

The Influence Of Fundamental Factors On Stock Price In Listed Agricultural Sector Companies On The Indonesian Stock Exchange

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ABSTRACT



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This research was conducted at the Indonesian Stock Exchange. This research is classified as descriptive and associative because this research determines the cause and effect relationship of the independent variables and the dependent variable. The population in the research is all agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. Sampling in this research was purposive sampling, namely a sampling method using criteria. The sample in this study amounted to 16 companies with a total sample of 80. Based on the research results it can be concluded that the Current Ratio has a positive and significant effect on stock prices, Return On Assets has a positive and significant effect on stock prices, while Earning Per Share has no effect on stock prices, Debt To Equity Ratio has no effect on share prices, and Inventory Turnover has no effect on share prices in Agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

Keywords: Stock Price, Current Ratio, Return On Assets, Earning Per Share, Debt to Equity Ratio, Inventory Turnover

1. Introduction

It's nice to hear that the Indonesian people's awareness of the importance of investment is increasing, and they are showing a premium in purchasing portions of organizations recorded on the capital market. Investing in the stock market can indeed be a great way to participate in the growth and success of a company and potentially profit in the long term. To make an informed investment decision, individuals should consider conducting thorough research of the companies they are interested in, analysing their financial health, growth prospects and market position. It is additionally essential to expand ventures to spread risk across various organizations and enterprises. Because investing in stocks involves complexities, individuals new to the investing world should consider seeking the advice of a financial advisor or investment professional to ensure they are making the right investment choices aligned with their financial goals. Overall, along with the increasing interest of the Indonesian people in the stock market, important for promoting financial literacy and educating potential investors about the risks and benefits associated with investing in stocks. With the right knowledge and approach,

Based on Samsul (2016:6) Shares are proof of company ownership. Stocks can be profitable for investors and can even be used as a trading activity if investors know the difficulties in investing with these stocks. Stock income comes from capital gains, or the difference between the price when investors buy shares at the price at which investors plan to sell their shares, and dividends, which are distributions of company profits to investors. These advantages attract investors and speculators to invest in the world of stocks. However, the most important thing an investor should know is the stock price.

In this review, the rural area recorded on the Indonesia Stock Trade was utilized as the object of examination on the grounds that the farming area was an area that accomplished financial development during the pandemic in Indonesia. Not with standing, the offer cost was changed downwards. Coming up next is an examination of deals and offer costs of farming organizations recorded on the Indonesia Stock Trade:

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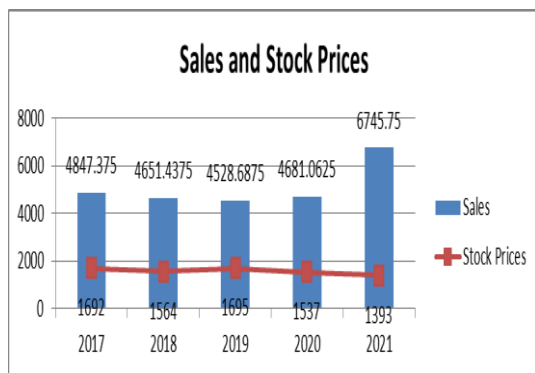


Figure 1. Data Comparison Sales at the Stock Prices of the Agricultural Sector Listed on the IDX for 2017-2021

Source: data processed by the author, 2023

In view of Figure 1 above, it can be seen from the average sales for 2017-2019 when Covid-19 had not yet entered Indonesia, agricultural sector companies were still experiencing a decline, while in 2020 Covid-19 began to penetrate Indonesia, but agricultural company sales have increased. And in 2021 there will be a very significant increase from previous years. Agricultural companies that experienced a drastic increase in sales were: AALI, SIMP, SMAR and TBLA. The increase in sales was not accompanied by an increase in share prices. It can be seen that the stock prices for 2020 and 2021 have decreased from 2019. This is of course influenced by several factors.

According to Hartono (2014:188) two analyzes to determine the real value of shares are fundamental analysis and technical analysis. Technical analysis is used to analyze stock fluctuations. Essential investigation is utilized to decide, for instance, the variables that influence organization execution. The company's operations are viewed from the perspective of liquidity, profitability, financial leverage and performance. Where is the better the company's fundamental indicators increase the stock price.

