanley Kho Walandouw (2017) which state that CR has insignificant effect on the stock price. The difference in this research's result is actually could be occur since they use the different industry and period.

Based on the theory on Chapter II, CR can describe the company's ability to meet its short-term obligations so that if CR of a company is high, then it means the company has an ability to pay off its short-term debt by using its assets. However, the theory on Chapter II also states that the high value of CR of a company does not always mean good. As stated in Chapter II, the CR of a company is calculated by comparing the total current assets of a company with its total liabilities. Thus, the high value of CR of a company can indicate the high total current assets of a company. The current assets of a company basically consist of cash, account receivable, inventory and etc. Current assets that are too high can certainly indicate that there are a lot of funds that are not used by the company, or there are a lot of uncollectible receivables, or there is a lot of unsold inventory. The high amount of unused funds is actually can make the company receive a lower income compared to the companies that use their funds for investment or business development. As well as the high amount of uncollectible receivable that will certainly reduce the funds owned by the company. Then, since it is a food and beverage company, it will be risky if there are too many unsold inventories because the product of food and beverage company can expire if it is stored for a long time. This is actually what make the investors to keep concern to the value of CR of a company in investing, whis is to avoid the occurrence of a reduction in the company's profits due to the overly high total current asset.

As the conclusion, CR of a company can affect the stock price because if CR of a company is not too high, then it will attract investors to invest in the company so that it finally will affect the share price which increases along with the high demand for company's stock. Conversely, if the value of CR of a company is too high then it will

reduce investor confidence in investing in the company and finally have an impact on a stock price decline.

4.4.2 The Effect of ROE towards Stock Price

Based on the research's results, ROE is stated to have a significant negative effect on stock price. This result is the same as the results of the research conducted by Muhammad Ircham, Siti Ragil Handayani, Muhammad Saifi (2014), Aditya Pratama, Teguh Erawati (2014), and A. Rizal Qoribulloh (2013), where ROE has a significant negative effect on stock price. It certainly shows that the ROE of a company is also one aspect that is seen by investors when investing. However, this result is not the same as the results of research conducted by Novia Kristanti, Sutono (2016) and Karnawi Kamar (2017) which state that ROE has a significant positive effect on stock price. The result also not the same as the result of research conducted by Sari Ariyanti, Topowijono, Sri Sulasmiyati (2016), Gerald Edsel Yermia Egam, Ventje Ilat, Sonny Pangerapan (2017), and Yunita Setya Purwaningtyastuti, Kartika Hendra Titisari, Siti Nurlaela (2018) which state that ROE has insignificant effect on the stock price. The difference in this research's result is actually could be occur since they use the different industry and period.

Based on the theory in chapter II, ROE shows how effective and efficient a company is in managing their own capital. The higher the ROE of a company, the more effective the company will be in using capital so that it can lead to the increase of the stock price considering that the company has an ability in making greater profits. However, in this study and also the study that is conducted by A. Rizal Qoribulloh, ROE actually had a significant negative effect on stock price which means the high value of ROE of a company actually will decrease the stock price. A. Rizal Qoribulloh in his study explains that this could happen because sometimes investors see a high value of ROE as something that can harm the company. He said that a high value of ROE is not necessarily caused by the company having high profits, but it can be caused by the total equity owned by the company is relatively low when it is compared to the debt to equity of the company (Qoribulloh, 2013). Debt to equity that is too high is actually can harm the owner of the capital if the company is unable to repay the debt and its interest. Such conditions are certainly will reduce the interest of the investor in buying the stocks and finally it can reduce the stock price in line with the declining demand.

To explain that condition, the researcher finally tries to compare PT Indofood CBP Sukses Makmur Tbk. (ICBP) with PT Nippon Indosari Corpindo Tbk. (ROTI). In 2015, the ROE of ICBP is 17.84% with the stock price of Rp 7,225. Meanwhile, the ROE of ROTI is 22.76%, it is higher but its stock price was only Rp 1,265. It is lower than the stock price of ICBP Then, the researcher finally looks at the debt to equity ratio of each company. The debt to equity ratio of ICBP in 2015 was 62%, it was smaller than the debt to equity ratio of ROTI which was 128%. Thus, the high value of ROE of ROTI cannot attract investors better than ICBP who have lower ROE since the proportion of debt to equity of ROTI is relatively higher than ICBP.

