

---

## FINANCIAL RATIOS ON THE SHARE PRICES OF BUMN BANKING LISTED ON THE INDONESIA STOCK EXCHANGE (BEI) IN 2018-2022: WHAT IS THE IMPACT

Edi Sugiarto<sup>1</sup>, Priyo Sudiby<sup>2</sup>, Maulidiyah Anggraini<sup>3</sup>

<sup>1,2</sup>Lecturer at Accounting Undergraduate Study Program, Faculty of Economics and Business, University of Merdeka Malang, Indonesia.

<sup>3</sup>Student at Management Undergraduate Study Program, Faculty of Economics and Business, University of Merdeka Malang, Indonesia.

DOI: <https://www.doi.org/10.58257/IJPREMS34994>

---

### ABSTRACT

This research aims to determine and analyze the influence of financial ratios (Current Ratio, Return On Assets, Debt To Equity Ratio, and Total Assets Turnover) on stock prices. The object of this research is state-owned banks registered on the BEI in 2018 - 2022 and the sampling technique used in this research is saturated sampling, which means all population companies are included and used as samples of which there are 4 companies, namely BRI, MANDIRI, BNI, BTN . The data analysis techniques used are the classical assumption test (normality test, autocorrelation test, multicollinearity test, and heteroscedasticity test), multiple linear regression test, simultaneous test (F test), partial test (t test), and Coefficient of Determination test (Adjusted R<sup>2</sup> ). The results of this research show that the Current Ratio has a significant positive effect on stock prices and the Debt To Equity Ratio has a significant negative effect on stock prices, while Return On Assets and Total Assets Turn Over have no effect and are not significant on stock prices. and together the Current Ratio (CR), Return On Assets (ROA), Debt To Equity Ratio (DER), Total Assets Turnover (TATO) influence the share prices of state-owned banks listed on the IDX in 2018 - 2022.

**Keywords:** Liquidity (CR), Profitability (ROA), Solvency (DER), Activity (TATO).

---

### 1. INTRODUCTION

The economy is an important thing for a country, because the economic growth of a country can affect the welfare of its people. The economy in Indonesia itself is one of the largest economies in Southeast Asia and is one of the economies in a developing market, and Indonesia is categorized as a middle-income country. Indonesian economy experiences quite fluctuating growth every year. In 2017 the Indonesian economy grew by 5.07%, in 2018 it grew by 5.17%, in 2019 it grew by 5.02%, in 2020 there was a significant decline of 2.07% and in 2021 there was a slight increase of 3.69% and in 2020 experienced a quite drastic increase of 5.3%. With the fluctuating and developing economic conditions, of course the role of the banking sector is very much needed and is one of the main pillars in supporting a country's economic growth.

Banks not only play an important role in the country's economic growth, but also play an important role in the community's economy because in their implementation banks also help small and medium businesses or MSMEs (Micro, Small and Medium Enterprises) which are one of the important economic resources for Indonesia. Apart from that, banks also play an important role in the development of the country because banks also participate in helping the government finance infrastructure projects in the development of all sectors, because Indonesia itself is a country that is carrying out development in all sectors in order to increase equality and economic growth to support the improvement of people's lives.

In the midst of the corona virus which has occurred and has had a negative impact on several sectors, according to the Financial Services Authority, the condition of Indonesian banking is still quite healthy, although there are several banks that need attention because their financial indicators are not good. Healthy banks can be trusted to look after customers' finances and play a role as a driving force in the economy, because if a bank experiences problems, it is not only the customers who suffer, but the stability of the banking system and financial system can affect the country's economy.

A bank is said to be healthy if it can carry out its activities or carry out its operations well and as it should. Bank management is responsible for ensuring that the level of health, management and business continuity of a bank is maintained. Financial ratios used to analyze a company's financial reports can also be used to analyze the health of a bank. The first is the liquidity ratio which in this research is proxied by the current ratio, the second is the profitability ratio which in this research is proxied by return on assets, the third is the solvency ratio which in this research is proxied by the debt equity ratio, the fourth is the activity ratio which in this research is proxied with total assets turnover. Not only can you find out the health of the bank but you can also find out the bank's performance. Bank performance can

reflect the bank's operational capabilities, both in collecting funds and distributing funds. Bank performance which shows the bank's strengths can be used to develop the bank's business and become a bank's advantage in competing with other banks, while bank performance shows the bank's weaknesses and can be used as evaluation material so that the bank's performance will be even better in the future. Banks that have good performance or health can be attractive for investors to invest.

Before investors make an investment, investors have their own assessment or criteria in making an investment. Like taking a big risk to make a big profit, this is in line with the term or theory "High Risk High Return". One type of investment that is suitable for this term is shares. Because shares have various kinds of risks that can even cause losses and there is no certainty regarding the profits obtained, share investments can also be done in banking.

Shares are a sign of a person's capital investment in a company, and in the implementation of buying and selling there is one factor that investors pay special attention to, namely the share price. Because one way to measure the success of a company can be seen from the price of the shares it owns. If the price of the shares owned continues to increase, investors can evaluate and assess the company's ability to manage its business optimally. And through share prices, investors can also calculate the level of return on investment received in the form of dividends or profits obtained from reducing the purchase price of shares from the selling price.

## 2. METHODOLOGY

There are two categories of variables in this research, namely Independent (Free) and Dependent (Bound) variables. The independent variables in this research are Current Ratio (X1), Return On Assets (X2), Debt Equity Ratio (X3), and Total Assets Turnover (X4). And share price (Y) is the dependent variable in this research. The operational definition of each variable in this research is:

### a. Current Ratio (X1)

The Current Ratio or Current Ratio is one of the ratios used as a measure in determining a company's liquidity, and the current ratio itself is used to calculate or measure a company's ability to pay off its current liabilities against its current assets.

$$\text{Current Ratio} = \frac{\text{Current asset}}{\text{Current liabilities}}$$

### b. Return On Assets (X2)

Return on Assets is one of the ratios used to determine how well a company is able to generate profits, and return on assets itself is used to calculate a company's ability to generate profits after utilizing all the assets it owns.

$$\text{Return On Assets} = \frac{\text{Net profit}}{\text{Total Assets}}$$

### c. Debt Equity Ratio (X3)

Debt Equity Ratio is a ratio used to measure the picture of a company's debt with the capital it has.

$$\text{Debt Equity Ratio} = \frac{\text{Total Amoun of debt}}{\text{Capital}}$$

### d. Total Assets Turnover

(X4)

Total Assets Turnover is one of the ratios used to calculate or determine the size of a company's ability to manage its assets.

$$\text{Total Asset Turnover} = \frac{\text{Sale}}{\text{Total Assets}}$$

### e. Share Price (Y)

In this research, the share price used is the closing share price per share in state-owned banking companies listed on the Indonesia Stock Exchange.

## 2.1 Research Scope

The scope of this research is focused on financial ratios with variables (Current Assets, Return On Assets, Debt Equity Ratio, and Total Assets Turnover) on BUMN Banking Share Prices listed on the Indonesia Stock Exchange in 2018-2022. In this case the banks taken are Bank BRI, Bank BNI, Bank Mandiri and Bank BTN.

## 2.2 Research Site

This research was conducted on state-owned conventional banks listed on the Indonesia Stock Exchange (BEI), namely Bank BRI, Bank BNI, Bank Mandiri, and Bank BTN for the period 2018-2022 via the websites www.idx.co.id and www.ojk.go.id and respective bank websites. Starting from www.bri.co.id, www.bni.co.id, www.bankmandiri.co.id, and www.btn.co.id. This method was chosen because it makes data collection easier.

