

Factors that Affect the Stock Price of Automotive Company Registered in IDX Period 2014-2018

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Abstract:- Factors influencing the price of the stock Automotive company listed on IDX period 2014-2018. The Purpose of this research is to determine the influence of current ratio, ROE, DER AND EPS against the company's share price. The population in the study was the IDX-listed automotive company in the period 2014-2018. There are eight companies selected to be research samples using the purposive sampling technique. The research data is a secondary data taken from the company's financial statements which are then performed by multiple linear regression analyses. The results proved that DER and EPS have a significant and positive influence on the stock price of Automotive Companies listed on idx in the period 2014-2018.

Keywords:- CR, ROE, DER, EPS, Stock Price.

I. INTRODUCTION

The development of Automotive industry has increased from year to year. The number of motor vehicles increased by 138,556,669 units (125%) From the year 2008 to 2017 (Efrizon, 2019). This development is supported by the relatively stable Indonesian economic conditions (Syari'udin, 2017). It is an attraction for investors to invest in the automotive sector Indonesia.

Investors conduct analysis of financial statements as the company's financial performance assessment tool. One Of The technical analysis of financial statements that investors use is the financial ratios. Some researchers have conducted research on the influence of financial ratios on stock prices of companies such as Hutapea, Saerang, & Tulung (2017), Tumandung, Murni, & Baramuli (2017), Wijaya (2017), Rahmadewi & Abundanti (2018) and Efrizon (2019).

Hutapea, Saerang, & Tulung (2017) Conducted research on the Influence OF ROA, NPM, DER AND tattoo against Hargasaham Automotive company registered IN idx period 2012-2016. The research population is an automotive company REGISTERED in idx period 2012-2016. Research samples are 7 Automotive companies selected using purposive sampling techniques. Hutapea et al. (2017) uses the Automotive company Financial report period 2012-2016 to collect data that is then processed by using multiple linear regression. Results of the research of Hutapea et al. (2017) mentioning that DER has a positive

and significant influence, tattoos have a significant and negative influence on the stock price. ROA had a negative influence and NPM had a positive but insignificant influence on the stock price of automotive companies.

Tumandung, Murni, & Baramuli (2017) Conducting research on the influence of Current Ratio, ROE, DER AND tattoo against stock price. The research population is the IDX-listed food and beverage company in the period 2011-2015. The research samples are 11 food and beverage companies selected through purposive sampling techniques. Tumandung et al. (2017) use the Company's financial statements to collect data that is then processed using multiple linear regression. The result of Tumandung et al. (2017) mentions that ROE and DER have a significant positive and negative influence on the stock price. CR and TATO have no influence on the stock prices of food and beverage companies.

Wijaya (2017) conducted research on the influence of Current Ratio, DER, ROE, TATO and EPS against the stock price. The research population is a manufacturing company registered in IDX period 2012-2016. Research samples are 564 manufacturing companies that are selected using purposive sampling techniques. Wijaya (2017) uses a manufacturing company's financial statements to collect data that is then processed using multiple linear regression. The results of the research of Wijaya (2017) mentioned that EPs and Roe have significant influence of EPS however positive influence while the ROE is negatively affecting the stock price. Current Ratio, DER and TATTOOS have no significant influence on the stock price.

Rahmadewi & Abundanti (2018) conducted research on the influence of EPS, PER, CR and ROE against the stock price of automotive companies listed on IDX period 2012-2016. The research population is 12 automotive companies listed on IDX period 2012-2016. Research samples are 12 companies using saturated sampling methods. Rahmadewi & Abundanti (2018) used the company's financial report automotive period 2012-2016 to collect data that was subsequently processed using multiple linear regression. The results of the study of Rahmadewi & Abundanti (2018) mentioned that PER has a positive and significant influence on the stock price, ROE has a significant and negative influence on the stock price while EPS and CR have a negative influence but not To the stock price of automotive companies.