4.4.3 The Effect of NPM towards Stock Price

The results of the third hypothesis testing show that NPM has a significant positive effect on stock price. By looking at the result, it can be concluded that investors also consider the NPM of a company when investing. This was supported by the research of Aditya Pratama, Teguh Erawati (2014), Reina Damayanti, Reva Maria Valianti (2016), and Yunita Setya Purwaningtyastuti, Kartika Hendra Titisari, Siti Nurlaela (2018) which also states that NPM has a significant positive effect on stock price. However, this result was not supported by the research of Gerald Edsel Yermia Egam, Ventje Ilat, Sonny Pangerapan (2017) which state that NPM has a significant negative effect on stock price. The result also not supported by the research of Yulia Purnamawati, Fery Panjaitan, Marheni (2017) and Rondonuwu Ester Faleria, Linda Lambey, Stanley Kho Walandouw (2017) which state that NPM has insignificant effect on the stock price. The difference in this research's result is actually could be occur since they use the different industry and period.

As mentioned in chapter 2, NPM can describe the ability of a company in generating the net income through its sales. By this ratio, it will be seen the level of productivity of a company and its strategy in determining the selling price and controlling the operating expenses. Investors certainly need this ratio to ensure that the company they choose to invest is able to set the right selling price and reduce unnecessary costs to maximize the company's net profit.

In stock investing, an investor is certainly looking for a company with a high value of NPM. This was approved by Lo Kheng Hong, a successful Indonesian investor. In his

story, he said that he always chose stocks from companies with high NPM (Darmawan, 2017). This is because the high value of NPM of a company is a good thing since it shows that the company is profitable. The higher the NPM of a company indicates that the company's profit will be thicker (or much) so that it is able to anticipate the undesirable things such as the increasing raw material price, increasing employee salaries, or increasing financial expenses such as interest payments. If the company's NPM is thicker (or much), the undesirable things can be covered by the company's net profit without significantly reducing the profits.

As the conclusion, the NPM of a company can affect the stock price because if the NPM of a company is high, then the attractiveness of the company's stock is also higher so that investors are interested in buying that stock and finally will impact on stock price increases. Conservely, if the NPM of a company is low, then the attractiveness of the company's stock will also low and will not attract investors' to buy so that the stock price will decrease.

4.4.4 The Effect of EPS towards Stock Price

From the results of research that has been done, EPS is also considered as a ratio that has a significant positive effect on stock price. The result is similar to the results of research conducted by Aditya Pratama, Teguh Erawati (2014), Muhammad Ircham, Siti Ragil Handayani, Muhammad Saifi (2014), Sari Ariyanti, Topowijono, Sri Sulasmiyati (2016), Gerald Edsel Yermia Egam, Ventje Ilat, Sonny Pangerapan (2017), and Edhi Asmirantho (2017) which also states that EPS has a significant positive effect on stock price. However, this result is different from the research's result of Novia Kristanti, Sutono (2016) which state that EPS has a significant negative effect on the stock price. The result also different from the research's result of Yulia Purnamawati, Fery Panjaitan, Marheni (2017), Rondonuwu Ester Faleria, Linda Lambey, Stanley Kho Walandouw (2017), and Yunita Setya Purwaningtyastuti, Kartika Hendra Titisari, Siti Nurlaela (2018) which state that EPS has insignificant effect on the stock price. The difference in this research's result is actually could be occur since they use the different industry and period.

In chapter II, it has been stated that EPS is a profitability ratio that can describe how much corporate profits are allocated for each outstanding stock. In other words, EPS shows the company's net profit that is ready to be distributed to the shareholders. Therefore, the high

and low EPS of a company is very important for investors because it will give investors a direct information about how much profit will be distributed if they invest in that company. Actually, EPS is the main indicator that often used by investors in looking at the attractiveness of a stock (Sulistyowati, 2012). As an investor, they certainly expect to the increase in EPS of a company. This is because if the value of EPS is small then the dividends distributed by the company are likely to be small. Investors will certainly be more interested to invest in the company with a higher EPS since it will provide a good return.

