

The Effect of Quick Ratio (QR), Debt to Equity Ratio (DER), Net Profit Margin (NPM), and Price to Book Value (PBV) On Stock Prices of Food and Beverage Companies in the Period 2011-2020

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Abstract

The purpose of this study was to examine and analyze The Influence of Quick Ratio (QR), Debt to Equity Ratio (DER), Net Profit Margin (NPM), and Price to Book Value (PBV) on Stock Prices of Food and Beverage Sector Companies in Indonesia. Indonesia Stock Exchange Period 2011-2020. The data used in this study is secondary data obtained from the official website of the Indonesia Stock Exchange, Yahoo Finance and through the websites of each company. The research sample selected was 10 companies in the food and beverage sector listed on the Indonesia Stock Exchange in the period 2011-2020. Secondary data can be analyzed using panel data linear regression model. Purposive Sampling is a sampling technique used in this study according to several required criteria. The data analysis used was panel data regression analysis using the STATA 16 program.

Keywords

stock price; quick ratio; debt to equity ratio; net profit margin; price to book value



I. Introduction

In a country's economy, the capital market plays an important role because it has two (2) functions, namely: (1) as a provider of corporate funding facilities/means to obtain funds from investors; and (2) as a provider of facilities/means for the public to invest in financial instruments (Digdowiseiso, 2021b). With the capital market, investors can make more rational investment decisions and the public also has many opportunities to invest by minimizing losses and maximizing profits.

At the beginning of 2020, there was a phenomenon that shocked the world, namely the outbreak of the Covid-19 virus. This disease outbreak is of concern to people all over the world, because the rate of spread is quite high and fast globally. The crisis caused by the Covid-19 pandemic paralyzed the economies of most countries in the world, this uncertain economic situation forced all companies to have the ability to survive in national and international business competition (Digdowiseiso, 2021a).

The food and beverage sector was a depressed sector in 2020. However, the consumer goods sector index was still the best index with the smallest correction compared to other sectors. Based on statistical data on the Indonesia Stock Exchange (IDX), the consumer goods sector index was only corrected by 12 percent, this number is lower than the correction that hit the Composite Stock Price Index (JCI) of 23 percent since the beginning of 2020.

The weakening that occurred in the consumer goods sector index was not as severe as other sectoral indices, such as property and real estate which fell by 33 percent and the miscellaneous industry sector index which was corrected by 32 percent. Below is an overview of tables and graphs that show an increase and decrease in the average stock

return for 10 periods (2011-2020). This data is based on stock prices in <https://finance.yahoo.com/> as of January 1 of the following year.

Table 1. Average Stock Return for the period 2011-2020

No.	Nama Perusahaan	Kode Saham	Return Secara Tahunan									
			2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1	PT Mayora Indah Tbk	MYOR	40,60%	44,72%	53,28%	-10,19%	11,34%	63,89%	26,55%	15,18%	-25,58%	45,31%
2	PT Ultra Jaya Milk Industry Tbk	ULTJ	14,29%	47,32%	183,03%	-11,56%	-10,29%	18,49%	15,72%	-6,30%	42,02%	-10,65%
3	PT FKS Food Sejahtera Tbk.	AISA	-28,63%	140,00%	36,40%	38,26%	-51,86%	52,17%	-65,40%	-69,17%	0,00%	42,86%
4	PT Indofood Sukses Makmur Tbk	INDF	2,13%	-5,26%	53,39%	8,24%	-17,88%	27,82%	-2,21%	0,00%	0,97%	-22,68%
5	PT Nippon Indosari Corpindo Tbk	ROTI	55,56%	78,57%	-15,60%	30,33%	-1,82%	17,04%	-18,04%	-5,79%	6,56%	11,54%
6	PT Tunas Baru Lampung Tbk	TBLA	42,86%	-20,83%	-2,95%	51,84%	-26,43%	123,30%	7,39%	-21,86%	-13,47%	6,59%
7	PT Multi Bintang Indonesia Tbk	MLBI	49,36%	96,15%	37,58%	10,19%	-36,13%	55,26%	22,88%	11,72%	-4,32%	-43,23%
8	PT Prasdha Aneka Niaga Tbk	PSDN	292,41%	-30,65%	-30,23%	-11,33%	-11,28%	25,42%	86,49%	-0,72%	-46,35%	-29,93%
9	PT Siantar Top Tbk	STTP	55,00%	32,26%	119,51%	61,11%	5,52%	4,25%	37,62%	-20,50%	14,33%	133,08%
10	PT Akasha Wira International Tbk	ADES	-8,62%	109,91%	-10,11%	-31,50%	-26,64%	4,98%	-13,74%	17,58%	-9,35%	51,55%
	Rata-rata Sektor	SEKTOR	51,49%	49,22%	42,43%	13,54%	-16,55%	39,26%	9,73%	-7,99%	-3,52%	18,44%
	Jakarta Composite Index	JKSE	15,62%	12,99%	-0,78%	19,70%	-12,75%	14,71%	14,57%	7,70%	-9,08%	-1,31%
	Tahun Ketika SEKTOR>JKSE	-	YA	YA	YA	TIDAK	TIDAK	YA	TIDAK	TIDAK	YA	YA