## 2.2 Population

The population used in this research is state-owned conventional banking registered on the IDX in 2018-2022. The following is state-owned banking data registered on the IDX for 2018-2022: BBRI, BMRI, BBNI, BBTN,

## 2.2 Sampling technique

The sample in this research is a type of saturated sampling, namely where the sampling technique is when all members of the population are used in the sample. So, the sample used is the same as the population, namely 4 companies, namely BRI, Mandiri, BNI, BTN

## 2.2 Data collection technique

Data Type,: This research uses quantitative data, namely data that prioritizes theory testing by measuring research variables numerically and analyzing the data using statistical procedures.

Data Sources: This research uses secondary data, namely data collected and obtained indirectly from the research object but through other intermediaries.

The data collection technique used in this research is a documentation technique using internet data searches. This documentation technique is a data collection technique in the form of financial reports of companies listed on the Indonesia Stock Exchange as well as company share prices for 2018-2022. Meanwhile, internet searches were used to obtain data used for this research.

## 3. TECHNIQUE OF DATA ANALYSIS

### 3.1 Classic assumption test

#### 1) Normality test

According to Sigiyono (2017) the normality test is a test used to determine the normality of the variables being studied and to find out whether the data is normally distributed or not. Meanwhile, according to Gunawan (2020), the normality test is a test used to find out whether the data obtained is normally distributed and whether the data comes from a normal population or not. The method used to test normality in this research is by looking at the normal probability plot. The basis for decision making for normal probability plot analysis is as follows:

- If the data is spread out and shows results around the diagonal line or in the direction of the diagonal line showing a normal distribution pattern, then the regression meets the assumption of normality.
- If the data is spread out and shows results that are far from the diagonal line or does not have a normally distributed pattern, then the regression model does not meet the assumption of normality.

#### 2) Autocorrelation Test

According to Ghozali (2021), the autocorrelation test is a test carried out to determine whether in a linear regression model there is a correlation or error that disturbs period  $t$  with the error that disturbs period  $t-1$  (previously). Carry out an autocorrelation test using the Durbin Watson test which has the basis for decision making:

- If  $d < dL$  or  $d > 4-dL$  then the null hypothesis is rejected, which means there is autocorrelation.
- If  $Du < d < 4-dU$ , then the null hypothesis is accepted which means there is no autocorrelation.
- If  $dL < d < dU$  or  $4-Du < d < 4-dL$  then it does not produce a definite decision.

#### 3) Multicollinearity Test

According to Ghozali (2017) the multicollinearity test is a test carried out to find out whether the regression model has a high or perfect correlation between the independent variables. Meanwhile, according to Aminatus, Suprianik, Agung, Mustofa (2022) the multicollinearity test is a test carried out to determine the relationship between independent variables in one regression. To determine whether there is multicollinearity or not, use the Variance Factor (VIF) method which has the following conditions:

- If the VIF value is  $> 10$ , then multicollinearity occurs
- If the VIF value  $< 10$ , then multicollinearity does not occur

#### 4) Heteroscedasticity Test

According to Aminatus, Suprianik, Agung, Mustofa (2022), the Heteroscedasticity test is a test used to determine whether there are deviations or not between one variable and another. Meanwhile, according to Ghozali (2017), the

heteroscedasticity test is a test used to determine whether the variables contained in the regression model are not the same. If the variables contained in the regression model have the same value, it is called homoscedasticity. This test is carried out by looking at the scatterplot graph (predicted value of the dependent variable) with error ZPRED, which if the results shown have points that form a regular pattern, then heteroscedasticity occurs. And if the results shown have points that form an unclear pattern and spread above and below the number 0 on the y-axis, then heteroscedasticity does not occur.

#### a. Multiple Linear Regression Analysis

The analysis technique used in this research is multiple linear regression analysis. According to Ghazali (2018) Multiple Linear Regression is a regression model used to determine the influence of more than one independent variable on the dependent variable. The following is the multiple linear regression analysis formula equation model:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Information :

Y = Share Price

a = Constant

$b_1, b_2, b_3, b_4$  = Regression Coefficient

X1 = Current Ratio

X2 = Return On Assets

X3 = Debt Equity Ratio

X4 = Total Assets Turnover

e = Residual

#### b. Hypothesis testing

##### 1) Simultaneous Test (F Test)

According to Sugiyono (2014) a simultaneous test is a test carried out to determine the effect of the independent variable on the dependent variable. In this research the independent variables are current ratio, Return On Assets, Debt Equity Ratio, and Total Assets turnover. Meanwhile, the dependent variable is the stock price. By using a simultaneous test, this research can determine whether the independent variables have an effect on the dependent variable. This F test is carried out with a significance level of 5% or 0.05 with the following decision making criteria:

- If the significant value is  $< 0.05$  then the independent variable influences the dependent variable.
- If the significant value is  $> 0.05$ , the independent variable does not affect the dependent variable.

##### 2) Partial Test (t Test)

A partial test is a test used to determine whether each independent variable has an effect on the dependent variable. In this research the independent variables are Current Ratio, Return On Assets, Debt Equity Ratio, and Total Assets turnover. While the dependent variable is share price, by conducting this research it can be seen whether these based variables have an influence on the dependent variable. This T test is carried out with a significance level of 5% or 0.05 with the following decision making criteria:

- If the significant value is  $< 0.05$  then the independent variable influences the dependent variable.
- If the significant value is  $> 0.05$ , the independent variable does not affect the dependent variable.

##### c. Determination Coefficient Test (Adjusted R<sup>2</sup>)

This test is carried out to find out how big or important the influence of the independent variable is on the dependent variable. According to Ghazali (2016), if the Coefficient of Determination value is close to 1, it means that the independent variable has more influence on the dependent variable, and vice versa, if the Coefficient of Determination value is closer to 0.

## 4. RESULTS AND DISCUSSION

### 4.1 Research result

#### a. General Overview of BUMN Banking

This research used 4 samples of state-owned conventional banking companies listed on the IDX and all samples were selected using saturated sampling techniques. A brief description of these companies is:

##### 1) PT Bank Rakyat Indonesia Tbk

Bank Rakyat Indonesia (BRI) is one of the largest government-owned banks in Indonesia. Bank Rakyat Indonesia (BRI) was founded in Purwokerto, Central Java by Raden Bei Aria Wirjaatmadja on 16 December 1895 with the name De

Poerwokertosche Hulp en Spaarbank der Inlandsche Hoofden. And after the independence of the Republic of Indonesia based on Government Regulation no. 1 of 1946 Article 1 states that Bank BRI is the first government bank in the Republic of Indonesia, then since 1 August 1992 based on banking law no. 7 of 1992 and Republic of Indonesia Government Regulation no. 21 of 1992 BRI's status changed to a limited liability company. And at that time BRI ownership was still 100% owned by the Government of the Republic of Indonesia, currently BRI's head office is located at BRI Building 1 Jl. General Sudirman Kav. 44 – 46 Jakarta.

On November 10 2003, Bank BRI conducted an initial public offering (IPO) by selling 30% of its shares or offering 3,811,765 million ordinary shares (Common Shares) at a price of Rp. 875/share, to date BRI Bank's share ownership is Indonesian ownership of 67.0 3% and general ownership of 32.96%.

2) PT Bank Mandiri Tbk

Bank Mandiri was founded on October 2 1998 and on July 31 1999 Bank Mandiri carried out a restructuring program for Indonesian government banks which was a combination of four state-owned banks at that time, namely Bank Bumi Daya, Indonesian Export Import Bank, Bank Dagang Negara and Bank Pembangunan Indonesia. However, after the merger, Bank Mandiri underwent a long process of cultural and technological adjustments. Up to reducing 8,980 employees and closing 194 branch offices, and currently Bank Mandiri's head office is at Plaza Mandiri Jl. Gen. Gatot Subroto Kav. 36-38, Jakarta 12190.

On July 14 2003 Bank Mandiri conducted an initial public offering (IPO) by selling 2,900,000,000 shares at a price of Rp. 675/share, currently 52% of Bank Mandiri shares are owned by the government and 48% are owned by the public.