Thus, it can be concluded that the high and low EPS of a company can affect the stock price. If EPS of the company is high, the company's stock price will also be high considering that there are many investors who are interested in investing or even increasing their investment in the company since there are many profits that will be distributed by the company. Conversely, if the EPS of a company is low, then it will reduce the stock price because the investor's interest in investing in the company decreases since they know that the profit that will be given by the company tends to be small.

4.4.5 The Effect of DR towards Stock Price

DR in this research results considered as a ratio that has a significant negative effect on stock price. This result is in line with the results of research conducted by Reina Damayanti (2016) which also state that DR has a significant negative effect on stock price. However, this result is contrary to the results of research conducted by Muhammad Ircham, Siti Ragil Handayani, Muhammad Saifi (2014) which state that DR has a significant positive effect on stock price. The result also contrary to the result of research conducted by Sari Ariyanti, Topowijono, Sri Sulasmiyati (2016) which state that DR has insignificant effect on the stock price. The difference in this research's result is actually could be occur since they use the different industry and period.

In Chapter II, it has been explained that DR is a ratio that describes how much assets of a company that is financed by debt. Thus, this ratio is also needed by investors in making decisions when investing. This is because debt is an important aspect for investors after profit considering that debt can have a negative impact on the company if it is too much. Corporate financing by using debt is certainly risky because if the company fails to pay

the debt it can cause bankruptcy in the company. Based on the theory in chapter 2, the higher the DR of a company means that the composition of the debt is also higher. When making a loan to a creditor, the company certainly will be charged for an interest on the loan as a reward for the party who gives credit (creditor). Thus, the amount of debt that must be paid by the company is increasing. This will certainly decrease the profit generated by the company since they need to pay the interest loan. This is bad for the investors because if the profit received by the company decreases, then the company's ability to pay dividends also decreases. Besides, when making a loan, the company certainly will provide collateral to those who give the loans. The collateral can usually be in the form of a company's assets. Thus, the more debt of a company, the more assets that are used as collateral. It actually will make the company become riskier. Therefore, investors are generally interested in companies with low DR values.

In conclusion, DR of a company can influence the stock price because if the DR of a company is high, then it means the company has much debt so that it can make investors' interest to buy shares decline and finally impact on the stock price decline. Conversely, if the DR of a company is low, then the interest of investors to buy stock will increase because they know that the company's debt is not too much. These conditions will certainly have an impact on stock price increases.

4.4.6 The Effect of CR, ROE, NPM, EPS, and DR towards Stock Price

By looking at the research's results, it can be seen that CR, ROE, NPM, EPS, and DR simultaneously have a significant effect on Stock Price. It shows that if those variables increase or decrease simultaneously, then there will be an increase or decrease in stock price. As previously mentioned, the value of Adjusted R^2 in this study is 0.741. This value shows the magnitude of the effect of independent variables simultaneously on the dependent variable. The effect of 74.1% indicates that the CR, ROE, NPM, EPS, and DR have a strong effect on Stock Price. Thus, those variables can become important information for the investors to predict the stock price in order to determine the right stocks and become important information for companies in determining policies or decisions to optimize the company's performance.

CHAPTER V
CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Based on the results of the research about the effect of financial ratios towards stock price that has been done on F&B companies listed on the IDX in 2013-2017, then the answer of the hypothesis can be concluded as follows:

1. CR has a significant negative effect towards Stock Price. It is because if the company have a high value of CR, then it indicate that the company have a high total current assets. If the current assets of a company is too high, then it show that the company is not effective in using and managing its current assets. It can certainly harm the company itself so that the investors is not interested to invest in a company that have an over value of CR.
2. ROE has a significant negative effect towards the Stock Price. It is because sometimes a high value of ROE is not necessarily caused by the company having a high profit, but it can be caused by the total equity owned by the company is relatively low when it is compared to the debt to equity of the company. It finally make the company become more risky so that it reduce the interest of the investor in buying the stocks.
3. NPM has a significant positive effect towards the Stock Price. It is because if the company have a high value of NPM, then it is show that the company have lot of profit so thay they will be able to anticipate the undesirable things without significantly reducing the profits. It finally make the investors more interested to invest in a company that have a high value of NPM.
4. EPS has a significant positive effect towards the Stock Price. It is because if the EPS of a company is high, then the dividends distributed by the company are likely to be high also. Investors will certainly be more interested to invest in the company with a higher EPS since it will provide a good return.
5. DR has a significant negative effect towards the Stock Price. It is because if the company have a high value of DR, then it is show that the company have a ot of debt that must be paid. This will certainly decrease company's ability to pay