The liquidity proportion is the proportion used to gauge transient liabilities. In light of Kasmir, (2019:130) The liquidity ratio, also known as the working capital ratio, is a ratio that measures the liquidity of a company. You can do this by comparing the components of the balance sheet, ie. the total amount of current assets with the amount of short-term liabilities. Current ratio (CR) is used to calculate the liquidity used in research. Current Ratio values that are too high or too low are not good for the company, therefore it is important for the company to manage liquidity optimally so that stock prices increase. The following is the relationship between the Current Ratio and the stock price depicted in the following figure:

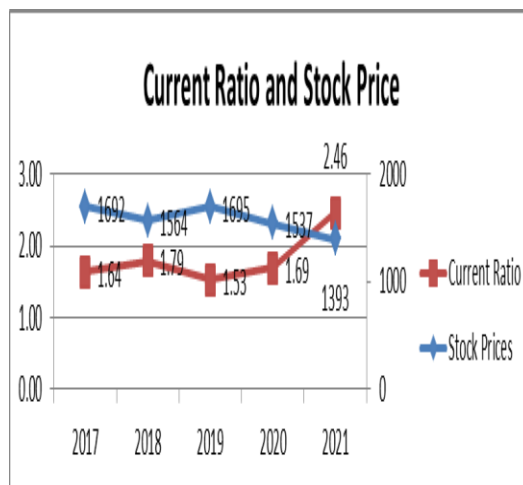


Figure 2 Relationship between Current Ratio and Share Prices in Agricultural Sector Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period

Source: data processed by author, 2023

In view of Figure 2 above, it can be seen that in 2017 the Current Ratio was high, namely 1.64 times, and the share price of agricultural companies in 2017 was also high, namely IDR 1,692/share. This is in accordance with the theory according to Wira (2020:90) which states that the higher the Current Ratio the better, because the company is able to pay its obligations. However, in 2018 and 2020, when the Current Ratio was higher than the previous year, the company's share price decreased. Whereas in 2019 the value of the Current Ratio decreased, accompanied by a significant increase in stock prices.

Has difficulty covering its short-term liabilities with its current assets. This can raise concerns among investors about the financial health of the company and its ability to manage its debts, which can lead to a decrease in the demand for its shares and, consequently, a decrease in the share price. A current ratio that is too high indicates that the company is not using its current assets effectively and may have excess liquidity. While a high current ratio can indicate financial stability, it can also indicate that a company is not using its resources efficiently to generate higher returns. This can also affect investors' interest, as they can look for companies with better growth prospects.

In addition to the liquidity ratio that affects stock prices, profitability also affects stock prices. Based on Fahmi (2020:80) Profitability ratio is a ratio that measures overall management efficiency, which is considered as the sum of the levels of profit earned from sales and investments. The liquidity ratio used in the study is calculated by Return On Assets and Earning Per Share.

Based on Wira (2020:84) the greater the value of Return On Assets the better. Because for the same assets the company generates greater profits. And of course it will attract investors to buy shares so that the share price increases. The following is comparative data between Return On Assets and share prices of

agricultural sector companies listed on the IDX for the 2017-2021 period:

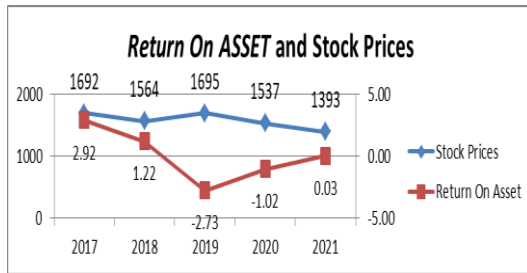


Figure 3 Relationship between Return On Assets and Share Prices in Agricultural Sector Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period
Source: data processed by the author, 2023

In light of Figure 3 over, the acquisition of Return On Assets in agricultural companies in 2017 has a positive Return On Asset value. Then in 2018 the acquisition of Return On Assets decreased and was accompanied by a decrease in share prices that year. However, in 2019 Return On Assets experienced a very drastic decline, reaching -2.73%, but this did not cause the company's share price to decrease, on the contrary the share price of agricultural companies in 2019 increased from IDR 1,564 to IDR 1,695. And in 2020 when the Return On Assets has increased even though the increase is still negative, stock prices will still fall. And in 2021 when the Return On Assets of agricultural sector companies is better than in 2019 and 2020, stock prices will still experience a decline. Elizabeth (2016:487) Which states that a positive Return On Assets indicates that the total assets used for the company's operations are able to generate profits for the company, which can affect the increase in stock prices. Conversely, if the return on assets is negative, it indicates that the assets used do not generate profits or losses. This can reduce investor confidence in buying shares, causing stock prices to fall. However, this is not the case according to the case above. Therefore profitability must be seen in terms of another measurement, namely earnings per share.