3) PT Bank Negara Indonesia Tbk

Bank Negara Indonesia (BNI) was originally established as a Central Bank with the name Bank Negara Indonesia based on government regulations dated July 5 1946 and the date of the founding of BNI bank is celebrated as National Bank Day. Through emergency law number 2 of 1995, BNI became a commercial bank with a wider reach, and based on law no. 17 of 1968 BNI was designated as the State Bank of Indonesia in 1946 and its status became a State-Owned Commercial Bank. However, in 2004 the name of the bank was shortened to just BNI along with the launch of a new logo and corporate identity. Currently, BNI's head office is located at the Graha BNI Building, Floor 24, Jl. Gen. Sudirman Kav 1, Central Jakarta, 10220.

On November 25 1996 BNI conducted an initial public offering (IPO) by selling the 1,085,032,000 shares it owned at a price of Rp. 850/share, currently BNI's share ownership is 60% owned by the Indonesian government and 40% owned by the public.

4) PT Bank Tabungan Negara Tbk

Bank BTN was formed starting in 1897 with the establishment of Postspaarbank in Batavia during the Dutch government, and on February 9 1950 the Indonesian government changed its name to Bank Tabungan Pos RI. However, based on government regulation no. 62 of 1963 dated 22 June 1963 officially changed its name to Bank Tabungan Negara, currently BTN's head office is located at Menara Bank BTN Jl. Gajah Mada No. 1, Jakarta, 10130.

On December 17 2009 Bank BTN conducted an initial public offering (IPO) by selling 2,360,057,000 at a price of Rp. 800/share, currently 60% of Bank BTN is owned by the government and 40% is owned by the general public.

**4.2 Description of Research Variables**

a) Current Ratio

It is a ratio used to measure a company's ability to pay its short-term obligations. The current ratio is measured by current assets divided by current liabilities. The following are the results of the Company's Current Ratio calculation:

**Table 1.** Current Ratio (%)

	YEAR	TW 1	TW 2	TW 3	QW 4	Average
BBRI	2018	118.82	118.36	119.09	119.08	118.84
	2019	121.27	118.66	119.53	121.39	120.21
	2020	117.03	123.01	118.53	118.26	119.21
	2021	116.57	116.80	123.87	123.92	120.29
	2022	122.23	123.01	123.39	122.06	122.67
BMRI	2018	132.63	130.07	131.36	131.36	131.36
	2019	133.23	131.75	131.65	132.02	132.16



	2020	128.10	127.41	127.01	126.71	127.31
	2021	131.50	133.23	133.08	132.23	132.51
	2022	132.83	131.79	131.78	131.20	131.90
BBNI	2018	130.69	129.86	129.62	127.91	129.52
	2019	122.22	128.12	128.65	131.72	127.68
	2020	128.22	124.54	124.28	119.44	124.12
	2021	121.99	121.81	122.53	116.05	120.60
	2022	121.42	122.16	123.38	121.40	122.09
BBTN	2018	122.00	122.80	123.60	124.61	123.25
	2019	125.01	125.63	126.97	126.97	126.15
	2020	124.31	127.42	125.50	125.26	125.62
	2021	122.88	122.96	123.01	124.44	123.32
	2022	123.27	123.26	123.09	125.92	123.89

Source: Financial Report (Processed Data)

Based on table 2, it can be seen that the highest CR average in 2018 was owned by BMRI at 131.36% and the highest CR value was owned by BMRI in the First Quarter, namely 132.63% and the lowest CR value was owned by BBRI in the Second Quarter, namely at 118.36%. In 2019, the highest CR average was owned by BMRI at 132.16% and the highest CR value was owned by BMRI in the Taman Quarter, namely 133.23% and the lowest CR value was owned by BBRI in the second quarter at 118.66%. In 2020, the highest CR average was owned by BMRI at 127.31% and the highest CR value was owned by BBNI in the First Quarter, namely 128.22% and the lowest CR value was owned by BBRI in the First Quarter, namely 117.03%. In 2021, the highest CR average was owned by BMRI at 132.61% and the highest CR value was owned by BMRI in the Second Quarter, namely 133.23% and the lowest value was owned by BBNI in the Fourth Quarter, namely 116.05%. In 2022, the highest CR average was owned by BMRI at 131.90% and the highest CR value was owned by BMRI in the First Quarter, namely 132.83% and the lowest CR value was owned by BBNI in the Fourth Quarter, namely 121.40%.

In the CR calculations listed in table 4.1, it can be seen that the CR values held by all banks each quarter are in accordance with standards or have met the safe limit which is above 1 or 100%, although there are some which are almost close to 100%. However, it is still within safe limits because it is not below 100%. This shows that the company studied has a good Current Ratio value, which means the company is able to pay its current obligations. And also if the company has a CR value that is too high, it can mean that the company is less able to manage the assets it owns so it may not be able to pay the current debts it has, but if the company has a CR value that is too low it is also not good for the company because it can mean that the company lacks capital or assets used to pay current debts it has.

b) Return On Asset

This is a ratio used to determine how well a company is able to generate profits after utilizing all the assets it owns. The following are the results of the Company's Return On Assets calculation:

**Table 2.** Return On Assets (%)

	YEAR	TW 1	TW 2	TW 3	QW 4	Average
	BBRI	2018	3.35	3.37	3.60	3.68
2019		3.35	3.31	3.42	3.50	3.40
2020		3.19	2.41	2.07	1.98	2.41
2021		2.65	2.38	2.52	2.72	2.57
2022		3.56	3.82	3.97	3.76	3.78
BMRI	2018	3.17	3.04	2.96	3.17	3.09
	2019	3.42	3.08	3.01	3.03	3.14
	2020	3.55	2.23	1.95	1.64	2.34
	2021	2.22	2.43	2.42	2.53	2.40

	2022	3.34	3.38	3.40	3.30	3.36
BBNI	2018	2.73	2.73	2.76	2.78	2.75
	2019	2.68	2.44	2.51	2.42	2.51
	2020	2.63	1.38	0.88	0.54	1.36
	2021	1.46	1.48	1.51	1.43	1.47
	2022	2.29	2.44	2.48	2.46	2.42
BBTN	2018	1.37	1.40	0.90	1.34	1.25
	2019	1.24	1.12	0.44	0.13	0.73
	2020	0.76	0.63	0.59	0.69	0.67
	2021	0.94	0.68	0.74	0.81	0.79
	2022	1.07	1.03	1.03	1.02	1.04

Source: Financial Report (Processed Data)

Based on table 3, it can be seen that in 2018 the highest average ROA was owned by BBRI at 3.50% and the highest ROA value was owned by BBRI in the Fourth Quarter, namely 3.68% and the lowest value was owned by BBTN in the Third Quarter, namely 0.90%. In 2019, the highest average ROA was owned by BBRI at 3.40% and the highest ROA value was owned by BBRI in the Fourth Quarter, namely 3.50% and the lowest value was owned by BBTN in the Fourth Quarter, namely 0.13%. In 2020, the highest average ROA was owned by BBRI at 2.41% and the highest ROA value was owned by BMRI in the First Quarter, namely 3.55% and the lowest value was owned by BBNI in the Fourth Quarter, namely 0.54%. In 2021, the highest average ROA was owned by BBRI at 2.57% and the highest ROA value was owned by BBRI in the fourth quarter, namely 2.72%, and the lowest value was owned by BBTN, namely 0.68%. In 2022, the highest average ROA will be owned by BBRI at 3.78% and the highest ROA value will be owned by BBRI in the Second Quarter, namely 3.82% and the lowest value will be owned by BBTN in the Fourth Quarter, namely 1.02%.

In the ROA calculations listed in table 4.2, it can be seen that the ROA value of all banks each quarter meets the predetermined standard of 1.5%, but there are also those that do not comply or are less than the predetermined standard, namely less than 1, 5% and occurs at BBNI and BBTN. This shows that the company studied has a good ROA value, which means the company is able to manage the assets it owns so that it can increase net profit or profits. There are also companies studied in this research that have low ROA values or do not meet the specified standards, which means that the company is less effective or less capable in managing its assets to generate profits for the company.