dividends since they need to prioritize the debt and interest payment. Therefore, the investors will not choose the company with the high value of DR.

6. CR, ROE, NPM, EPS, and DR simultaneously have a significant effect towards Stock Price. Since the value of Adjusted R^2 in this study is 0.741 or 74.1%, then it indicates that the CR, ROE, NPM, EPS, and DR simultaneously have a strong effect on Stock Price.

5.2 Future Recommendations

The recommendations that the researchertoward can give are as follows:

5.2.1 For the Investors

From the results of the research, the investors should concern or focus to the value of CR, ROE, NPM, and EPS of a company in making stock investment decisions in the food and beverage sector because these four variables can affect the stock price. The stock price is really important in investing because it can reflect the value of a company. Therefore, investors must choose stocks in companies who have a good value of CR, ROE, NPM, and EPS because companies with those conditions tend to be more potential to have a high stock price.

5.2.2 For the Companies

The company should maintain its financial ratio, especially CR, ROE, NPM, and EPS which have been proven to have a significant influence on stock price. The company must continue to improve its performance so that those ratios can provide good results that can attract investors.

5.2.3 For the Further Researchers

1. The variables used in this study is only six variables. Therefore, further researchers should add more the other variables that are considered to affect stock price such as Total Assets Turnover (TATO), Price Earning Ratio (PER), or Return on Investment (ROI).
2. Further researchers are suggested to conduct research using different industries such as the manufacturing, property, or mining industry so that it can enrich the knowledge about factors (internal factors) that can affect the stock price in companies that is included in those industries.

REFERENCES

Books

Ghozali. (2016). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 23.* Semarang: Universitas Diponegoro.

Gibson, C. H. (2013). *Financial Reporting & Analysis, Thirteenth Edition* . Cenveo Publisher Services.

Journals

Ariyanti, S., Topowijono, & Sulasmiyati, S. (2016). *Pengaruh Profitabilitas dan Leverage Terhadap Harga Saham. Jurnal Administrasi Bisnis*, 181-188.

Asmirantho, E., & Somantri, O. K. (2017). The Effect of Financial Performance on Stock Price At Pharmaceutical Subsector Company Listed in Indonesia Stock Exchange. *Jurnal Ilmiah Akuntansi Fakultas Ekonomi*, 94-107.

Damayanti, R., & Valianti, R. M. (2016). *Pengaruh Debt to Assets Ratio, Debt to Equity Ratio, Return on Assets dan Net Profit Margin Terhadap Harga Saham pada Perusahaan Indeks LQ-45 di Bursa Efek Indonesia*. *Jurnal Media Wahana Ekonomika*, 16-36.

Egam, G. E., Ilat, V., & Pangerapan, S. (2017). The Influences of Return on Asset (ROA), Return on Equity (ROE), Net Profit Margin (NPM), and Earning Per Share (EPS) Against The Stock Prices of The Companies Listed on LQ45 Index in Indonesian Stock Exchange on The Period of 2013-2015. *Jurnal EMBA*, 105-114.

Faleria, R. E., Lambey, L., & Walandouw, S. K. (2017). *Pengaruh Current Ratio, Net Profit Margin dan Earning Per Share Terhadap Harga Sahamd di Bursa Efek Indonesia (Studi Kasus pada Sub Sektor Food and Beverages). Jurnal Riset Akuntansi*, 204-212.

Heikal, M., Khaddafi, M., & Ummah, A. (2014). Influence Analysis of Return on Assets (ROA), Return on Equity (ROE), Net Profit Margin (NPM), Debt to Equity Ratio (DER) and Current Ratio (CR) Against Corporate Profit Growth in Automotive in Indonesia Stock Exchange. *International Journal of Academic Research in Business and Social Sciences*, 104.