sumber: <https://finance.yahoo.com>

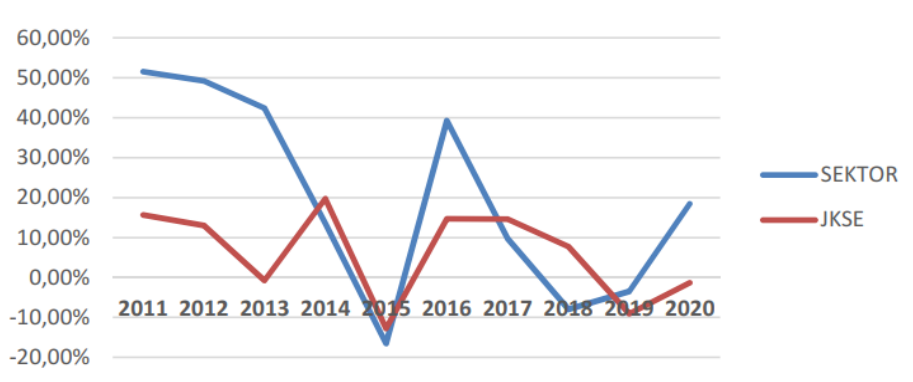


Figure 1. Average Stock Return Period 2011-2020

From the table and graph on the average annual stock price return above, it can be seen that there was a significant decline in stock price returns of up to -16.55 percent in 2015. This was due to the fact that at the beginning of 2015, the consumer goods sector was still experiencing an impact from the weakening rupiah exchange rate. Considerable quantities of raw materials (e.g. sugar, wheat, milk, fruit juices and soybeans) are imported from abroad, operating costs increased due to the weakening of the rupiah against the US dollar.

Meanwhile, in 2016 the consumer goods sector shone and grew quite high until the stock price return reached 39.26 percent, this was due to the stable exchange rate of the rupiah against the US dollar. So the share of consumer goods will increase in line with Indonesia's economic growth rate. Furthermore, economic growth in 2019 slowed down due to stifled public consumption, particularly household consumption.

For investors who will invest, they must take into account many things by looking at the company's financial performance. The higher the stock price, the greater the stock return received by investors. On the other hand, the lower the stock price, the smaller the stock returns received by investors will be. This is caused by internal and external factors of the company. According to Ang (1997) the return of an investment is influenced by two (2) factors, namely: (1) internal company factors such as management quality and

reputation, capital structure, asset composition, ratio of current assets and current liabilities; (2) the company's external factors such as the influence of monetary and fiscal policies, industrial sector developments, inflation rates and so on.

According to the results of Suryanengsih & Kharisma (2020), the Quick Ratio significantly and positively correlated with stock prices, while Hartini (2017) argues that the Debt to Equity Ratio generates a positive and significant effect on stock prices. In another study conducted by Dewi & Solihin (2020) believes that Net Profit Margin has a significant and positive effect on stock prices. Meanwhile, Irfan & Kharisma (2020) proves that Price to Book Value has a significant and positive effect on Stock Prices.