Earning Per Share which is also a measure of a company's profitability ratio, Earning Per Share provides information about a company regarding the amount of company's net profit that is ready to be distributed to all shareholders. Earning Per Share is one of the main things that investors pay attention to before making an investment decision in a company because investors certainly expect a high return from their investment so that investors will be more interested in investing in companies that have a higher Earning Per Share. If the Earning Per Share of a company is highly valued by investors, then this will cause the company's stock price to tend to move up (Nuraeni 2011:37). The following is the ratio of Earning Per Share to stock prices in agricultural sector companies listed on the Indonesia Stock Exchange:

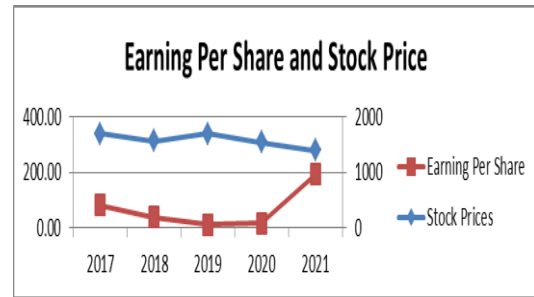


Figure 4: The Relationship between Earning Per Share and Share Prices in Agricultural Sector Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period
Source: data processed by author, 2023

Based on Figure 4 above, it can be seen that the high Earning Per Share value in 2017 was also accompanied by high stock prices. And it can be seen that in 2018 the value of Earning Per Share has decreased accompanied by a decrease in share prices. This is in line with opinion Utami (2018:216) The higher the Earning Per Share value, the more attractive investors are in investing their capital, because Earning Per Share shows the profit that a shareholder is entitled to get for one share he owns. In contrast to 2019 the Earning Per Share value has decreased, the share price in 2019 has actually increased quite drastically. And in 2020 the Earning Per Share value has increased, but the share price has still decreased. Especially if you look at the picture for 2021 the very high Earning Per Share value from 2017-2020 the stock price is still declining. Further research is needed on this phenomenon. And besides the three measurements already explained, you should also review the leverage that the company has.

The leverage ratio also affects stock prices. According to Kasmir (2019:151) the leverage or solvency ratio is the ratio used to measure the extent to which a company's assets are financed with debt, meaning how much debt the company bears compared to its assets. In this study, the type of leverage ratio used is the Debt to Equity Ratio.

Based on Wira (2020:93) a company with a high Debt to Equity Ratio indicates that the company is too aggressive in debt to support its growth. Finally, debt will create additional burdens in the form of interest which will erode the income of companies that are too heavily in debt. They will eventually seek new debt or issue bonds. Both of these ways will provide operational costs in the future. Thus, there is a considerable risk if you hold stocks with a high debt ratio. The company needs to stabilize between the equity it has and the debt it will take. This will stimulate the stock price to increase. Shown in the picture as follows:

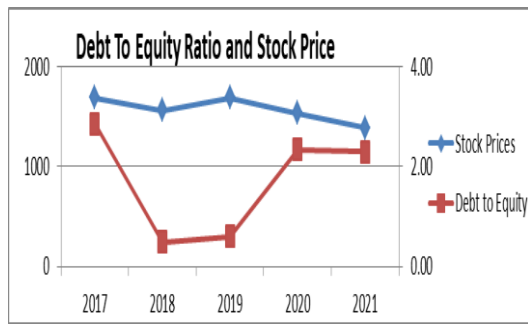


Figure 5 The relationship between debt to equity ratio and stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period
Source: data processed by the author, 2023

Considering Figure 5 above, it can be seen that in 2017 the agricultural sector companies had a high Debt To Equity Ratio value accompanied by a high stock price. Whereas in 2018 the Debt to Equity Ratio had a good value but the share price actually decreased. This is not in accordance with the theory according to Nurhandayani (2022:59) which says that when the company's Debt to Equity Ratio is high, there is a possibility that the company's stock price will be low. Because if the company earns profits, the company will tend to use these profits to pay off its debts rather than giving dividends. Conversely, if the Debt to Equity Ratio is low, it will have an impact on increasing stock prices on the stock exchange. This is in line with the theory above, seen from the fact that in 2019 the value of the debt to equity ratio has increased but is still in good condition by 0.61 times accompanied by an increase in share prices.

In addition to the above ratios, the activity ratio can also affect stock prices. Based on Kasmir, (2019:172) activity ratio is the ratio used to measure the company's effectiveness in using its assets. Or it can also be said that this ratio is used to measure the level of efficiency in the utilization of company resources. Efficiency used for example in the field of inventory sales, collection of receivables and efficiency in other fields. In this study the type of activity ratio used is Inventory Turnover.