Ircham, M., Handayani, S. R., & Saifi, M. (2014). *Pengaruh Struktur Modal dan Profitabilitas Terhadap Harga Saham. Jurnal Administrasi Bisnis*, 1-8.

Kamar, K. (2017). Analysis of the Effect of Return on Equity (ROE) and Debt to Equity Ratio (DER) on Stock Price on Cement Industry Listed In Indonesia Stock Exchange (IDX) in the Year of 2011-2015. *IOSR Journal of Business and Management*, 66-76.

Kristanti, N., & Sutono. (2016). *Pengaruh Earning Per Share, Return On Equity dan Debt to Equity Ratio Terhadap Harga Saham pada Perusahaan. Dharma Ekonomi*.

Pratama, A., & Erawati, T. (2014). *Pengaruh Current Ratio, Debt to Equity Ratio, Return on Equity, Net Profit Margin dan Earning Per Share Terhadap Harga Saham (Study Kasus pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2008-2011). Jurnal Akuntansi*, 1-10.

Purnamasari, D. (2015).). The Effect of Changes in Return on Assets, Return on Equity, and Economic Value Added to the Stock Price Changes and Its Impact on Earnings Per Share. *Research Journal of Finance and Accounting*, 83.

Purnamawati, Y., Panjaitan, F., & Marheni. (2017). *Analisis Pengaruh Return on Assets (ROA), Earning Per Share (EPS), Price Earning Ratio (PER), dan Net Profit Margin (NPM) Terhadap Harga Saham (Studi pada Perusahaan Telekomunikasi yang Terdaftar di Bursa Efek Indonesia Periode Tahun 2012-2016). Jurnal Ilmiah Progresif Akuntansi Dan Keuangan (JIPAK)*, 25-35.

Purwaningtyastuti, Y. S., Titisari, K. H., & Nurlaela, S. (2018). Factors That Affect Stock Prices At The Manufacturing Companies. *International Conference on Technology, Education, and Social Science*, 48-55.

Rahmadewi, P. W., & Abundanti, N. (2018). *Pengaruh EPS, PER, CR, dan ROE Terhadap Harga Saham di Bursa Efek Indonesia*. *E-Jurnal Manajemen Unud*, 2106-2133.

Sulistyowati, Y. (2012). *Pengaruh Earning Per Share (EPS), Price Earning Ratio (PER), dan Dividend Payout Ratio (DPR) Terhadap Harga Saham (Studi Empiris pada Perusahaan Food & Beverages yang Terdaftar di BEI). MODERNISASI*, 247-255.

Widyantari, N. L., & Yadnya, I. P. (2017). *Pengaruh Struktur Modal, Profitabilitas dan Ukuran Perusahaan Terhadap Nilai Perusahaan pada Perusahaan Food and Baverage di Bursa Efek Indonesia*. *E-Jurnal Manajemen Unud*, 6383-6409.

Zabdi, A., & Pandu, D. (2017). *Pusat Edukasi dan Informasi Pasar Modal di Yogyakarta.*

Zaki, M., Islahuddin, & Shabri, M. (2017). *Pengaruh Profitabilitas, Leverage Keuangan dan Ukuran Perusahaan Terhadap Harga Saham (Studi pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia Periode 2005-2014). Jurnal Megister Akuntansi Pascasarjana Universitas Syiah Kuala*, 58-66.

Reports

Qoribulloh, A. R. (2013). The Influence of Financial Ratios on Stock Price of Manufacturing Companies Listed in Indonesian Stock Exchange in 2011.

