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THE EFFECT OF EARNING PER SHARE (EPS), NET PROFIT MARGIN (NPM) AND RETURN ON ASSET (ROA) ON STOCK PRICE IN BANKING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE FOR THE 2018-2020 PERIOD

Risma
Management Study Program, Faculty of Economics and Business, Universitas Islam Indragiri, Indonesia
*e-mail: risma08ima@gmail.com

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Abstract

This study aims to determine the effect of Earning Per Share, Net Profit Margin and Return On Assets on Stock Prices in Banking Companies Listed on the Indonesia Stock Exchange for the 2018-2020 period. This research was conducted at banking companies listed on the Indonesia Stock Exchange, totaling 46 companies and taking samples using a purposive sampling technique, which met the criteria of 42 companies. Methods of data collection using the method of documentation, literature and the internet. The data analysis used was SPSS V23, while the data management was the classical assumption test, multiple linear regression analysis and hypothesis testing. From the results of research using the coefficient of determination test (R^2) obtained a yield of 76.3%. Earning Per Share, Net Profit Margin and Return On Assets jointly affect the stock price, while the remaining 23.7% is influenced by other variables not examined in this study. From the results of the multiple linear regression test results obtained the regression equation Y = (182.534) + (5.667) X_1+ (0,881) X_2+ (0,780) X_3, based on the results of the t (partial) test for the Earning Per Share variable has $t_{count}>t_{table}$ or 7,218 > 2,00324 then H_0 rejected and H_a accepted so it can be concluded that Earning Per Share has a significant effect on Stock Price, Net Profit Margin has $t_{count}<t_{table}$or 0.535 < 2.00324 then H_0 accepted and H_a rejected so it can be concluded thatNet Profit Margin no significant effect on the stock price, and Returns On Asset have $t_{count}>t_{table}$ or 2,416 > 2,00324 then H_0 rejected and H_a accepted so it can be concluded that Return On Asset positive and significant effect on stock prices. And from the F test (simultaneous)Earning Per Share, Net Profit Margin dan Return On Asset $F_{count}>F_{table}$ or 60.019 > 2.54 so it can be concluded, simultaneously has a positive and significant influence on stock prices Banking Companies Registered On The Indonesia Stock Exchange 2018-2020 Period.

1. INTRODUCTION

Background problem

In a modern world like this, the role of banking in advancing a country is very large. Almost all sectors related to financial activities always need bank services. Once the importance of the world of banking, so that the bank can be said to be the lifeblood to move the wheels of a country's economy.

The banking industry plays an important role for economic development as a Financial Intermediary or intermediary for parties who need funds in accordance with Law of the Republic of Indonesia No. 10 of 1998 concerning banking that a bank is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit or other forms in order to improve the standard of living of the people at large. The existence of this law is so that banks have a definite legal basis and can carry out all their activities properly so that they can contribute to economic development and social welfare (Lubis, 2010).

A bank is a company whose main activity is collecting money from the public and providing credit to the community (Darmawi, 2011). The business activities that are urgently needed in the economic world are the business activities of banking financial institutions. Banking is one of the institutions that has a strategic role in harmonizing, harmonizing and balancing the elements of development. Banks are required to always provide the best service in accordance with the wishes and needs of customers. Good service can foster public trust as customers and prospective customers to banks (Liora et al, 2013).

According to Kasmir (2014) explaining banking is a financial institution whose activities are to withdraw funds and re-flow funds to customers as well as provide other bank services. Therefore, in other words, a bank is an institution that operates to withdraw funds from customers and channel them back to facilitate economic activity.

Based on the definition of a bank according to experts, it can be concluded that a bank is a financial institution that serves the interests of the community by collecting funds in the form of savings and channeling them back to the community in the form of credit and other forms in the context of people's welfare.

The capital market is an alternative investment for the community. Through the capital market, investors can invest in several companies by purchasing securities offered on the capital market. The existence of a capital market in a country can be used as a reference to see how the excitement or dynamics of business in a country drives its economic policies such as fiscal and monetary policies. Bank Indonesia Regulation No 15/12/PBI/2013 concerning the Minimum Capital Adequacy Requirement for Commercial Banks states that to improve the quality of bank capital due to the financial crisis, a bank needs to be adjusted to the applicable international standards, namely the "Global Regulatory Framework for More Resilient Banks and Banking System ". Hasifa, (2016).