Based on Wira (2020:91) a low Inventory Turnover ratio can indicate too much inventory, unsold items, or lazy marketing. And a high ratio means that goods sell quickly, minimizing storage costs. The more efficient the company will smooth sales to generate profits. This increase in profits will be responded positively by investors so that the stock price will rise. The following will show how the relationship between Inventory Turnover and stock prices:

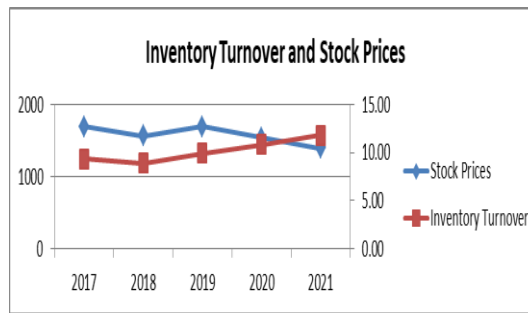


Figure 6. The Relationship between Debt To Equity Ratio and Share Prices in Agricultural Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period
Source: data processed by author, 2023

In view of Figure 6 above, in 2017 the high Inventory Turnover value was also accompanied by high stock prices. And in 2019, with the decrease in Inventory Turnover value, the stock price also fell. Likewise with the events in 2019, the Inventory Turnover value increased from 2018, the company's stock price also increased. This is in line with opinion Ayu (2019:14) i.e. the higher the inventory turnover rate or the faster the inventory turnover means the shorter the level of funds in stock, so that the funds needed are relatively large and conversely the lower the turnover rate or the slower the turnover, the shorter the bound funds in stock. This explains that inventory turnover affects activity in determining the company's stock price. Because the faster the inventory turnover means the shorter the level of available funds, so the funds needed are relatively small. Thus, inventory turnover can affect activity in determining stock prices. However, in 2020 and 2021 the Inventory Turnover value continues to increase, but the share price continues to decline.

Results of research conducted Husna and Sunandar (2022:73) which states that an increase in the liquidity position will ensure the implementation of the company's operational activities, this encourages investors to have confidence in the company's long-term prospects as a result of the increasing supply and demand for the company's shares in the secondary market. In addition to research results Sriwahyuni and Saputra (2017:135) as well as research results Indra Setiyawan (2014:126) together to find the company's liquidity position which is proxies by the Current Ratio which has a positive effect on stock prices.

H1: Current Ratio has a positive effect on stock prices on stock prices.

Results of research conducted Kundiman and Hakim (2017:94) which states that an increase in the profitability position with a better return on assets owned by the company in generating profits encourages investors to have confidence in the company's long-term prospects as a result of the increased supply and demand mechanisms for company shares in the secondary market. In addition to research results Dewi and Suwarno (2022:478) who also found the position of company profitability as a proxy for Return On

Assets has a significant positive effect on stock prices.

H2: Return On Assets has a positive effect on stock prices on stock prices.

The results of research conducted by Dewi and Suwarno (2022:478) found that Earning Per Share has a positive effect on stock prices. If the Earning Per Share is low, it will reduce investor confidence in the company and cause investor interest to invest in the capital market to decrease. In other words, any increase in EPS indicates that the industry can provide better shareholder returns. The same was also found by Utami and Darmawan (2018:216) which shows Earning Per Share partially has a positive effect. Based on the signalling theory, it states that the high value of a company's Earning Per Share can provide a good signal for investors.

H3: Earning Per Share has a positive effect on stock prices on stock prices.

The results of research conducted by Firmansyah and Maharani (2021:19) states that partially the Debt to Equity Ratio has an effect on stock prices. This means that the better the Debt to Equity Ratio, the higher the stock price. And the same result was also found by Nurhandayani (2022:59) with the test results showing that partially the Debt to Equity Ratio has a significant effect on stock prices. When the company's Debt to Equity Ratio is high, it is possible that the company's stock price will be low. Because if the company earns profits, the company will tend to use these profits to pay off its debts rather than giving dividends. Conversely, if the Debt to Equity Ratio is low, it will have an impact on increasing stock prices on the stock exchange.

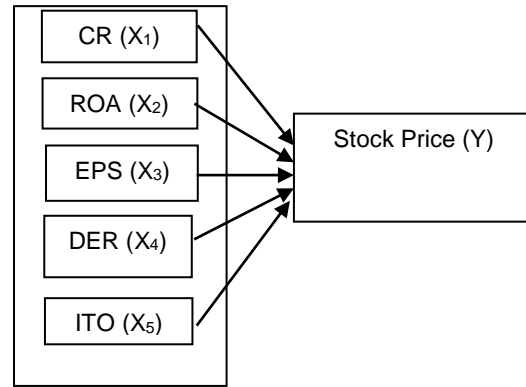
H4: Debt to Equity Ratio has a positive effect on stock prices on stock prices.