Web Sites

Akhtar, H. (2017, December 17). Retrieved October 1, 2018, from Semesta Psikometrika: https://www.semestapsikometrika.com/2017/12/mengatasi-data-tidak-normal.html

Badan Pusat Statistik. (2018). Retrieved November 2018, from Badan Pusat Statistik: https://www.bps.go.id/

Darmawan, H. (2017, April 27). Retrieved October 8, 2018, from Finansialku.com: https://www.finansialku.com/analisa-fundamental-lo-kheng-hong/

Indonesia Stock Exchange. (2018). Retrieved October 2018, from Indonesia Stock Exchange: http://www.idx.co.id/

Investopedia. (2018, March 23). Retrieved December 7, 2018, from Investopedia: https://www.investopedia.com/ask/answers/012615/whats-difference-between-rsquared-and-adjusted-rsquared.asp

Setyaningsih, L. (2018, July 8). Retrieved October 20, 2018, from Warta Kota: http://wartakota.tribunnews.com/2018/07/08/gapmmi-industri-makanan-dan-minuman-akan-tumbuh-10-persen

Yasmin, P. A. (2018, April 23). Retrieved October 20, 2018, from Detik Finance: https://finance.detik.com/industri/d-3985814/menperin-industri-makanan-dan-minuman-tumbuh-923

APPENDIX 1

RESEARCH DATA

No.	Company's Name	Code	Year	Independent Variable					Dependent Variable
				Financial Ratios					
				Liquidity Ratio	Profitability Ratio			Solvency Ratio	Stock Price (IDR)
				CR (%)	ROE (%)	NPM (%)	EPS (IDR)	DR (%)	
1.	PT Akasha Wira International Tbk.	ADES	2013	180.96	2,000	11.08	94.35	40	2,000
			2014	153.53	1,375	5.36	52.59	41	1,375
			2015	138.6	1,015	4.9	55.67	50	1,015
			2016	163.51	1,000	6.3	94.85	50	1,000
			2017	144.11	885	3.78	65	49	885
2.	PT Wilmar Cahaya Indonesia Tbk.	CEKA	2013	163.22	580	2.57	218.72	51	580
			2014	146.56	750	1.11	137.82	58	750
			2015	153.47	675	3.06	358.15	57	675
			2016	218.93	1,045	6.07	419.66	38	1,045
			2017	243.82	1,290	2.4	181	33	1,290
3.	PT Delta Djakarta Tbk.	DLTA	2013	470.54	7,600	31.2	330.3	22	7,600
			2014	447.32	7,800	32.76	353	23	7,800
			2015	642.37	5,200	27.45	238	18	5,200
			2016	760.39	5,000	32.84	317	15	5,000
			2017	778.3	4,590	34.81	349	16	4,590

No.	Company's Name	Code	Year	CR (%)	ROE (%)	NPM (%)	EPS (IDR)	DR (%)	Stock Price (IDR)
4.	PT Indofood CBP Sukses Makmur Tbk.	ICBP	2013	214.06	16.85	8.91	381.63	38	5,100
			2014	218.32	16.83	8.43	446.62	40	6,550
			2015	232.6	17.84	9.21	514.64	38	7,225
			2016	240.68	19.63	10.54	308.73	36	8,575
			2017	220.46	15.34	11.16	260.82	36	8,900
5.	PT Indofood Sukses Makmur Tbk.	INDF	2013	166.73	8.9	5.92	285.16	51	6,600
			2014	180.74	12.48	8.09	442.5	52	6,750
			2015	170.53	8.6	5.79	338.02	53	5,175
			2016	150.81	11.99	7.89	472.02	47	7,925
			2017	146.78	9.39	8.12	373.29	48	7,625
6.	PT Mayora Indah Tbk.	MYOR	2013	244.34	26.87	8.81	44.6	59	1,040
			2014	208.99	9.99	2.89	18.04	60	836
			2015	236.53	24.07	8.44	55	54	1,220
			2016	225.02	22.16	7.57	61	52	1,645
			2017	225.97	14.12	6.65	71	51	2,020
7.	PT Nippon Indosari Corpindo Tbk.	ROTI	2013	113.64	20.07	10.5	31.22	57	1,020
			2014	136.64	19.64	10.03	37.26	55	1,385
			2015	205.34	22.76	12.44	53.45	56	1,265
			2016	296.23	19.39	11.09	55.31	51	1,600
			2017	101.99	6.24	5.01	19.23	51	1,275
8.	PT Sekar Bumi Tbk.	SKBM	2013	124.83	28.97	4.49	67.83	60	480
			2014	147.71	28.03	6.02	80.23	51	970
			2015	114.51	11.67	2.95	44.48	55	945
			2016	110.72	6.12	1.5	30.43	63	640
			2017	170.25	0.36	0.28	2.25	34	715