The Capital Market is a market with elements of various long-term instruments that can be traded, both bonds (bonds), equities (stocks), mutual funds, derivative instruments and other instruments. The capital market is a means of funding for companies and other institutions, such as the government, and as a means for investment activities. According to Kasmir (2012; 184), states that the capital market in general is a meeting place for sellers and buyers to conduct transactions in order to obtain capital. According to Hunjra (2014), stock price is an indicator of the strength of the company as a whole, if the company's stock price increases, it shows that the company and management have done a very good job.

Bank soundness level is an assessment of a condition of a bank's financial statements at a certain period and time in accordance with Bank Indonesia standards (Riyadi, 2004; 149). The banking performance assessment criteria used in this study use financial ratios, namely: Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA).

The reason for choosing the banking industry is because banking activities are indispensable for the smooth running of the economy in the real sector or services which play a role in supporting quality economic growth.

Previous research on the effect of EPS, NPM and ROA on stock prices has been carried out by several researchers, including:

1. EPS studied by Rosdian and Ventje Ilat (2016) shows that EPS has a significant effect on stock prices.
2. The NPM studied by Cinthya Caroline Susanto and Ratna Juwita (2017) shows that NPM has a significant positive effect on stock prices.

3. The ROA studied by Sri Astuti Putri Ramdhani (2017) shows that ROA has no significant effect on stock prices.

Based on the above research has shown different results. This study has differences with previous studies, namely the variables and the research period used. Referring to the background of the problem that shows different results so it is feasible to re-examine its effect on stock prices.

Based on the background of the problem, the researcher is interested in conducting further research with the title**"THE EFFECT OF EARNING PER SHARE (EPS), NET PROFIT MARGIN (NPM), AND RETURN ON ASSET (ROA) ON STOCK PRICE IN BANKING COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE FOR THE 2018-2020 PERIOD".**

Problem Formulation

Based on the background of the problems in the research, the formulation of the problem in this study is Is There an Effect of Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) on Partial and Simultaneous Stock Prices in Banking Companies Registered in Indonesia Stock Exchange Period 2018-2020.

Research purposes

The purpose of this research is to find out whether Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) Affect Stock Prices Partially and Simultaneously in Banking Companies Registered on the Indonesia Stock Exchange for the 2018-2020 Period .

2. LITERATURE REVIEW

Return Stock

Return According to Darmawi (2011; 27), a bank is a financial institution, meaning that a bank is a business entity whose wealth is mainly in the form of financial assets and is profit and socially motivated, so it is not only looking for profit but a company whose activities are raising money. from the community and give credit to the community.According to Kashmir (2014; 24), a bank is a financial institution whose activities collect funds from the public in the form of deposits and then channel them back to the public, as well as provide other banking services. Based on the Law of the Republic of Indonesia Number 10 of 1998, a Bank is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit or other forms in order to improve the standard of living of the common people. According to Tandelilin (in Fauzan, 2018) return is the rate of return obtained for the time and risk of the investment that has been made. The return component consists of capital gains (losses) which are defined as gains (losses) from the excess of the selling price (purchase price) of shares compared to the purchase price (selling price) of shares and dividends which are income received by investors periodically. The amount of dividends received by investors is determined at the General Meeting of Shareholders (GMS).[1]

Banking Functions

Based on Article 3 of Law Number 10 of 1998, the main function of Indonesian banking is to collect and distribute public funds. Whereas the Bank can function as a credit recipient, extend credit, conduct financing, invest, accept deposits, create money and other services such as a place to store valuables. According to Hasibuan (2009; 4), the function of the bank is to support the implementation of national development in order to increase equity, economic growth, and national stability towards increasing the people. The Bank's goal is to support the implementation of national development in order to increase equity, economic growth, and national stability towards increasing the people (Hasibuan, 2009).

Financial management

According to David Wijaya (2017; 2), states that financial management is related to financial management such as budgeting, financial planning, cash, credit, investment analysis, and efforts to obtain funds.

According to Dadang Prasetyo Jatmiko (2017; 1) financial management is related to planning, directing, monitoring, organizing, and controlling a company's financial resources. Meanwhile, according to Kariyoto (2018; 3), financial management is an integration of science and art which examines and analyzes the efforts of a financial manager by using all of the company's human resources to seek funding, manage funding, and distribute funding with the goal of being able to provide profit or welfare for shareholders and business continuity for economic entities.