Efrizon (2019) conducted research on the influence of Current Ratio, ROE, DER and EPS against the stock price of automotive companies listed on IDX period 2013-2017. The research population is a automotive company registered in the IDX period 2013-2017. The research samples are 10 automotive companies selected using purposive sampling techniques. Efrizon (2019) uses automotive company financial statements for the period 2013-2017 to collect data that is then processed by using a data regression panel. The results of the study of Efrizon (2019) mention that EPS has a positive and significant influence on the stock price. DER has a positive influence and Current Ratio and ROE have negative effect but not significant to the stock price of automotive companies.

Research results of the above researchers still have a research gap. Therefore the author is interested in conducting a re-test by replicating the research that efrizon (2019).

II. RESEARCH METHODS

This research is a quantitative study of causality. Sekaran & Bougie (2016) mentions that quantitative research using numbers as research data in research while causality research is a study aimed at seeing the influence of variable change freely to bound variables. The population in this study is an automotive company registered in the IDX period 2014-2018 using the purposive sampling technique to determine the research samples.

Criteria	Amount
Automotive company recorded in IDX period 2014-2018	12 Companies
The company publishes financial statements not in Rupiah	3 Companies
The company does not publish financial statements period 2014-2018	1 Company
Automotive companies that become samples of research	8 Companies

Table 1:- Research Samples

This research uses stock prices as tied variables and Current Ratio, ROE, DER and EPS as free variables.

Variable	Type	Indicators
Stock Price	Dependent	Market price listed at closing price of the Indonesia Stock Exchange in the year-end period
Current Ratio	Independent	The company's ability to fulfill a short term obligation $\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$
ROE	Independent	The amount of profit that owns the owner's own capital $\text{ROE} = \frac{\text{Net Income}}{\text{Shareholder's Equity}}$
DER	Independent	Owner's capital ability to cover debts to outside parties $\text{DER} = \frac{\text{Total Liabilities}}{\text{Shareholder's Equity}}$
EPS	Independent	Profit earned by shareholders per share $\text{EPS} = \frac{\text{EAT}}{\text{Average Outstanding Shares of the Company}}$

Table 2:- Variables, Types and Indicators

Researchers used multiple regression analysis to test the influence of *Current Ratio*, ROE, DER, EPS against the stock price of automotive companies listed on IDX period 2014-2018. But previously researchers conducted a classical assumption test, namely the normality test using Kolmogorov-Smirnov Test, autocorrelation test using Durbin Watson, heteroskedastisity test using Run Test and multicollinearity test using VIF.

III. RESULT AND DISCUSSION

Based on The data the author collects from the financial statements of *Automotive* companies registered in idx pada period 2014-2018 then the authors display a descriptive statistical analysis on table 3.

	N	Min	Max	Mean	STD Dev
Share price	32	125.00	8,300.00	2,324.59	2,485.89
Cr	32	,71	7.92	2.12	1.70
Roe	32	.00	,83	,09	1.67
Der	32	,10	8.26	1.33	1.56
Eps	32	.00	676.14	127.40	180.32

Table 3:- Descriptive Statistics
Source: Data, 2019

The descriptive statistical analysis showed a CR variable average value (*mean*) of 212% which means that automotive companies do not experience liquidity problems because they have an average value of CR above 200%. The average value (*mean*) of the ROE variable is 9% which means that the automotive company has not been effectively using the company's equity to be able to generate corporate profits. The average value of the DER variables is 133% which means that automotive companies have more debt than their own capital. The average value of the EPS variable amounted to Rp.127,40 which means that the

automotive company shares the company's profit of Rp.127,40 per share owned by shareholders.

Researchers have also conducted classical assumption tests to ensure that the resulting regression model is in the case of an estimated, unbiased and consistent estimate. The Classic test assumptions performed are:

A. Multicollinearity Test

Multicollinearity tests are performed to ensure there is no correlation between the free variables.

Model		Collinearity Statistics	
		Tolerance	VIF
1	Cr	,634	1.578
	ROE	,591	1.691
	DER	,726	1.377
	EPS	,713	1.402

Table 4:- Coefficients^a
Source: Data, 2019

The variable free S has a value of tolerance above 0.10 which means that there is no multicollinearity happening. In addition, the value of Variance of inflating Factor(VIF) also has a value above 5 so it can be concluded that this research model has qualified a good regression model due to the absence of correlation between free variables (non multicollinearity).