#### c) Debt Equity Ratio

This is a ratio used to measure a company's debt picture with the capital it has. The following are the results of calculating the Company's Debt Equity Ratio:

**Table 3.** Debt Equity Ratio (%)

	YEAR	TW 1	TW 2	TW 3	QW 4	Average
BBRI	2018	596.77	591.88	574.67	599.9	590.81
	2019	556.64	575.01	554.34	566.69	563.17
	2020	643.83	624.15	626.83	639.46	633.57
	2021	624.49	624.72	477.91	475.11	550.56
	2022	497.96	477.38	460.91	514.92	487.79
BMRI	2018	521.81	539.12	525.29	509.27	523.87
	2019	484.89	512.73	496.79	490.71	496.28
	2020	597.51	596.79	599.19	594.06	596.89
	2021	625.36	590.16	590.53	597.26	600.83
	2022	627.88	625.38	615.64	612.14	620.26
BBNI	2018	578.38	606.04	608.96	608.15	600.38
	2019	591.08	599.86	550.12	550.77	572.96

	2020	660.79	100.00	684.01	661.13	526.48
	2021	632.52	635.15	651.99	662.60	645.57
	2022	625.05	625.33	604.18	634.56	622.28
BBTN	2018	1020.76	1026.37	1001.93	1106.46	1038.88
	2019	1053.52	1086.85	1125.98	1130.43	1099.20
	2020	1663.28	1639.49	1820.34	1607.86	1682.74
	2021	1753.41	1702.37	1582.05	1530.80	1642.16
	2022	1513.95	1611.22	1598.82	1356.18	1520.04

Source: Financial Report (Processed Data)

Based on table 4, it can be seen that in 2018 the highest average DER was owned by BBTN at 1038.88% and the highest DER value was owned by BBTN in the Fourth Quarter, namely 1106.46% and the lowest value was owned by BMRI in the Fourth Quarter, namely 509.27%. In 2019, the highest DER average was owned by BBTN at 1099.20% and the highest DER value was owned by BBTN in the Fourth Quarter, namely 1130.43% and the lowest value was owned by BMRI in the First Quarter, namely 484.89%. In 2020, the highest DER average was owned by BBTN at 1682.74% and the highest DER value was owned by BBTN in the Third Quarter, namely 1820.34% and the lowest value was owned by BMRI in the Fourth Quarter, namely 594.06%. In 2021, the highest DER average was owned by BBTN at 1642.16% and the highest DER value was owned by BBTN in the first quarter, namely 1753.41%, and the lowest value was owned by BBRI in the fourth quarter, namely 475.11%. In 2022, the highest average ROA was owned by BBTN at 1520.04% and the highest DER value was owned by BBTN in the Second Quarter, namely 1611.22% and the lowest value was owned by BBRI in the Third Quarter, namely 460.91%.

In the DER calculations listed in table 4.3, it can be seen that the DER values held by all banks each quarter are in accordance with the standard, namely in the range of 1 or 100%, but it can also be seen that the resulting DER values are very high or even very far from the standards that have been set. determined. This is because banks are engaged in the savings and loans business, which causes the debts they have to be quite large. However, this debt can be channeled as credit to third parties, so that the bank can make a profit. And banks that have a high DER value indicate how large the amount of third party deposits or bank customers are, so that the greater the amount of third party deposits, the more funds that can be channeled as credit by the bank and cause the profits to be obtained to be higher. However, if the bank's DER value is too low, it indicates that the third party funds it has are quite small or small compared to the capital it has, so that the credit distributed will be limited and result in reduced profits generated .

d) Total Assets Turnover

It is a ratio that is used to calculate or determine the size of a company's ability to manage its assets. The following are the results of calculating the Company's Total Assets Turnover:

**Table 4.** Total Assets Turnover (%)

	YEAR	TW 1	TW 2	TW 3	QW 4	Average
BBRI	2018	2.13	4.24	6.32	7.87	5.14
	2019	1.96	4.05	6,11	10.67	5.70
	2020	2.17	5.96	7.48	7.25	5.72
	2021	2.26	4.44	6.02	9.32	5.51
	2022	2.49	5.22	7.72	9.30	6.18
	BMRI	2018	1.76	3.50	5.19	7.07
2019		1.73	3.40	5.04	6.66	4.21
2020		1.75	3.13	4.41	6.00	3.82
2021		1.52	3.13	4.60	6.02	3.82
2022		1.67	3.28	4.88	6.26	4.02
BBNI	2018	1.70	3.27	4.75	6.03	3.94
	2019	1.52	2.95	4.63	6.15	3.81



	2020	1.52	2.80	4.07	5.84	3.56
	2021	1.56	3.18	4.51	5.79	3.76
	2022	1.58	3.15	4.79	5.97	3.87
BBTN	2018	1.07	2.13	3.28	3.97	2.61
	2019	0.98	1.83	2.67	3.55	2.26
	2020	3.36	1.72	2.31	3.16	2.64
	2021	0.85	1.76	2.83	4.13	2.39
	2022	1.11	2.27	3.29	4.29	2.74

Source: Financial Report (Processed Data)

Based on table 5, it can be seen that in 2018 the highest average TATO was owned by BBRI at 5.14% and the highest TATO value was owned by BBRI in the Fourth Quarter, namely 7.87% and the lowest value was owned by BBTN in the First Quarter, namely 1.07%. In 2019, the highest average TATO was owned by BBRI at 5.70% and the highest TATO value was owned by BBRI in the Fourth Quarter, namely 10.67% and the lowest value was owned by BBTN in the First Quarter, namely 0.98%. In 2020, the highest average TATO was owned by BBRI at 5.72% and the highest TATO value was owned by BBRI in the Third Quarter, namely 7.48% and the lowest value was owned by BBNI in the First Quarter, namely 1.52%. In 2021, the highest average TATO was owned by BBRI at 5.51% and the highest TATO value was owned by BBRI in the Fourth Quarter, namely 9.32% and the lowest value was owned by BBTN in the First Quarter, namely 0.85%. In 2022, the highest average TATO is owned by BBRI at 6.18% and the highest TATO value is owned by BBRI in the Fourth Quarter, namely 9.30% and the lowest value is owned by BBTN in the First Quarter, namely 9.30%.

In the TATO calculations listed in table 4.4, it can be seen that the TATO values held by all banks each quarter have met the predetermined standards, namely close to 1, but there are also those that do not comply or are less than the predetermined standards, namely less than 1 and occurred at BBTN in 2019 First Quarter and 2021 First Quarter. This shows that the TATO value of the company studied is quite good, as well as companies that have a high TATO value and are not far from the standards that have been shown indicate that the company is able to use its assets to create income. However, if a company's TATO is too low, it shows that the company is less able to manage its assets to generate income.

e) Stock price

The share price in this research is the quarterly closing share price for five years for each company. The following is a list of closing stock prices:

**Table 5.** Share Price (Rp.)

	YEAR	TW 1	TW 2	TW 3	QW 4	Average
BBRI	2018	3,600	2,840	3,150	3,660	3,313
	2019	4,120	4,360	4,120	4,400	4,250
	2020	3,020	3,030	3,040	4,170	3,315
	2021	4,293	3,844	3,850	4,110	4,024
	2022	4,660	4,150	4,490	4,940	4,560
	BMRI	2018	7,675	6,850	6,725	7,375
2019		7,450	8,025	6,975	7,675	7,531
2020		4,680	4,950	4,960	6,325	5,229
2021		6,150	5,900	6,150	7,025	6,306
2022		7,900	7,925	9,425	9,925	8,794
BBNI	2018	8,675	7,050	7,400	8,800	7,981
	2019	9,400	9,200	7,350	7,850	8,450
	2020	3,820	4,580	4,440	6,175	4,754
	2021	5,725	4,630	5,375	6,750	5,620