Financial Ratios

According to Harahap (2010; 291) states that financial ratios are numbers obtained from the results of a comparison of one financial statement post with another post that has a relevant and significant relationship.

Hanadie in Oktanto and Nuryatno (2014) argues that financial ratios are a combination that shows the relationship between an element and other elements in financial statements, the relationship between elements of financial statements, the relationship of an element of the report is stated in a simple mathematical form.

According to Kasmir (2015; 104) states that financial ratios are activities of comparing the numbers in the financial statements by dividing one number by another number. Comparisons can be made between one component in one financial report or between components that exist between financial statements.
The financial ratios are as follows:

Liquidity Ratio

According to Martono and Harjito (2010; 55) Liquidity Ratio is an indicator of a company's ability to pay or pay off its financial obligations at maturity by using available current assets. According to Irham Fahmi (2017; 59) Liquidity Ratio is the ability of a company to fulfill its short-term obligations in a timely manner. Meanwhile, according to Hanafi and Halim (2014; 75) the Liquidity Ratio measures a company's short-term liquidity capability by looking at the company's current assets against its current debt (debt in this case is the company's liabilities).

Solvency Ratio

According to Husnan and Pudjiastuti (2012; 72) the Solvency/Leverage Ratio measures how far a company uses debt. Some analyzes use the term solvency ratio which means measuring a company's ability to meet its financial obligations.

According to Irham Fahmi (2017; 87) Solvability Ratio is a picture of a company's ability to fulfill and maintain its ability to always be able to fulfill its obligations to pay debts in a timely manner.

Meanwhile, according to Kasmir (Aldila Septiana, 2017; 80) explains that the Solvency Ratio (Leverage Ratio) is a ratio used to measure the extent to which a company's assets are financed with debt.

Activity Ratio

According to Sartono (2010; 118) the activity ratio shows how resources have been utilized optimally, then by comparing activity ratios, it can be seen the level of efficiency of companies in the industry. Meanwhile, according to Fahmi (2012; 132) the activity ratio is the ratio that describes the extent to which a company uses its resources to support company activities, where the use of this activity is carried out to the maximum with the intention of obtaining maximum results.

According to Kasmir (2014; 114) the activity ratio is the ratio used to see a measure of the company's level of effectiveness in using the assets owned by the company.

Profitability Ratio

According to Husnan and Pudjiastuti (2012; 72) Profitability / Profitability ratios are used to measure the efficiency of a company in using its assets, this efficiency is associated with sales that have been successfully created.

According to Agus Sartono (2010; 122) the definition of Profitability Ratio is the company's ability to earn profits in relation to sales, total assets, and own capital. Meanwhile, according to Kasmir (2014; 115) the definition

of Profitability Ratio is a ratio to assess a company's ability to make a profit.

Earning Per Share (EPS)

According to Sumarsan (2013; 51) Earning Per Share is a ratio that measures how much net profit is for each share. Meanwhile, according to Tandelilin (2010; 14) explains that Earning Per Share can indicate the size of the company's net profit that is ready to be distributed to the company's shareholders.

Earning Per Share (EPS) measures how much dividend per share will be distributed to investors after deducting dividends for share owners. Earnings per share shows the company's ability to create profits per share. If the EPS is high, more investors will buy the company's shares so that it can cause the stock price to be high (Sulistiyani, 2017).

Earning Per Share (EPS) is income per share which describes the amount of rupiah earned for each common share. Earning Per Share (EPS) is a ratio to measure Management's success in achieving profits for shareholders. If the ratio is low, it means that management has not succeeded in satisfying shareholders, on the other hand, if the ratio is high, then the rate of return is high so that the welfare of shareholders increases. Cashmere (2016; 207)

Earning Per Share (EPS) formula according to Tandelilin (2010; 374):

$$EPS = \frac{\text{Net Profit After Tax}}{\text{Total Shares in Circulation}}$$

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Net Profit Margin (NPM)

Net Profit Margin is the ratio used to calculate the extent to which a company's ability to generate net profit. The greater the Net Profit Margin value of a company indicates that the costs incurred are more efficient so that the return on net profit is greater (Hanafi and Halim, 2012; 81).

Net Profit Margin (NPM) is the relationship between net profit after tax and sales showing management's ability to run the company until it is quite successful in recovering/controlling the cost of goods/services, operating expenses, depreciation, interest on loans and taxes (Kasmir, 2012; 197).