The purpose of this study was to examine and analyze the effect of the Liquidity Ratio proxied by Quick Ratio (QR), Solvency Ratio proxied by Debt-to-Equity Ratio (DER), Profitability Ratio proxied by Net Profit Margin (NPM), and Market Ratio proxied by by Price to Book Value (PBV) on stock prices of food and beverage sector companies on the Indonesia Stock Exchange for the period 2011-2020.

II. Review of Literature

2.1 Signaling Theory

Signaling theory developed by Ross (1977) argues that the company will provide a signal in the form of information that describes the condition of the company so that its share price increases, of course this is very beneficial for investors. Company managers will provide information through financial statements that they apply accounting policies that produce higher quality earnings.

2.2 Financial management

According to Sumardi & Suharyono (2020), financial management is all activities related to business planning. seek and allocate funds to maximize the efficiency of the company's operations. From the point of view of financial management, the company's goal is to maximize the value of the company.

2.3 Financial Ratio Analysis

Sumardi & Suharyono (2020:23) argue that ratios in financial analysis are a tool to explain financial data from one another. While the analysis of financial statements aims to determine the financial condition of a company.

2.4 Stock Price

Share price is the price formed in the market whose amount is influenced by the law of supply and demand (Samsul, 2015:197). The stock price is the same as the price of goods traded in the ordinary market, the law of supply and demand also affects the stock price. In economic theory, the rise and fall of stock prices is something that is commonplace because it is driven by the forces of supply and demand. If the demand is high then the price in the market will go up, and vice versa if the supply is high then the price in the market will go down.

Stock price can be regarded as an indicator of the success of a company. When the company's stock price increases, the investor's confidence in the company is getting better and investors' confidence in the management of the company is also getting better.

2.5 The Effect of Quick Ratio (QR) on Stock Price

This discussion relates to the results of testing the first hypothesis which states that partially Quick Ratio (QR) has a significant positive effect on the stock prices of food and beverage sector companies on the Indonesia Stock Exchange for the 2011-2020 period.

QR is a liquidity ratio that can show the current assets used by the company in paying off its current debt. Many investors are interested in investing funds in healthy companies, namely companies that are able to pay off debt with current assets that do not depend on the amount of inventory. Therefore, QR plays an important role and can be used as a reference for investors to invest in shares, so that the impact on stock prices becomes high value.

H1: Quick Ratio (QR) has a significant and positive effect on stock prices.

2.6 The Effect of Debt to Equity Ratio (DER) on Stock Price

This discussion relates to the results of testing the second hypothesis which states that partially Debt to Equity Ratio (DER) has a significant negative effect on stock prices of food and beverage sector companies on the Indonesia Stock Exchange for the 2011-2020 period.

A high DER will have a bad (bad) impact on the company's performance, because the higher the debt level, the higher the interest expense, so that it can reduce profits, therefore stock prices tend to decrease. Conversely, a small DER level describes the company's performance which is getting better, meaning that the stock return is also getting higher, with conditions like this the stock price will rise (Ang, 2012:34-35).

H2: Debt to Equity Ratio (DER) has a significant negative effect on stock prices.

2.7 The Effect of Net Profit Margin (NPM) on Stock Price

This discussion relates to the results of testing the third hypothesis which states that partially Net Profit Margin (NPM) has a significant positive effect on the stock prices of companies in the food and beverage sector on the Indonesia Stock Exchange for the 2011-2020 period.

A high NPM value in a company shows the company's ability to earn high profits at a certain level of sales. A low NPM value of a company indicates sales that are too low for a level of costs that are too high at a certain level of sales, from both of these in general a low ratio can indicate inefficient management (Erlina, 2018). An increase in net profit will have a very good impact on the company because it shows the company is able to meet its needs so that it can open new investments and expand to prosper the owners of the company and improve the welfare of employees.

H3: Net Profit Margin (NPM) has a significant positive effect on stock prices.