	2022	8,250	7,850	8,975	9,225	8,575
BBTN	2018	3,800	2,450	2,630	2,540	2,855
	2019	2,440	2,460	1,960	2,120	2,245
	2020	840	1,245	1,200	1,725	1,253
	2021	1,720	1,370	1,420	1,730	1,560
	2022	1,654	1,403	1,432	1,350	1,460

Source: Financial Report

Based on table 6, it can be seen that in 2018 the highest average share price owned by BBNI was IDR. 7,981 and the highest share price occurred at BBNI in the Fourth Quarter at Rp. 8,800 and the lowest share price occurred at BBTN in the Second Quarter of Rp. 2,450. In 2019, the highest average share price owned by BBNI was IDR. 8,450 and the highest share price occurred at BBNI in the First Quarter at Rp. 9,400 and the lowest share price occurred at BBTN in the Third Quarter at Rp. 1,960. In 2020, the highest average share price owned by BMRI was IDR. 5,229 and the highest share price occurred at BMRI in the Fourth Quarter at Rp. 6,325 and the lowest share price owned by BBTN in the First Quarter was Rp. 840. In 2021, the highest average share price owned by BMRI was IDR. 6,306 and the highest share price owned by BMRI occurred in the Fourth Quarter at Rp. 7,025 and the lowest share price owned by BBTN occurred in the Second Quarter at Rp. 1,370. In 2022, the highest average share price owned by BMRI will be IDR. 8,794 and the highest share price owned by BBNI occurred in the Fourth Quarter at Rp. 9,225 and the lowest share price owned by BBTN occurred in the Fourth Quarter at Rp. 1,350.

### 4.3 Descriptive statistics

Descriptive Statistics is a test tool used to determine the description of the minimum, maximum, mean and standard deviation values of independent and dependent variables. The following table shows the descriptive results:

**Table 6.** Descriptive Statistical Test Results

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
X1 (CR)	80	116.05	133.23	125.1718	4.77256
X2 (ROA)	80	.13	3.97	2.2480	1.03121
X3 (DER)	80	100.00	1820.34	780.7363	391.85439
X4 (TATTOO)	80	.85	10.67	4.0037	2.16967
Y (STOCK PRICE)	80	840	9925	4961.51	2514,325
Valid N (listwise)	80				

Source: Data processed with SPSS 25

From the results of the Descriptive Statistics test in table 7 above, it shows valid data totaling 80 data from the 4 companies sampled in this research. It is known that:

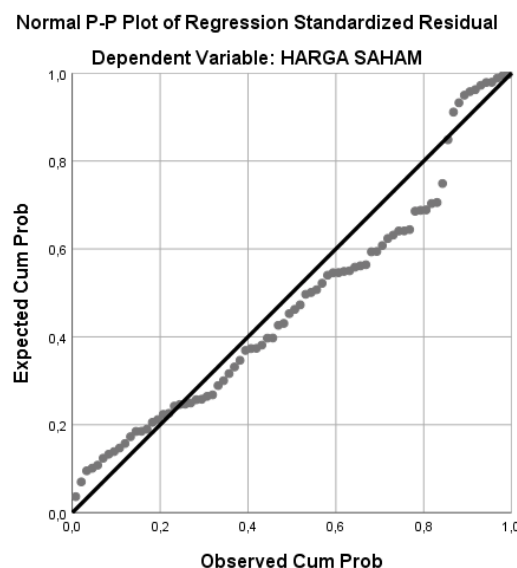
- a) Current Ratio (CR) has a minimum value of 116.05 and a maximum value of 133.23. This shows that the Current Ratio in this study ranges from 116.05 to 133.23 with a mean value of 125.1718 with a standard deviation of 4.77256. This shows that the comparison of values between the mean and standard deviation has the result that the mean is greater than the standard deviation, namely  $125.1718 > 4.77256$ , which means that the Current Ratio (CR) distribution is good or there is no data deviation.
- b) Return On Assets (ROA) has a minimum value of 0.13 and a maximum value of 3.97. This shows that the amount of Return On Assets in this study ranges from 0.13 to 3.97 with a mean value of 2.2480 with a standard deviation of 1.03121. This shows that the comparison of values between the mean and standard deviation has the result that the mean is greater than the standard deviation, namely  $2.2480 > 1.03121$ , which means that the distribution of Return On Assets (ROA) is good or there is no data deviation.
- c) Debt Equity Ratio (DER) has a minimum value of 100.00 and a maximum value of 1820.34. This shows that the Debt Equity Ratio in this study ranges from 100.00 to 1820.34 with a mean value of 780.7363 with a standard deviation of 391.85439. This shows that the comparison of values between the mean and standard deviation has the result that the mean is greater than the standard deviation, namely  $780.7363 > 391.85439$ , which means that the Debt Equity Ratio (DER) distribution is good or there is no data deviation.

- d) Total Assets Turnover (TATO) has a minimum value of 0.85 and a maximum value of 10.67. This shows that the amount of Total Assets Turnover in this study ranges from 0.85 to 10.67 with a mean value of 4.0037 at a standard deviation of 2.16967. This shows that the comparison of values between the mean and standard deviation has the result that the mean is greater than the standard deviation, namely  $4.0037 > 2.16967$ , which means that the distribution of Total Assets Turnover (TATO) is good or there is no data deviation.
- e) Share prices have a minimum value of 840 and a maximum value of 9925. This shows that the share price in this study ranges from 840 to 9925 with a mean value of 4961.51 with a standard deviation of 2514.325. This shows that the comparison of values between the mean and standard deviation has the result that the mean is greater than the standard deviation, namely  $4961.51 > 2514.325$ , which means that the share price distribution is good or there is no data deviation.

**4.4 Classic assumption test**

a) Normality test

In this research, a normality test was carried out in order to find out whether the data obtained was normally distributed or not. In this research, the normality test used was graphical analysis, namely normal probability plot analysis. The following are the results of the normality test of this research:



**Figure 3.** Normality Test Results

Source: Data processed with SPSS 25

The results of the P-Plot Normality Test can be seen based on the distribution of data on a diagonal line, if the data is spread out and shows results around the diagonal line or in the direction of the diagonal line, it shows a normal distribution pattern. Figure 3 above shows that the research data is spread around the diagonal line and follows the direction of the line. This means that the regression model can be used to analyze the influence of financial ratios on stock prices.

b) Autocorrelation Test

In this research, an Autocorrelation Test was carried out in order to find out whether the linear regression model used has correlation or disturbing errors. In this research, the test used for autocorrelation is the Durbin Watson test and has the conditions used, namely: If  $Du < d < 4-dU$ , then The null hypothesis is accepted which means there is no autocorrelation. The following are the results of the autocorrelation test of this research:

**Table 7.** Autocorrelation Test Results

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,787 <sup>a</sup>	,619	,598	1599.61211	1,865
a. Predictors: (Constant), X4, X1, X3, X2					
b. Dependent Variable: Y					

Source: Data processed with SPSS25

From table 8 you can see the results of data processing using SPSS 25 and the Durbin Watson (DW) test results obtained are 1.865 and the DU value is 1.7430 and the 4-DU value is 2.257, which means that there is no autocorrelation if the autocorrelation conditions are met, namely the value  $D_u < d < 4-dU$  and this study has results of  $1.7430 < 1.865 < 2.257$ . So it can be concluded from this value that it meets the autocorrelation requirements test and with this value there is no autocorrelation.

c) Multicollinearity Test

This test is carried out to find out whether the regression model has a correlation or relationship between the independent variables in one regression. The multicollinearity test in this research was carried out by looking at the Variance Inflation Factor (VIF) value. If the tolerance value is  $> 0.10$  and the VIF value is  $< 10$ , it can be said that multicollinearity does not occur. The following are the results of the multicollinearity test in this study:

**Table 8.** Multicollinearity Test Results

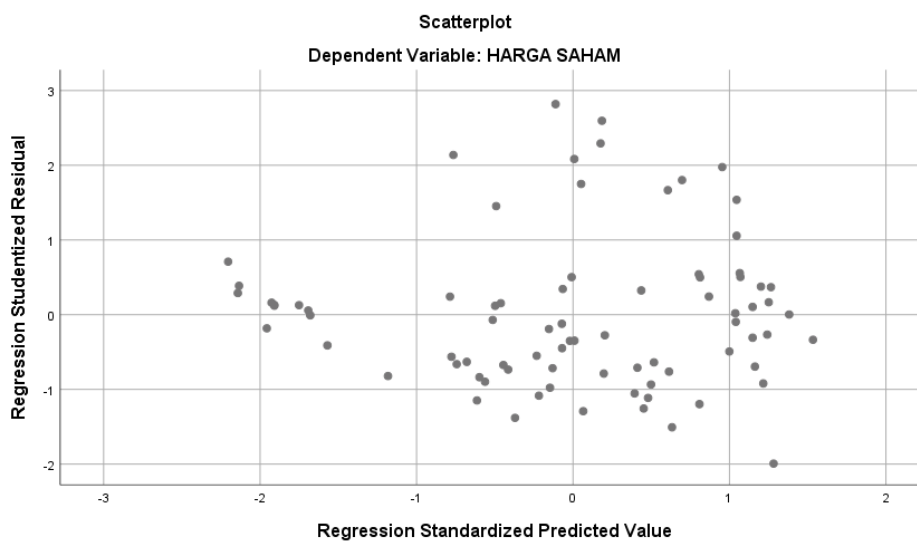
<b>Coefficients<sup>a</sup></b>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	CR	,956	1,047
	ROA	,445	2,246
	DER	,435	2,299
	TATTOO	,819	1,220

Source: data processed with SPSS 25

Based on table 9 above, it can be seen that there is no multicollinearity, this is shown by the tolerance value for each independent variable showing a number above 0.1 or a tolerance value  $> 0.10$  and also showing the respective VIF values below 10 or  $VIF < 10$ , so this regression model is worth testing.

d) Heteroscedasticity Test

This test is carried out to find out whether or not in the regression model there is deviation between one variable and another variable. This test is carried out by looking at the scatterplot graph (predicted value of the dependent variable) with error ZPRED, which if the results shown have points that form a regular pattern, then heteroscedasticity occurs. And if the results shown have points that form an unclear pattern and spread above and below the number 0 on the y-axis, then heteroscedasticity does not occur. The following are the results of the Heteroscedasticity Test in this study:



**Figure 4.** Heteroscedasticity Test Results

Source: data processed with SPSS 25

From Figure 4, it can be seen that the points do not form a clear pattern, and the distribution of the points is spread above and below the number 0 on the Y axis. So it can be concluded that heteroscedasticity does not occur in the regression model.

#### 4.5 Multiple Linear Regression Analysis

Multiple linear regression analysis in this research is used to determine the influence of more than one independent variable on the dependent variable, where in this research the independent variables consist of CR, ROA, DER, TATO and the dependent variable consists of Stock Prices. The following are the results of the multiple liner regression analysis test:

**Table 9.** Multiple Linear Regression Test Results

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-16310,652	5054,239		-3,227	,002
	CR	193,753	38,930	,368	4,977	,000
	ROA	138,551	263,970	,057	,525	,601
	DER	-3,963	,703	-,618	-5,639	,000
	TATO	-49,343	92,471	-,043	-,534	,595
a. Dependent Variable: STOCK PRICE						

Source: data processed with SPSS 25

Based on table 10 above, the multiple linear regression equation can be seen as follows:  $Y = -16310.652 + 193.753$

The explanation of the numbers in the regression equation above is as follows:

a) Constant Value

The results of the multiple liner regression analysis show a constant value of -16310.652, meaning that if the independent variables in the form of CR, ROA, DER and TATO have a value of 0, then the company's share price will be -16310.652

b) Current Ratio (X1)

The CR regression coefficient value in the results of this test shows a value of 193.753, which means that if the other independent variables have a fixed value and CR increases by one unit, then the company's share price will increase by 193.753.

c) Return On Assets (X2)

The ROA regression coefficient value in the results of this test shows a value of 138.551, which means that if the other independent variables have a fixed value and ROA increases by one unit, then the company's share price will increase by 138.551.

d) Debt Equity Ratio (X3)

The DER regression coefficient value in the results of this test shows a value of - 3.963, which means that if the other independent variables have a fixed value and the DER increases by one unit, then the company's share price will decrease by - 3.963.

e) Total Assets Turnover (X4)

The TATO regression coefficient value in the results of this test shows a value of - 49.343, which means that if the other independent variables have a fixed value and TATO increases by one unit, then the company's share price will decrease by - 49.343.

#### 4.6 Hypothesis testing

a) Simultaneous Test (F Test)

The Simulation Test (F Test) in this research was carried out to determine the effect of the independent variable on the dependent variable and the level of significance used in this research was 5% or 0.05. The following are the results of the Simultaneous Test in this research:

**Table 10.** Simulation Test Results (F Test)

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	303980343,837	4	75995085,959	29,162	,000 <sup>b</sup>



	Residual	195444362,150	75	2605924,829		
	Total	499424705,987	79			
a. Dependent Variable: STOCK PRICE						
b. Predictors: (Constant), TATO , CR, ROA, DER						

Source: Data processed with SPSS 25

Based on table 11 above, the results of the Simulation Test show that the  $F_{\text{calculated}}$  value is 29.162, which is greater than the  $F_{\text{table}}$ , namely 2.272 and has a significance value of 0.000. Based on the provisions of the F test where the  $F_{\text{calculated}} > F_{\text{table}}$  is  $29.162 > 2.272$  and the significance value is  $0.00 < 0.05$  so it can be interpreted that the variables Current Ratio, Return On Assets, Debt Equity Ratio, and Total Assets Turnover together or simultaneously have a significant effect on stock prices.

b) Partial Test (t Test)

The Partial Test (t Test) in this research was carried out to determine the effect of each independent variable on the dependent variable, where in this research the independent variables are Current Ratio, Return On Assets, Debt Equity Ratio, and Total Assets turnover while the dependent variable is Price Share. The following are the results of the Partial Test in this research:

**Table 11. t Test Results**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-16310.652	5054,239		-3,227	,002
	CR	193,753	38,930	,368	4,977	,000
	ROA	138,551	263,970	,057	,525	,601
	DER	-3,963	,703	-,618	-5,639	,000
	TATTOO	-49,343	92,471	-,043	-,534	,595
a. Dependent Variable: STOCK PRICE						

Source: data processed with SPSS 25

Based on table 12 above, the results of the Partial Test (t Test) can determine the partial or individual influence of each Independent Variable on the Dependent Variable. The following is an explanation of the results of the Partial Test:

a) Current Ratio (CR) to Share Price

The Current Ratio (CR) in the table above shows the  $t_{\text{calculated}} > t_{\text{table}}$  ( $4.977 > 1.665$ ) with a significance value of  $0.000 < 0.05$ . It can be interpreted that the CR variable has a significant positive effect on share prices.

b) Return On Assets (ROA) to Share Prices

Return On Assets (ROA) in the table above shows the  $t_{\text{calculated}} < t_{\text{table}}$  ( $0.525 < 1.665$ ) with a significance value of  $0.601 > 0.05$ . It can be interpreted that the ROA variable has no effect and is not significant on share prices.

c) Debt Equity Ratio (DER) to Share Price

The Debt Equity Ratio (DER) in the table above shows the  $t_{\text{calculated}} > t_{\text{table}}$  ( $-5.639 > 1.665$ ) with a significance value of  $0.000 < 0.05$ . It can be interpreted that the DER variable has a significant negative effect on share prices.

d) Total Assets Turnover (TATO) to Share Prices

Total Assets Turnover (TATO) in the table above shows the  $t_{\text{calculated}} < t_{\text{table}}$  ( $-0.534 < 1.665$ ) with a significance value of  $0.595 > 0.05$ . It can be interpreted that the TATO variable has no effect and is not significant.