Net Profit Margin (NPM) is also known as the ratio of income to sales. Net profit margin equals net profit divided by net sales. This shows the stability of the unit to generate gains at a specific sales level (Fahmi, 2014; 81). Meanwhile, according to Kasmir (2016; 199) Net Profit Margin is a comparison of net profit and sales. The greater the NPM, the more productive the company's performance will be, thereby increasing investor confidence to invest in the company.

According to Jusuf (2014; 146) the Net Profit Margin (NPM) formula is as follows:

$$NPM = \frac{\text{NetProfit}}{\text{NetSales}}$$

Return On Asset (ROA)

Return On Assets (ROA) is a ratio that reflects a company's ability to obtain net profit after tax from the total assets used for the company's operations. From an investor's point of view, one important indicator for assessing a company's prospects in the future is to look at profitability growth (Zuliarni, 2012).

Return On Assets are often also referred to as Return On Investment, because Return On Assets looks at the extent to which the investments that have been invested to provide returns are as expected and these investments are actually the same as those invested or placed (Fahmi, 2012; 98). Meanwhile, Sumarsan (2013; 45) states that Return On Assets shows the company's ability to use all of its assets to generate profit after tax.

The formula for finding Return On Assets (ROA) according to Hanafi and Halim (2012; 81) is as follows:

Rumus LENGTH:

$$\text{LENGTH} = \frac{\text{Net Profit}}{\text{TotalAsset}} \text{x } 100\%$$

3. RESEARCH METHODS

This research was conducted at the selected Indonesian Stock Exchange, specifically for banking companies listed on the Indonesian Stock Exchange. This research was conducted during October 2021 until completion.

Data Type

The data used in this study is secondary data, in the form of stock price data at banking companies listed on the Indonesia Stock Exchange (IDX).

Data source

Secondary data sources in this study were obtained from the official website of the Indonesia Stock Exchange (IDX) and various literature that can support this research.

Population and Sample

The population in this study is the total number of banking companies listed on the Indonesia Stock Exchange (IDX) for 2018-2020. Based on the considerations or criteria referred to, a sample of 42 banking companies was selected as a sample of the total 46 listed on the Indonesia Stock Exchange (IDX) for the 2018-2020 period.

Data Collection Techniques

The data collection techniques that the authors do are by:

1. Documentation, namely by recording or copying data listed or obtained from the official websites of the Stock Exchange and Bank Indonesia.
2. Literature study through literature books, journals, previous studies and internet searches.

Data analysis technique

The data analysis techniques used in this study are as follows:

1. Classic assumption test

The classic assumption test aims to determine the condition of the data used in the study. The classic assumption test includes:

a. Normality test,
b. Multicollinearity Test,
c. Autocorrelation test, and
d. Heteroscedasticity Test.

2. Multiple Linear Regression Analysis

Multiple linear regression analysis is:

$$Y = \alpha + bX_1 + bX_2 + bX_3 + e$$

Information:
AND =return on assets

A = constant
b = regression coefficient
X_1 = earning per share

X_2 = net profit margin
X_3 = return on asset
AND = error term

1. Hypothesis testing

a. Determination Coefficient Test (R^2) The coefficient of determination (R^2) is used to measure how far the model's ability to explain variations in the dependent variable. The value of the coefficient of determination is between 0 and 1. The value of R^2 which is small means the dependent variable is very limited Ghozali (2015).

b. t test (partial test)
The t-statistic test is intended to test knowledge partially between the independent variables on the dependent variable with other variables considered constant, with a confidence level of 95% (= 0.05). This test was carried out at the same time to see the regression coefficient individually for Ghozali's research variable (2015).

c. F test (Simultaneous Test) F test is usedto find out whether the independent variables simultaneously have a significant effect on the dependent variable. At a confidence level of 95% or a factual level of 5%, the regression variable hypothesis test was carried out simultaneously using analysis of variation or F test.

4. RESULTS AND DISCUSSION

1. Classic assumption test

a. Normality test

The normality test was carried out to determine whether the dependent variable and independent variable had a normal distribution or not in the regression model. The data used must be normally distributed to avoid bias. The statistical test used to test the normality of the residuals in this study is the jarque-bera statistical test. According to Gujarati (2010) this test has a condition that is if the probability value of JB (Jarque-Bera) is greater than the significant level α = 0.05, then the residual data is normally distributed and vice versa if the probability value of JB is less than the significant level α = 0, 05 then the residual data is not normally distributed. The normality test results are presented in the following table:

Table 1. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		126
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	3251.57307222
Most Extreme Differences	Absolute	.310
	Positive	.310
	Negative	-.275
Test Statistic		.310
Asymp. Sig. (2-tailed)		.000[c]
a. Test distribution is Normal.		
b. Calculated from data.		

c. Lilliefors Significance Correction.