2.8 The Effect of Price to Book Value (PBV) on Stock Price

This discussion relates to the results of testing the fourth hypothesis which states that partially Price to Book Value (PBV) has a significant positive effect on stock prices of food and beverage sector companies on the Indonesia Stock Exchange for the 2011-2020 period.

The higher the PBV value indicates that the market value of the shares is higher than the book value. So that they get a profit from the difference between the market price and the book value (Lestari & Susetyo, 2020). The higher the PBV value achieved by the company, it can attract investors to continue to increase their shares in the company. PBV can describe the potential movement of stock prices and indirectly the PBV ratio also has an influence on stock prices.

H4: Price to Book Value (PBV) has a significant positive effect on stock prices.

III. Research Method

The data used in this study is secondary data obtained from the official website of the Indonesia Stock Exchange, Yahoo Finance and through the websites of each company. The research sample selected was 10 companies in the food and beverage sector listed on the Indonesia Stock Exchange in the period 2011-2020. Secondary data can be analyzed using a linear regression model of panel data. Purposive Sampling is a sampling technique used in this study according to several required criteria (Digdowiseiso, 2017). The data analysis used is panel data regression analysis using the STATA 16 program.

III. Result and Discussion

4.1 Descriptive Statistical Analysis

Table 2. Descriptive Statistical Analysis Results

Variabel	Obs	Mean	Std. Dev.	Min	Max
Log_Harga Saham (Y)	100	7.24	1.23	4.63	9.69
Log_QR (X ₁)	99	0.07	0.65	-1.97	1.27
Log_DER (X ₂)	97	-0.04	0.66	-1.81	1.68
Log_NPM (X ₃)	92	-2.39	0.71	-4.09	-0.06
Log_PBV (X ₄)	97	1.07	1.03	-0.68	3.91

Source: Authors' Calculation

From the output above, it can be seen that the independent variable, namely Log_Stock Price (Y) with 100 observations, has an average share price of 7.24 with a standard deviation of 1.23 in the 2011-2020 period. The minimum value of the Share Price is 4.63 while the maximum value of the Share Price is 9.69.

The first dependent variable, namely Log_QR (X₁) with 99 observations, has a mean value of 0.07 with a standard deviation of 0.65 in the 2011-2020 period. The minimum QR value is -1.97 while the maximum QR value is 1.27.

The second dependent variable, Log_DER (X₂) with 97 observations, has a mean value of -0.04 with a standard deviation of 0.66 in the 2011-2020 period. The minimum DER value is -1.81 while the maximum DER value is 1.68.

The third dependent variable, NPM (X₃) with 92 observations, has an average value of -2.39 with a standard deviation of 0.71 in the 2011-2020 period. The minimum value of NPM is -4.09 while the maximum value of NPM is -0.06.

The fourth dependent variable, PBV (X₄) with 97 observations, has an average value of 1.07 with a standard deviation of 1.03 in the 2011-2020 period. The minimum PBV value is -0.68 while the maximum PBV value is 3.91.

4.2 Testing and Model Selection

a. Chow test

The Chow test was conducted to choose between the Ordinary Least Square model and the Fixed Effect model. The results of the Chow Test, as follows:

Table 3. Chow Test Results

Prob > F	0.00
α	0.05

Based on the Chow test that has been carried out, it can be seen that the probability value is 0.00 which means it is smaller than the value of 0.05. So it can be concluded that H0: Ordinary Least Square is rejected and H1: Fixed Effect is accepted. So the most suitable model to use is the Fixed Effect model.

b. Hausman test

Hausman test was conducted to choose between the Random Effect model and the Fixed Effect model. The results of the Hausman test are as follows:

Table 4. Hausman Test Results

Prob > chi2	0.09
α	0.05

Based on the Hausman test that has been carried out, it can be seen that the probability value is 0.09, which means it is greater than the value of 0.05. So it can be concluded that H0: Random Effect is accepted and H1: Fixed Effect is rejected. So that the most suitable model to use is the Random Effect model.

So, according to the Chow Test and Hausman Test that have been carried out, it can be concluded that in this study the best and most suitable panel data regression model to be used is the Random Effect model.

c. Lagrange multiplier test

The Lagrange Multiplier test was conducted to choose between the Random Effect model and the Pooled Least Square model. The following are the results of the Lagrange Multiplier Test.