1. Coefficient of Determination ( $R^2$ )

This test is carried out to find out how big or important the influence of the independent variable is on the dependent variable and if the Coefficient of Determination value is close to 1, it means that the independent variable has more influence on the dependent variable. The following are the results of the  $R^2$  test carried out in this research:

**Table 12.** Coefficient of Determination Test Results

<b>Model Summary <sup>b</sup></b>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,787 <sup>a</sup>	,619	,598	1599,61211	1,865
a. Predictors: (Constant), X4, X1, X3, X2					
b. Dependent Variable: Y					

Sumber : Data diolah dengan SPSS 25

Based on table 13 above, it can be seen that the results of the coefficient of determination in the adjusted R Square are 0.598 or 59.8%. This value means that the financial ratio variables, namely CR, ROA, DER, TATO, influence share prices by 59.8%, while the remaining 40.2% are other variables that influence share prices but are not included in the research.

## **B. Discussion of Research Results**

### **1. The Effect of Financial Ratios (Simultaneously) on Stock Prices**

Based on the results of research conducted on the Simultaneous Test (F Test), the independent variables in the form of Current Ratio (CR), Return On Assets (ROA), Debt Equity Ratio (DER), and Total Assets Turnover (TATO) have a significance result of 0.000. which is smaller than the significance value of 0.05 ( $0.000 < 0.05$ ) and also has a  $t_{\text{calculated}}$  F result of 29.162 which is greater than the  $F_{\text{table}}$  ( $29.262 > 2.272$ ). This means that this research accepts H1 which states that the independent variables in the form of Current Ratio (CR), Return On Assets (ROA), Debt Equity Ratio (DER), and Total Assets Turnover (TATO) simultaneously influence stock prices. The results of this research are in line with research conducted by Siti Nuraida (2018) resulted that CR, ROA, DER, and TATO simultaneously had a significant effect on stock prices. And also the magnitude of this influence is also shown by the results of the coefficient of determination test (Adjusted R Square), which is 59.8%, meaning that the variables CR, ROA, DER, and TATO influence stock prices by 59.8% and the remaining 40.2% are variables. –other variables not included in the research but which influence stock prices.

Based on these results, it can be interpreted that knowing the influence of financial ratios on share prices can be used by investors to assess or make investment decisions or invest capital in the company.

### **2. The Effect of Partial Financial Ratios on Stock Prices**

Based on the results of research conducted on the Partial Test (t Test) that the Current Ratio (CR) variable has the result that the  $t_{\text{calculated}}$  t value  $> t_{\text{table}}$  ( $4.977 > 1.665$ ) with a significance value of  $0.000 < 0.05$ . This means that this research accepts H2.1 which states that the Current Ratio has a significant positive effect on share prices. This research shows that there is a significant influence in the direction of a positive relationship, meaning that if the CR increases, the company's share price will increase. CR itself is a liquidity ratio used to measure a business's ability to meet its short-term bills. With these results it can be explained that a company that has a high CR or liquidity value or has met the regulatory requirements proves that the company is able to fulfill its short-term obligations, this will attract investors to invest in the company and make the share price they own experience an increase. increase. The results of this research are in line with research conducted by Lutvy, Triyonowati (2023) and Rafida, Fati, Masnika, Roryn, Lorensisca (2021) which showed that CR had a significant positive effect on stock prices.

Based on the results of research carried out in the Partial Test (t Test), the Return On Assets (ROA) variable has the result that  $t_{\text{count}} < t_{\text{table}}$  ( $0.525 < 1.665$ ) with a significance value of  $0.601 > 0.05$ . This means that this research rejects H2.2, so this research states that the ROA variable has no effect and is not significant on stock prices. The results of this research are in line with research conducted by Sjahriza Afie Kurnia (2022) which states that ROA has no effect and is not significant on prices. Share.

Based on the results of research conducted on the Partial Test (t Test), the Debt Equity Ratio (DER) variable has the result that the  $t_{\text{calculated}}$  t value  $> t_{\text{table}}$  ( $-5.639 > 1.665$ ) with a significance value of  $0.000 < 0.05$ . This means that this research accepts H2.3 which states that the Debt Equity Ratio has a significant negative effect on share prices. This research shows that there is a significant influence with a negative relationship direction, meaning that if the DER value decreases, the price of shares owned by the company will increase. DER itself is one of the Solvency Ratios which is used to measure the picture of a company's debt compared to the capital it has. With these results it can be explained that companies that have a high DER value prove that the company's capital is financed by debt, this results in a lack of confidence among investors to invest their capital in the company, causing a decline in the company's share price, this is because investors afraid and worried that companies that have high DER will not be able to pay their debts and in the

worst case could experience bankruptcy. The results of this research are in line with research conducted by Intan Dwi Yuniarti (2022) and Agustina, Holfan, Ananda, Debby, Derma, Putri (2019) which showed that DER had a significant negative effect on stock prices.

Based on the results of research conducted on the Partial Test (t Test), the Total Assets Turnover (TATO) variable has a calculated t value  $< t_{table}$  ( $-0.534 < 1.665$ ) with a significance value of  $0.595 > 0.05$ . This means that this research rejects H2.4, so this research states that the TATO variable has no effect and is not significant on stock prices. The results of this research are in line with research conducted by Dodi Candra, Eli Wardani (2021) which states that TATO has no effect and is not significant on share prices.

### 3. Financial ratios have the most dominant influence on share prices

Based on the results of multiple linear regression analysis shown in table 4.7, the results obtained in the form of multiple linear regression are

$$Y = -16310.652 + 193.753$$

It can be seen that each independent variable (X) has a regression coefficient value, namely CR (X1) of 193.753, indicating that if the CR value increases by one unit, the company's share price will increase by 193.753. The ROA Regression Coefficient (X2) value is 138.551, indicating that if the ROA value increases by one unit, the company's share price will increase by 138.551. The DER Regression Coefficient value (X3) is -3.963, indicating that if the DER value increases by one unit, the company's share price will decrease by -3.963. The TATO Regression Coefficient (X4) value is -49.343, indicating that if the TATO value increases by one unit, the company's share price will decrease by -49.343.

Based on these results, it can be concluded that the variable that has the most dominant influence on share prices is the CR variable with a regression coefficient value of 193.753. This means that the results of this research reject H3 which states that ROA has the most dominant results on share prices. The results of this research are in line with research conducted by Lutvy Tya M, Triyonowati (2023).

## 5. CONCLUSIONS

Based on the results of the analysis and discussion explained in the previous chapter, the conclusions of the research are as follows:

1. Based on the results of the simultaneous test (F test) carried out in this research, the results show that the variables Current Ratio, Return On Assets, Debt Equity Ratio, and Total Assets Turnover together or simultaneously have a significant effect on stock prices.
2. Based on the results of the partial test (t test) carried out in this research, the results are:
  - a) Current Ratio (CR) has a significant positive effect on share prices.
  - b) Return On Assets (ROA) has no effect and is not significant on share prices.
  - c) Debt Equity Ratio (DER) has a significant negative effect on share prices.
  - d) Total Assets Turnover (TATO) has no effect and is not significant.
3. Among the independent variables (CR, ROA, DER, TATO) examined in this research, the one that has the most dominant influence is the CR variable.

### 5.2 Suggestions

1. For Companies  
It is recommended to pay more attention to its financial ratios by using costs effectively and efficiently, in order to increase the price of shares owned and attract investors to invest their capital.
2. For Investors  
It is recommended for investors or potential investors to pay attention to the company's financial ratios before investing capital, and also to pay more attention to the movement of effects or environmental factors that may influence share prices.
3. For Further Researchers  
It is recommended to use other variables that are not included in this research, and it is advisable to conduct research on different types of companies.