B. Autocorrelation Test

	Unstandardized Residual
Test Value ^a	-21.56672
Cases < Test Value	16
Cases > = Test Value	16
Total Cases	32
Numbers of Run	12
Z	-1.617
ASHMP. Sig (2 tailed)	,106

Table 5:- Runs Test
Source: Data, 2019

The value of *Asymp. Sig (2 tailed)* is 0.106 larger than 0.05 then the model of this study has qualified a good regression model due to the absence of correlation that occurred between the disturbing fault in the T-period with a disturbing fault in the T-1 period.

C. Heteroskedasticity Test

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.	
	B	Std. Error	Beta			
1	Constant	1,027.594	425.009		2.418	,023
	Cr	-128.543	124.447	-, 232	-1.033	, 311
	Roe	2,637.470	1,310.143	, 467	2.013	, 054
	Der	43.393	126,874	, 072	, 342	, 735
	Eps	-, 612	1.109	-, 117	-552	, 585

A. Dependent Variable: Abs_RES

Table 6:- Coefficients^a
Source: Data, 2019

All the free variables have a sig value. above 0.05 which means that the variance differs from one observation to another (heterokedastisidats) so that it can be concluded that this research model has qualified a good regression model.

D. Test Normality

		Unstandardized Coefficients
N	Mean	32
Normal Parametersa, b	Std. Deviation	0E-7
Most Extreme Differences	Absolute	1382.083143
	Positive	, 157
	Negative	, 157
Kolmogorov-Smirnov Z		, 886
ASHMP. Sig. (2 tailed)		, 412

Table 7:- One Sample Kolmogorov-Smirnov Test
Source: Data, 2019

The value of ASYMP. sig. (2 tailed) is 0, 412 (sig. > 0.05) which means that a variable distribution is free, the variable bound or both is normal so that it can be concluded that this research model has qualified a good regression model.

After all the classical test assumptions were fulfilled then the authors tested the influence of Current ratio, ROE, DER AND EPS against the stock price of automotive companies listed on idx in the period 2014-2018 by conducting multiple linear regression tests.

Model	Unstandardized Coefficients		Std Coefficients	Q	Sig.	
	B	Std. Error	Beta			
1	Constant	742.97	670.479		1.108	, 278
	Cr	-166.63	196.323	-, 114	-, 849	, 403
	Roe	-2507.6	2066.837	-, 169	-1.213	, 236
	Der	457.72	200.152	, 288	2.287	, 030
	Eps	12.353	1.750	, 896	7.058	, 000

A. Dependent Variable: Hrg_Saham

Table 8:- Coefficients^a
Source: Data, 2019

The Current ratio has a negative influence but is not significant to the stock price of the automotive company listed on THE idx period 2014-2018. The results of this research correspond to the research of Tumandung et al.(2017),Wijaya (2017), Rahmadewi & Abundanti (2018) dan Efrizon (2019).

ROE has a negative but insignificant influence on the price of shares in automotive companies listed on the IDX period 2014-2018. The results of this study correspond to the research of Efrizon (2019).

DER has a positive and significant influence on the stock price of the automotive company listed on the IDX period 2014-2018. The results of this study were in accordance with the research of Hutapea et al. (2017).

EPS has a positive and significant influence on the stock price of the automotive companies registered in IDX period 2014-2018. The results of this research correspond to the research of Wijaya (2017) and Efrizon (2019).

IV. CONCLUSION

The Company's stakeholders use financial performance as a company valuation tool. The company's past Financial performance helps companies further optimize the company's resources to further enhance the company's value. The financial performance indicators examined in this study are the Current ratio, ROE, DER and EPS. From the results of the research and the above discussion can be concluded that only DER and EPS have a significant and positive influence on the stock price of automotive company listed on idx in the period 2014-2018. Therefore, then the company should pay attention to DER and EPS because it will affect the stock price of the company.

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