In addition to the above ratios, the activity ratio can also affect stock prices. Based on Kasmir, (2019:172) activity ratio is the ratio used to measure the company's effectiveness in using its assets. Or it can also be said that this ratio is used to measure the level of efficiency in the utilization of company resources. Efficiency used for example in the field of inventory sales, collection of receivables and efficiency in other fields. In this study the type of activity ratio used is Inventory Turnover.

The results of research conducted by Paramita and Wahyuni (2019:17) shows that Inventory Turnover has a positive and significant effect on stock prices. Manage its financial management effectively, especially in managing inventory turnover. So it shows the company is working efficiently and the liquid inventory is getting better. The same was also found by Ayu (2019:14) that inventory turnover has a significant effect on the stock price of food and beverage companies.

H5: Inventory Turnover has a positive effect on stock prices on stock prices.

Figure 7. Conceptual framework



2. Research Methods

This research is associative research. The population of this research is all agricultural companies listed on the Indonesia Stock Exchange, namely 28 companies. The sample was selected using a purposive sampling technique, namely a sample selection technique based on specified criteria. Based on the results of the sample selection criteria, the number of samples that meet the criteria for use in this research is 16 companies, meaning there are 80 samples that will be used in this research from 2017-2021. The following is a list of companies on the IDX that are sampled:

Table 1. Sample List of Agricultural Sector Companies Listed on the Indonesian Stock Exchange for the 2017-2021 Period.

No	Issuer Code	Issuer
1	BISI	Bisi International Tbk
2	DSFI	Dharma Samudera Fishing Industries Tbk
3	AALI	Astra Agro Lestari Tbk
4	UNSP	Bakrie Sumatera Plantations Tbk
5	DSNG	Dharma Satya Nusantara Tbk
6	BWPT	Eagle High Plantation Tbk
7	GZCO	GOZCO Plantations Tbk
8	JAWA	Jaya Agra Wattie Tbk
9	MAGP	Multi Agro Gemilang Plantation Tbk
10	PALM	Provident Agro Tbk
11	LSIP	PP London Sumatra Indonesia Tbk
12	SGRO	Sampoerna Agro Tbk
13	SIMP	Salim Ivomas Pratama Tbk
14	SMAR	SMART Tbk
15	SSMS	Sawit Sumbermas Sarana Tbk
16	TBLA	Tunas Baru Lampung Tbk

Data Types and Sources

The data used in this research is secondary data. According to Sugiyono (2020:225) secondary data sources are sources that do not directly provide data to data collectors, for example through other people or documents. The

data used are financial reports of agricultural sector companies published annually by the Indonesia Stock Exchange for 2017-2021 which can be downloaded via the website www.idx.co.id and the company's official website.

Stock price

The share price is the price of the shares sold buy on the stock market which is influenced by the supply and demand for shares. The share price in this study is the price per share of common stock in agricultural sector companies listed on the Indonesia Stock Exchange at the closing price at the end of 2017-2021.

Liquidity

Liquidity is the company's ability to meet maturing short-term obligations/debt using its assets. In this study using the Current Ratio as a measure of liquidity.

According to Kasmir (2019:134) Current ratio or Current Ratio is a ratio to measure a company's ability to pay short-term obligations or debts that are due soon when billed as a whole. The default value of the Current Ratio is 200% or 2 times. And the formula for finding CR is as follows:

$$CR = \frac{\text{Current Asset}}{\text{Current Liabilities}}$$

Profitability

Profitability is the company's ability to generate profit from the company's operations in managing assets both in the form of sales and investment. In this study, profitability is measured by return on assets and earnings per share.

According to Kasmir (2019:202) argues that Return On Assets (ROA) is a ratio that shows the results (return) on the total assets used in the company. Return On Assets is also a measure of the effectiveness of management in managing its investment. Mathematically, Return On Assets is formulated as follows:

$$ROA = \frac{\text{Net Profit After Tax}}{\text{Total Assets}}$$

According to Kasmir (2019:207) The earnings per share ratio or Earning Per Share (EPS) is also called the book value ratio, which is a ratio to measure the success of management in achieving profits for shareholders. Earning Per Share can be calculated by:

$$EPS = \frac{\text{Net Profit}}{\text{Number Of Ordinary Shares Outstanding}}$$

leverage
Leverage is the ability of a debt-financed company to be able to meet all debts, both long-term and short-term. In this study, the Debt to Equity ratio is proxies.

According to Husna and Sunandar (2022:68) *Debt to Equity Ratio* namely the ratio that measures the level of debt owned by a company and the level of capital used. *Debt to Equity Ratio* can be formulated as follows:

$$DER = \frac{\text{Total Amount of debt}}{\text{Amount of Own Capital}}$$

Activity

Activity is the company's ability to manage assets owned by the company. Both in the use of inventory and marketing policies. In this study using Inventory Turnover measurements.