No.	Company's Name	Code	Year	CR (%)	ROE (%)	NPM (%)	EPS (IDR)	DR (%)	Stock Price (IDR)
9.	PT Ultrajaya Milk Industry & Trading Co. Tbk.	ULTJ	2013	247.01	16.13	9.4	28.15	28	1,125
			2014	334.46	12.51	7.23	25.25	22	930
			2015	374.55	18.7	11.91	44.93	21	986
			2016	484.36	20.34	15.15	61	18	1,143
			2017	549.38	15.67	18.25	61	15	1,295
10.	PT Multi Bintang Indonesia Tbk.	MLBI	2013	97.75	118.6	32.88	240.74	45	12,000
			2014	51.39	143.53	26.6	377	75	11,950
			2015	58.42	64.83	18.43	236	64	8,200
			2016	67.95	119.68	30.1	446	64	11,750
			2017	81.24	96.08	39.44	627	58	13,675
11.	PT Siantar Top Tbk.	STTP	2013	114.24	16.49	6.75	87.38	53	1,550
			2014	148.42	15.1	5.69	94.27	52	2,880
			2015	157.89	18.41	7.3	141.78	47	3,015
			2016	165.45	14.91	6.62	133.18	50	3,190
			2017	217.08	12.43	7.94	127.25	42	4,360
12.	PT Tiga Pilar Sejahtera Food Tbk.	AISA	2013	175.03	14.71	8.55	106.08	53	1433
			2014	266.33	10.52	7.36	113.4	51	2095
			2015	162.29	9.42	6.22	96.45	56	1210
			2016	237.56	16.87	10.99	184.39	54	1945
			2017	162.24	3.98	4.3	53.9	54	476
13.	PT Sekar Laut Tbk.	SKLT	2013	123.38	8.19	2.02	16.9	54	180
			2014	118.38	10.75	2.42	24.56	54	300
			2015	119.25	13.2	2.69	29.55	60	370
			2016	131.53	6.97	2.48	29.88	48	300
			2017	131.28	5.29	2.4	2372	49	1,100

APPENDIX 2

CONSULTATION AND ADVISING SHEET

Student name : **Bintang Arnelia Jingga** **Major** : **Management**

Skripsi title : The Effect of Financial Ratios and Size towards the Stock Price **Concentration** : **Banking and Finance**

Advisor : **Pandu Adi Cakranegara**

No	Consultation Date	Agenda and Discussions	Action to be Taken	Student Signature	Adviser Signature
1.	18/9/18	- Discuss the topic and thesis title - Submitting the journals	- Add the number of variables - Find the research data		
2.	20/9/18	Submitting the research data	Proceed to the data processing.		
3.	24/9/18	Discuss the problem in normality test.	- Do data transformation - Remove the outliers - Add the P-Plot as the 2nd tool		

4.	26/9/18	Submitting the result of normality test	Proceed to the another tests.		
5.	27/9/18	Discuss the problem in multicollinearity test.	Remove similar variables		
6.	28/9/18	Submitting the result of multicollinearity test.	Proceed to another tests.		
7.	1/10/18	Submitting the overall result of data processing	Proceed to the Chapter I		
8.	9/10/18	Submitting the result of Chapter I	- Add more examples on background - Add more research questions and research objectives - Revision in "Limitation" part - Proceed to the Chapter II		

9.	12/10/18	Submitting the result of the revision and Chapter II	- Add more explanation to the "Site" theory. - Revision on research gaps. - Proceed to the Chapter III		
10.	16/10/18	Submitting the result of the revision and Chapter III	- Revision in the operational definitions and research design. - Add the research instrument - Proceed to the Chapter IV		
11.	22/10/18	Submitting the result of the revision and Chapter IV	- Add the interpretation of regression equation. - Revision in the T-Test interpretation - Proceed to the Chapter V		
12.	24/10/18	Submitting the result of the revision and Chapter V	Revision on CR and ROE analysis (Ch.4).		
13.	25/10/18	Submitting the result of the revision.			