Source: Data Processed by SPSS, 2022

Based on table 7 above the data is not normally distributed, because the sig value of 0.000 is smaller than 0.05 and the method requires that before further testing is carried out, one of the initial assumptions must be fulfilled first, namely the data must be normally distributed.

There are several ways to deal with abnormal data, namely:

1) Doing additional data (samples) because some assume that the more data, the more likely the data is normally distributed.
2) Perform data transformation in several ways:
   a) Data transformation by way of Log
   b) Data transformation by way of Ln
   c) Data transformation by way of SQRT
   d) Data transformation with Reciprocal
   e) Reverse Score
3) Discarding Extreme Data

Based on the method above, the researcher has transformed the data, but the data has not been normally distributed. The researcher chose a method by removing extreme data from 126 data to 60, with the results in table 8 as follows:

Table 2: Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		60
Normal Parameters[a,b]	Mean	-691.8525139
	Std. Deviation	157.57125725
Most Extreme Differences	Absolute	.085
	Positive	.085
	Negative	-.059
Test Statistic		.085
Asymp. Sig. (2-tailed)		.200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: Data Processed by SPSS, 2022

Based on table 8 above, after removing extreme data, it is known that with N 60 and a significant value of 0.200 it is greater than 0.05 so it can be concluded that the data obtained is normally distributed.

b. Multicollinearity Test

The multicollinearity test aims to test the presence or absence of a linear relationship between the dependent and independent variables in the regression model (Widarjono, 2013). A good regression model does not have a correlation between the independent variables. The decision guideline is based on the tolerance value and if the tolerance value is greater than 0.10 then multicollinearity does not occur and if the tolerance is less than 0.10 then multicollinearity occurs in the regression model. The guideline is based on the Variance Inflating Factor (VIF) value, if the value is less than 10.00, then multicollinearity does not occur and if the VIF value is greater than 10.00, it means that there is multicollinearity in the regression model. The results of the multicollinearity test are presented in the following table:

Table 3. Multicollinearity Test Results

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	EPS	.470	2.127
	NPM	.601	1.663
	LONG	.529	1.889
a. Dependent Variable: STOCK PRICE			

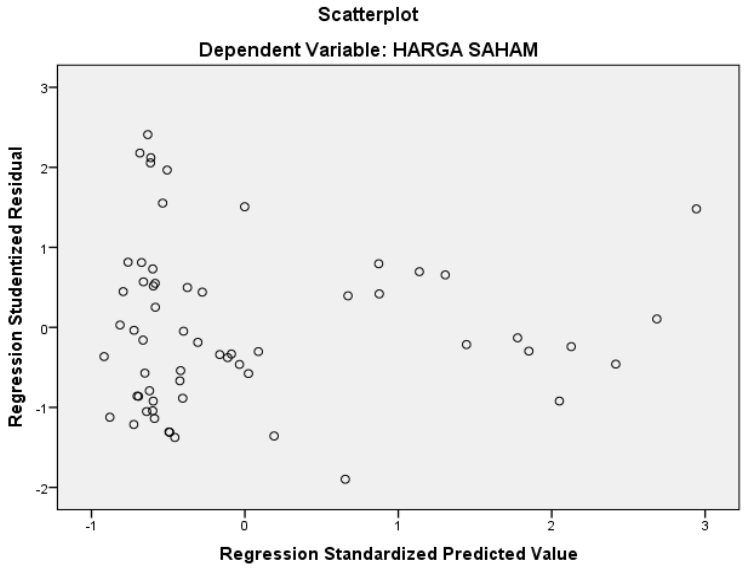
Source: Data Processed by SPSS, 2022

From the table above it can be seen the influence of the Tolerance Value and Variance Inflation Factor (VIF), as follows:

1) From the results of the calculation of the multicollinearity test X_1 (EPS) obtained 0.470 > 0.10 Tolerance Value and VIF value of 2.127 < 10.00 VIF, the results of the analysis showed that there was no multicollinearity in the regression model.
2) From the results of the calculation of the multicollinearity test X_2 (NPM) obtained 0.601 > 0.10 Tolerance Value and VIF value of 1.663 < 10.00 VIF, the results of the analysis showed that there was no multicollinearity in the regression model.
3) From the results of the calculation of the X multicollinearity test$_3$ (ROA) obtained 0.529 > 0.10 Tolerance Value and VIF value of 1.889 < 10.00 VIF, the results of the analysis showed that there was no multicollinearity in the regression model.

c. Heteroscedasticity Test

The heteroscedasticity test was carried out using the graphic detection method for the presence or absence of heteroscedasticity which can be seen from the scatterplot graphical method between SRESID and ZPRED where the Y axis is the predicted variable and the X axis is the residual. Certain patterns that are formed will indicate the existence of heteroscedasticity and vice versa.



Source: Data Processed by SPSS, 2022

From the scatterplot graph it can be seen that the dots spread randomly and are spread both above and below zero (0) on the Y axis, not collected in one place and do not form a particular pattern so that it can be concluded that there is no heteroscedasticity in the regression model in the sense that all variants this variable shows that the independent variables (EPS, NPM, and ROA) can be used to predict stock prices during the 2018-2020 period.

d. Autocorrelation Test

According to Ghozali (2011) Autocorrelation is often known as serial correlation and is often found in time series data. The autocorrelation test aims to test whether in the regression model there is a correlation between misuse in period t and misuse in period t-1 (previously). Good regression models are models that are free from autocorrelation. To detect the existence of autocorrelation, a Durbin Watson (DW) test is carried out with the following conditions:

1) If the DW number is below -2 it means there is a positive autocorrelation
2) If the DW number is between -2 to +2, it means that there is no autocorrelation.
3) If the DW is above +2 it means there is a positive autocorrelation.

Table 4. Autocorrelation Test Results

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.873[a]	.763	.750	157.75069	1.250
a. Predictors: (Constant), ROA, NPM, EPS					
b. Dependent Variable: STOCK PRICE					

Source: Data Processed by SPSS, 2022

The Durbin Watson value in the table above is 1.250. So because 1.250 is between -2 to +2, it means that there is no autocorrelation.

1. Multiple Linear Regression Analysis

The analytical method used in this study is multiple regression, because in multiple analysis apart from measuring the strength of the relationship between two or more variables, it is also used to determine the effect of the dependent variable on the independent variable (Ghozali, 2011; 96).

Based on the results of data processing that has been carried out using SPPS V.23, the complete results are presented in the table below:

Table 5. Multiple Linear Regression Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Say.
		B	Std. Error	Beta		
1	(Constant)	182.534	30.406		6.003	.000
	EPS	5.667	.785	.685	7.218	.000
	NPM	.881	1.647	.045	.535	.595
	LONG	.780	.323	.216	2.416	.019
a. Dependent Variable: STOCK PRICE						

Source: Data Processed by SPSS, 2022

From the table above, the multiple linear regression equations obtained in this study are as follows:

$$Y = (182,534) + (5,667)\ X_1 + (0,881)\ X_2 + (0,780)\ X_3$$

From the above equation it is known:

a. A constant of 182,534 states that if EPS, NPM, and ROA are zero or nonexistent, the share price will remain at 182,534.
b. EPS has a regression coefficient of 5.667 stating that for every 1% increase in EPS, the share price will increase by 5.667.
c. NPM has a regression coefficient of 0.881 stating that for every 1% increase in NPM, the share price will increase by 0.881.
d. ROA has a regression coefficient of 0.780 stating that for every 1% increase in ROA, the stock price will increase by 0.780.

2. Hypothesis test

a. Partial Test (T Test)

The T-test is used to test the effect of each independent variable used on the dependent variable partially (Ghozali, 2011).

Hypothesis criteria:

1) Ho; βi = 0, meaning that there is no significant effect between the independent variables individually on the dependent variable.
2) H_1; βi ≠ 0, means that there is a significant influence between the independent variables individually on the dependent variable.

When t count > t table, then H_0 rejected and H_a accepted.

When t count < t table, then H_0 accepted and H_a rejected.