According to Setiyawan (2014:3) Inventory Turnover is an asset management ratio or activity ratio that shows the company's inventory turnover rate for one year. Calculated by the formula:

$$ITO = \frac{\text{Cost of goods sold}}{\text{Average Inventory}}$$

3. Results and Discussion

In view of examination directed on horticultural area organizations recorded on the Indonesia Stock Trade for the 2017-2021 period. The consequences of the board information examination test utilizing the assistance of the Stata program form 15.0, the accompanying information is gotten:

Normality test

The ordinarieness test plans to test whether in the board relapse model the factors are regularly conveyed or not. In the event that the likelihood esteem is more prominent than alpha 0.05, H0 is acknowledged or the information is typically conveyed. In any case, on the off chance that the likelihood esteem is not exactly alpha 0.05, H0 is dismissed or not typically appropriated.

Table 2. Normality Test Results

Skewness/Kurtosis tests for Normality				
joint -----				
Variable	Obs	Pr (Skewn ess)	Pr (Kurtosis) adj	chi2(2) Prob>chi2
Res	80	0.1459	0.7864	2.26 0.3230

Source: Data Processing Results, Output STATA 15(2023)

In light of the consequences of the ordinarieness test above, it is realized that the likelihood is more noteworthy than alpha (0.3230 > 0.05), it tends to be presumed that the residuals are typically appropriated.

Chow test (likelihood test)

The chow test is utilized to pick between the pooled least squares model or the proper impact technique. Coming up next are the aftereffects of the chow test (probability test):

Table 3. Results of the Chow Test (Likelihood Test)

. testparm i.perusahaan
(1) 2.perusahaan = 0
(2) 3.perusahaan = 0
(3) 4.perusahaan = 0
(4) 5.perusahaan = 0

(5) 6.perusahaan = 0
(6) 7.perusahaan = 0
(7) 8.perusahaan = 0
(8) 9.perusahaan = 0
(9) 10.perusahaan = 0
(10) 11.perusahaan = 0
(11) 12.perusahaan = 0
(12) 13.perusahaan = 0
(13) 14.perusahaan = 0
(14) 15.perusahaan = 0
(15) 16.perusahaan = 0
F(15, 59) = 158.56
Prob > F = 0.0000

Source: Data Processing Results, Output STATA 15(2023)

From table 3 above the output results, it can be seen that a probability value of 0.000 means that it gives significant results. Because the probability is smaller than the value α (0.05), then H0: OLS is rejected and H1: FE is accepted, so the conclusion that can be drawn is to use the fixed effect model.

Hausman test

The Hausman test is a test to determine the most appropriate Fixed Effect or Random Effect model used in estimating panel data. The following are the results of the Hausman test:

Table 4. Hausman test results

Test:	difference in coefficients not systematic		
Ho:	systematic		
	chi2(5)	=	(b-B)/[(V_b-V_B)^(-1)](b-B)
		=	8.83
	Prob>chi2	=	0.1161

Source: Data Processing Results, Output STATA 15(2023)

In light of table 4 over the consequences of the Hausman test above, it tends to be seen that the outcomes have a Prob>chi2 of 0.1161, more noteworthy than 0.05 implying that H0: RE is acknowledged and H1: FE is dismissed. So the end that can be attracted is to utilize an irregular impact model.

Lagrange Multiple Test

Lagrange multiple test is the third test of testing the panel data estimation model selection used to choose between the pooled least square method or the random effect method. The following are the results of the multiple lagrange test:

Table 5. Multiple Lagrange Test Results

In light of table 5 over 0.0000, less than 0.05 meaning H0: PLS is rejected and H1: RE is accepted. It can be concluded that the random effect is more appropriate than the common effect model (CEM).

Breusch and Pagan Lagrangian multiplier test for random effects	
Test:	Var(u) = 0
chibar2(01) = 95.93	
Prob > chibar2 = 0.0000	

Source: Data Processing Results, Output STATA 15 (2023)

Formation of Panel Data Regression Model

The foundation of the board model expects to decide the amount of impact the autonomous factors possess on the reliant variable. As per factual information testing, an irregular impact board relapse model was made on the grounds that this model is awesome and generally reasonable as displayed in the table beneath:

Table 6. Random Effect Model

SP	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
CR	0.0451 299	0.0094 3	4.7 9	0.0 00	0.0266 474	0.0636 123
RO A	0.0092 771	0.0025 926	3.5 8	0.0 00	0.0041 956	0.0143 586
EP S	- 0.0042 1	0.0214 777	- 0.2 0	0.8 45	- 0.0463 054	0.0378 855
DE R	0.0023 818	0.0025 32	0.9 4	0.3 47	- 0.0025 808	0.0073 444
ITO	0.0005 303	0.0038 039	0.1 4	0.8 89	- 0.0069 252	0.0079 858
_co ns	2.5923 27	0.1397 938	18. 54	0.0 00	2.3183 36	2.8663 17

Source: Data Processing Results, Output STATA 15 (2023)

In view of table 6 above, it very well may be reasoned that the relapse condition is as per the following;

$$SP \text{ (Stock Price)} = 2.592327 + 0.0451299 CR + 0.0092771 ROA - 0.00421 EPS + 0.0023818 DER + 0.0005303 ITO.$$

A constant value of 2.592327 indicates that the independent variable, moderator variable and multiplication between the independent variables simultaneously and together have a positive constant value. It means simultaneously and as a whole, all variables can increase stock prices.

Current Ratio has a positive regression coefficient of 0.045. The coefficient value is also proven by the probability of the t-statistic test of 0.000. Data processing is done using an error rate of 0.05. Thus P < 0.05. Then the decision is that H0 is rejected and H1 is accepted so that it can be concluded that the current ratio has a positive and significant effect on the stock prices

of agricultural sector companies on the Indonesia Stock Exchange for the 2017-2021 period.

Return On Assets has a positive regression coefficient of 0.009. The coefficient value is also proven by the probability of the t-statistic test of 0.000. Data processing is done using an error rate of 0.05, thus $P < 0.05$. Then the decision is that H_0 is rejected and H_1 is accepted so that it can be concluded that Return On Assets has a positive and significant effect on the stock prices of agricultural sector companies on the Indonesia Stock Exchange for the 2017-2021 period.

Earning Per Share has a negative sign regression coefficient of -0.004. And proven by the prob of the t-statistic test of 0.845. Data processing is done using an error rate of 0.05. Thus $P > 0.05$. Then the decision is that H_0 is accepted and H_1 is rejected so that it can be concluded that Earning Per Share has no effect on the stock prices of agricultural sector companies on the Indonesia Stock Exchange for the 2017-2021 period.

Debt to Equity Ratio has a positive regression coefficient of 0.0024. However, the coefficient value is not proven by the probability of the t-statistic test of 0.347. Data processing is done using an error rate of 0.05. Thus $P > 0.05$. Then the decision is that H_0 is accepted and H_1 is rejected so that it can be concluded that the Debt to Equity Ratio has no effect on the stock prices of agricultural sector companies on the Indonesia Stock Exchange for the 2017-2021 period.

Inventory Turnover has a positive regression coefficient of 0.0005. However, the coefficient value is not proven by the probability of the t-statistic test of 0.889. Data processing is done using an error rate of 0.05 thus $P > 0.05$. Then the decision is that H_0 is accepted and H_1 is rejected so that it can be concluded that Inventory Turnover has no effect on the stock prices of agricultural sector companies on the Indonesia Stock Exchange for the 2017-2021 period.

The Effect of Current Ratio on Stock Prices of Agricultural Sector Companies

The results of testing the first hypothesis found that the Current Ratio has a positive regression coefficient of 0.451, which is reinforced by a probability t-statistic value of 0.000. The resulting statistical probability value is far below 0.05. So the conclusion is that liquidity as measured by the current ratio has a positive and significant effect on stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. These findings indicate that the higher the company's liquidity position will encourage an increase in the market price of agricultural sector companies' shares on the Indonesia Stock Exchange. Thus the first hypothesis can be proven.

The results obtained are consistent with the results of research by Husna and Sunandar (2022:73) which state that an increase in the liquidity position will ensure that the company's operational activities are carried out, this encourages investors to be confident in the company's long-term prospects as a result of the

demand and supply mechanisms for company shares in the secondary market be increasing.

Effect of Return On Assets on the stock prices of agricultural sector companies

The results of testing the second hypothesis found that Return On Assets has a positive regression coefficient of 0.451, which is reinforced by a probability t-statistic value of 0.000. The resulting statistical probability value is far below 0.05. So the conclusion is that profitability as measured by Return On Assets has a positive and significant effect on stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. These findings indicate that the higher the position of profitability in terms of assets that the company is able to optimize will encourage an increase in the market price of shares in the agricultural sector companies on the Indonesia Stock Exchange. Thus the second hypothesis can be proven.

The results obtained are consistent with the research results of Kundiman and Hakim (2017:94) which states that an increase in the profitability position with a better return on assets owned by the company in generating profits encourages investors to be confident in the company's long-term prospects as a result of the demand and supply mechanisms for company shares in the market. secondary increases.