## 6. LIMITATIONS

In this research, only four independent variables were studied and used to determine the influence on stock prices. These variables are Current Ratio (CR), Return On Assets (ROA), Debt Equity Ratio (DER), and Total Assets Turnover (TATO).

## 7. REFERENCES

- [1] Candra, Dodi, and Eli Wardani. "The influence of profitability, liquidity, solvency, activity ratio and company growth on share prices." *Journal of Management* 13.2 (2021): 212-223.
- [2] Dewi, Ni Luh Yunita Astuti Purnama, I. Dewa Made Endiana, and I. Putu Edy Arizona. "The influence of financial ratios and dividend policy on stock returns." *Collection of Accounting Student Research Results (KHARISMA)* 2.3 (2020).
- [3] Djuniar, Lis. "Analysis of the Influence of Financial Ratios on Banking Company Share Prices on the Indonesian Stock Exchange." *Adminika* 7.2 (2021): 74-97.
- [4] Fahmi, Irham (2014). "Financial Performance Analysis." Bandung: Alfabeta
- [5] Halim, Boby Daniswara, and Layla Hafni. "The Influence of Financial Ratios on Share Prices of Automotive Companies and Their Components Listed on BEI for the 2014-2017 Period." *Bilancia: Scientific Journal of Accounting* 3.4 (2019): 451-463.
- [6] Hanafi, Mamduh. (2018). "Financial Statement Analysis." Yogyakarta: UPP STIM YKPN.
- [7] Please, Sofyan. Syafri. 2015. "Critical Analysis of Financial Reports." Editions 1-10. Jakarta: Rajawali Press.
- [8] Hartanto, William. 2018. "Student Investors." Jakarta: PT Elex Media Komputindo
- [9] Hartono, Jogyanto. 2015. "Portfolio Theory and Investment Analysis. BPFE." Yogyakarta.
- [10] Henry. 2018. "Financial Report Analysis: Integrated and Comprehensive Edition." Third Printing. PT. Gramedia : Jakarta.
- [11] Huda, Muchammad Miftachul, and Budhi Satrio. "The Influence of Financial Ratios on Property and Real Estate Stock Prices on the IDX." *Journal of Management Science and Research (JIRM)* 9.7 (2020).
- [12] Irfani, AS (2020). "FINANCE AND BUSINESS MANAGEMENT; Theory and Application" (Bernadine (ed.)). Gramedia Pustaka Utama.
- [13] Cashmere. 2016. "Financial Statement Analysis." 9th printing, Jakarta: PT. Raja Grafindo Persada.
- [14] Cashmere. 2017. "Financial Statement Analysis." Jakarta: PT Grafindo Persada.
- [15] Cashmere. 2018. "Financial Statement Analysis." Depok: PT Raja Grafindo Persada.
- [16] Cashmere. 2019. "Financial Report Analysis. First Edition." Twelfth Printing. PT Raja Grafindo Persada. Jakarta
- [17] Khairani, Rafida, et al. "The Influence of Profitability and Liquidity Ratios on Company Share Prices in the Property Sector." *Journal of Economics, Business and Accounting (COSTING)* 4.2 (2021): 698-705.
- [18] Kurnia, Sjahrizza Afie, and Djawoto Djawoto. "The Influence of Liquidity, Profitability and Solvency on Share Prices in Banking Companies on the Indonesian Stock Exchange." *Journal of Management Science and Research (JIRM)* 11.1 (2022).
- [19] Lambey, Robert. "Analysis of the Effect of Financial Ratios on Share Prices in Banks on the Indonesian Stock Exchange." *ACCOUNTABILITY* 3.1 (2014): 122-133.
- [20] Munawir. 2014. "Financial Statement Analysis." Yogyakarta: Liberty
- [21] Murwanti, Sri, and Mulyono Mulyono. "Analysis of the Influence of Financial Ratios on Share Prices of Banking Companies Listed on the Indonesian Stock Exchange (BEI TH 2010-2012)." *Benefits: Journal of Management and Business* 19.2 (2016): 136-142.
- [22] Nazara, Liber Kristen, et al. "The Influence of Debt To Equity Ratio, Return On Equity, Cash Ratio, and Total Asset Turn Over on Share Prices in Service Companies for the 2017-2019 Period." *Scientific Journal of Management, Economics & Accounting (MEA)* 5.2 (2021): 33-49.
- [23] Nisa, Haslita. "The influence of financial ratios on share prices in agricultural sector industries listed on the Indonesia Stock Exchange 2012-2016." *Journal of Education and Economics* 7.5 (2018): 399-407.
- [24] Nur'aidawati, Siti. "The Influence of Current Ratio (CR), Total Asset Turnover (TATO), Debt to Equity Ratio (DER) and Return On Assets (ROA) on Stock Prices and Their Impact on Company Value." *Securities journal* 1.3 (2018): 70-83.
- [25] Octaviani, Santi, and Dahlia Komalasari. "The Influence of Liquidity, Profitability and Solvency on Stock Prices." *JAK (Accounting Journal) Scientific Study of Accounting* 4.1 (2017).
- [26] Rusli, Andika, and Tarsan Dasar. "The influence of financial ratios on share prices in state-owned banking companies listed on the Indonesia Stock Exchange." *STIE Muhammadiyah Palopo Accounting Journal* 1.2 (2016).
- [27] Salsabila, Nadiyah Ayu, and Titis Miranti. "Factors of the influence of financial ratios on the share prices of Jakarta Islamic Index (JII) companies." *El Muhasaba: Accounting Journal* 12.1 (2021): 42-55.
- [28] Sari, Dian Indah. "The Effect of Quick Ratio Total Asset Turnover and Return On Investment on Stock Prices." *Balance: Journal of Accounting and Business* 5.2 (2020): 123-134.

- 
- [29] Sari, Yuni Yolanda, Liza Zulbahri, and Budi Yanti. "The Influence of Financial Performance on Share Prices (Study on the BUMN Banking Sub Sector on the Indonesian Stock Exchange 2012-2016)." *Management and Entrepreneurship* 9.1 (2018): 27-46.
- [30] Satria, Chandra, and Yeken Suhiba Putri. "The Influence of Financial Ratios on Share Prices of Sharia Banking Listed on the Indonesian Stock Exchange." *Islamic Banking: Journal of Sharia Banking Thought and Development* 6.2 (2021): 299-320.
- [31] Sekartaji, Ratri Pradipta. "THE INFLUENCE OF LIQUIDITY RATIO, ACTIVITY RATIO, LEVERAGE RATIO, PROFITABILITY RATIO, AND MARKET RATIO ON STOCK PRICES." *FEB Student Scientific Journal* 9.2 (2021).
- [32] Sonia, Gina, and Rakhmi Amarah. "Analysis of the Influence of Financial Ratios on Share Prices of Telecommunication Companies Listed on the Indonesian Stock Exchange for the 2008–2017 Period." *JURISMATA* 1.2 (2019): 205-216.
- [33] Sujawerni, VW2017. "Financial Report Analysis Theory, Application and Research Results." Yogyakarta: Pustaka Baru Press.
- [34] Sunaryo, Deni. "The Influence of Liquidity, Activity and Profitability Ratios on Share Returns of the BUMN Banking Sub Sector on the Indonesia Stock Exchange (BEI) for the 2010-2018 Period." *Banque Syar'i: Scientific Journal of Sharia Banking* 6.1 (2020): 57-80.
- [35] Utami, Setyaningsih Sri. "The Effect of Financial Ratios on Stock Prices (Study of Banking Companies on the Jakarta Stock Exchange)." *JOURNAL OF HUMAN RESOURCES MANAGEMENT* 5.2 (2005).
- [36] Yunus, Yunus, and Saur Costanius Simamora. "The Influence of Debt to Equity Ratio and Profitability Ratio on Share Prices in State-Owned Banks." *Innovative Journal of Management Students* 2.1 (2021): 55-65.