Table 6. Partial Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Say.
		B	Std. Error	Beta		
1	(Constant)	182.534	30.406		6.003	.000
	EPS	5.667	.785	.685	7.218	.000
	NPM	.881	1.647	.045	.535	.595
	LONG	.780	.323	.216	2.416	.019
a. Dependent Variable: STOCK PRICE						

Source: Data Processed by SPSS, 2022

Based on table 6 above the coefficient or t value obtained, partially the effect of the independent variables on the dependent variable is as follows:

1) The Earning Per Share (EPS) variable has t_{count} of 7.218 while t_{table} amounting to 2.00324 until $t_{count} > t_{table}$, H_0 rejected and H_a accepted and sig. 0.000 is less than 0.05, so it can be concluded that partially Earning Per Share (EPS) has a significant and significant effect on the stock prices of banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.
2) Variable Net Profit Margin (NPM) has t_{count} of 0.535 while t_{table} amounting to 2.00324 until $t_{count} < t_{table}$, H_0 accepted and H_a rejected and sig. 0.595 is greater than 0.05 so it can be concluded that partially the Net Profit Margin (NPM) has no significant effect on the share prices of banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.

3) The variable Return On Assets (ROA) has t_{count} of 2.416 while t_{table} amounting to 2.00324 until $t_{count} > t_{table}$, H_0 rejected and H_a accepted and sig. 0.019 is less than 0.05, so it can be concluded that partially Return On Assets (ROA) has a positive and significant effect on the stock prices of banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.

b. Simultaneous Test (F Test)

This test is used to test the overall regression coefficient and to determine the significance of the relationship between the independent variables together with the dependent variable.

Table 7. Simultaneous Test Results

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Say.
1	Regression	4480761.440	3	1493587.147	60.019	.000[b]
	Residual	1393575.666	56	24885.280		
	Total	5874337.107	59			
a. Dependent Variable: STOCK PRICE						
b. Predictors: (Constant), ROA, NPM, EPS						

Source: Data Processed by SPSS, 2022

Based on the table above, it is known that F_{count} of 60.019 while F_{table} of 2.54 then H_0 rejected and H_a is accepted, meaning that the variables Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) simultaneously (simultaneously) affect the stock price. From the ANOVA test, a significance level of 0.000 <0.05 is obtained, so it can be concluded that Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) simultaneously have a significant influence on stock prices in listed banking companies. on the Indonesia Stock Exchange for the 2018-2020 period.

c. Determination Coefficient Test (R^2)

The coefficient of determination is used to determine how big the level of influence is or how high or low the influence is between Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) as independent variables on stock prices as the dependent variable. R Square (R^2) is useful for knowing the power of the model in predicting the effect of the independent variables on the dependent variable.

Table 8: Test Results for the Coefficient of Determination (R^2)

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.873[a]	.763	.750	157.75069
a. Predictors: (Constant), ROA, NPM, EPS				
b. Dependent Variable: STOCK PRICE				

Source: Data Processed by SPSS, 2022

From the table above the results of the analysis show that the magnitude of the correlation coefficient (R) is 0.873 and the number is positive, thus it can be interpreted that there is a high or strong correlation, unidirectional and simultaneous between the independent variables and the dependent variable, where the relationship is perfect. While the magnitude of the influence of the independent variable on the dependent variable can be seen from the coefficient value (R-Square) of 0.763 this indicates that the percentage of contribution to the influence of the independent variables namely Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) to the dependent variable Stock Price of 76.3% while the remaining 23.7% is influenced by other variables not examined by this research.

This means that the variables Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) have an influence on increasing stock prices.

5. CONCLUSION

Based on the results of research conducted on banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period, the data used in this study is normally distributed, does not occur or there is multicollinearity in EPS (X_1), NPM (X_2), ROA (X_3), there is no heteroscedasticity and autocorrelation, the coefficient of determination (R^2) there is a very strong influence.

The following conclusions can be drawn in this study are as follows:

a. Earning Per Share (EPS) has a significant and influential effect on share prices in banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.
b. Net Profit Margin (NPM), has no significant effect on the stock prices of banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.
c. Return On Assets (ROA) has a positive and significant effect on stock prices in banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.
d. Based on the results of joint research, Earning Per Share (EPS), Net Profit Margin (NPM), and Return On Assets (ROA) have a significant influence on stock prices in banking companies listed on the Indonesia Stock Exchange for the 2018-2020 period.

6. SUGGESTION

Based on the conclusions from the results of the research above, the researchers suggest the following: Banking companies are expected to be able to improve their performance. The company must manage assets as productively as possible so that the company can be said to be good if the assets in a company are current and the company's income increases. Society must be more careful in looking at the financial performance of a company in order to avoid losses or things that are not desirable.

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