Effect of EPS on the stock price of agricultural sector companies

The results of testing the third hypothesis found that Earning Per Share has a probability t-statistic value of 0.845. The resulting statistical probability value is far above 0.05. So the conclusion is that profitability as measured by Earning Per Share has no effect on stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. These findings indicate that the higher the position of profitability as seen from the value of the company's Earning Per Share will not encourage an increase in the stock market price of agricultural sector companies on the Indonesia Stock Exchange. Thus the third hypothesis cannot be proven.

The results obtained are consistent with the research results of Rahmatiah (2020:381) which states that Earning Per Share has no partial effect on stock prices. This means that the size of the Earning Per Share value in the company cannot affect the high and low stock prices.

Effect of Debt to Equity Ratio on the stock prices of agricultural sector companies

The results of testing the third hypothesis found that the Debt to Equity Ratio has a probability t-statistic value of 0.347. The resulting statistical probability value is far above 0.05. So the conclusion is that leverage as measured by the company's Debt to Equity Ratio has no effect on stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. These findings indicate that the higher the leverage position as seen from the

value of the Debt to Equity Ratio will not encourage an increase in the market price of shares in the agricultural sector companies on the Indonesia Stock Exchange. Thus the fourth hypothesis cannot be proven.

The results obtained are consistent with the research results of Rahmatiah (2020:381) which states that the Debt to Equity Ratio has no partial effect on stock prices. This means that the size of the value of Debt to Equity Ratio in the company has not been able to affect the high and low stock prices.

Effect of Inventory Turnover on the stock prices of agricultural sector companies

The results of testing the third hypothesis found that Inventory Turnover has a probability t-statistic value of 0.889. The resulting statistical probability value is far above 0.05. So the conclusion is that activity as measured by Inventory Turnover has no effect on stock prices in agricultural sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period. These findings indicate that the higher the activity position as seen from the value of the company's Inventory Turnover will not encourage an increase in the stock market price of agricultural sector companies on the Indonesia Stock Exchange. Thus the fifth hypothesis cannot be proven.

The results obtained are consistent with the research results of Rizal and Sahar (2015:49) Partial Inventory Turnover has no significant effect on stock prices. The absence of Inventory Turnover effect on stock prices proves that investors do not use Inventory Turnover as a reference in measuring company efficiency. Thus, whether or not the company is good at managing inventory does not affect investors' expectations of the company.

4. Conclusion

Based on the results of data processing and discussion that has been done, it can be concluded that liquidity as measured by the Current Ratio has a positive and significant effect on stock prices. Because when a company has a high or ideal liquidity position, this condition is certainly good news for investors outside the company, thus encouraging them to buy shares offered by agricultural sector companies in the secondary market, due to the high demand for shares.

Profitability measured by Return On Assets proved to have a positive and significant effect on stock prices. The ideal Return On Asset position the higher the better the asset productivity in obtaining profits. This certainly can increase the attractiveness of the company to investors. Increasing the attractiveness of the company will make the company more attractive to investors, and the rate of return will be even greater.

Profitability as measured by Earning Per Share has no significant effect on stock prices. Because investors do not believe in high Earning Per Share values, because high Earning Per

Share values are not immediately distributed, so investors have to wait quite a long time. And within that time period the company is not necessarily able to maintain the Earning Per Share value. With this uncertainty, investors prefer companies that distribute dividends which are considered more profitable. So that investors ignore the high or low Earning Per Share in the company.

The average as measured by the Debt to Equity Ratio proved to have no significant effect on stock prices. Because debt can mean bad and mean good. When the economy is tough and interest rates are high, companies with high leverage will experience financial problems. And vice versa when the economy is good and interest rates are also low, debt can be used to expand and increase profits, interest expenses can still be paid from profits.

Activity as measured by Inventory Turnover has no significant effect on stock prices. Because when a company has an activity position as seen from a high Inventory Turnover, then the possibility of profit generated will be high and the costs for storing inventory in warehouses are reduced. However, on the other hand, if inventory rotates too quickly it can also cause problems for the company, this can result in the company's inability to achieve sales targets due to the lack of inventory at the company, so that high inventory turnover is not always good, it can even cause problems for the company. So that the higher Inventory Turnover will not affect the stock price.

Suggestions for further researchers are that they can use the variables current ratio and return on assets by adding other variables such as investment risk, investment level, trading volume and interest rates. Then the observation period in this research is still limited because it only covers 2017-2021 and it is recommended that future researchers use a longer observation period, so that the data analysed will be more accurate and detailed.

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