Table 5. Lagrange Multiplier Test Results

Prob > chibar2	0.00
α	0.05

Based on the Lagrange Multiplier Test that has been carried out, it can be seen that the probability value is 0.00 which means it is smaller than the value of 0.05. So it can be concluded that H0: Pooled Least Square is rejected and H1: Random Effect is accepted. So that the most suitable model to use is the Random Effect model.

3.2. Classical Assumption Test

a. Normality test

Table 6. Normality Test Results (Skewness/Kurtosis Tests for Normality)

Variable	Obs	Pr Skewness	Pr Kurtosis	Adj chi2 (2)	Prob > chi2
Log_Harga Saham (Y)	100	1.00	0.33	0.95	0.62
Log_QR (X ₁)	99	0.09	0.36	3.87	0.14
Log_DER (X ₂)	97	0.09	0.26	4.25	0.12
Log_NPM (X ₃)	92	0.05	0.03	7.85	0.02
Log_PBV (X ₄)	97	0.00	0.38	8.41	0.01

Based on the normality test that has been carried out, it can be seen that the variables Y, X₁ and X₂ have a value of Prob > chi² greater than the value of 0.05, it can be concluded that H₀ is accepted, namely the data is normally distributed. While the variables X₃ and X₄ have a value of Prob > chi² which is smaller than the value of 0.05, it can be concluded that H₀ is rejected, that is, the data is not normally distributed. How to solve the problem of abnormal data can be done through Robust Standard of Error.

b. Multicollinearity test

Table 7. Multicollinearity Test Results

Variable	VIF	1/VIF
Log_QR (X ₁)	1.76	0.57
Log_DER (X ₂)	1.74	0.57
Log_NPM (X ₃)	1.62	0.62
Log_PBV (X ₄)	1.61	0.62
Mean VIF	1.68	-

Based on the table of Multicollinearity Test results above, it can be seen that the Variance Inflation Factor (VIF) value between independent variables is less than 10 and the tolerance value (1/VIF) is more than 0.10, it can be concluded that there is no multicollinearity between independent variables in the regression model.

c. Heteroscedasticity test

Table 8. Heteroscedasticity Test Results

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. xtreg log_y log_x1 log_x2 log_x3 log_x4, ro
Random-effects GLS regression              Number of obs   =       90
Group variable: id                        Number of groups =       10

R-sq:                                     Obs per group:
      within = 0.5059                               min =         4
      between = 0.2957                               avg =        9.0
      overall = 0.2211                               max =        10

corr(u_i, X) = 0 (assumed)                  Wald chi2(4)    =       24.43
                                           Prob > chi2     =       0.0001

                                           (Std. Err. adjusted for 10 clusters in id)
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log_y	Coef.	Robust Std. Err.	z	P> z	[95% Conf. Interval]
log_x1	.5708479	.1998068	2.86	0.004	.1792338 .962462
log_x2	-.0946045	.1667284	-0.57	0.570	-.421386 .2321771
log_x3	.2198574	.1061989	2.07	0.038	.0117114 .4280035
log_x4	.5423142	.1457592	3.72	0.000	.2566314 .8279969
_cons	7.232048	.483658	14.95	0.000	6.284096 8.180001
sigma_u	.86786245				
sigma_e	.34140242				
rho	.86598811	(fraction of variance due to u_i)			

In this study, there is a Heteroscedasticity Random Effect (RE) method using the General Least Square (GLS) approach, so there is no need for a Heteroscedasticity test. The handling method used is using Robust Standard Error regression, namely by using an estimated coefficient that is immune or Robust to violations of the Heteroscedasticity assumption.

So, even if there is Heteroscedasticity, the estimated coefficient value will not be affected or the model is not biased, because the resulting estimated coefficient is immune. This estimation coefficient is commonly referred to as Huber White.

d. Autocorrelation test

Autocorrelation test is conducted to find out/test each variable whether in the regression model there is a correlation between the error in the period (t) and the error in the previous period (t-1). Of course, a regression model that is free from autocorrelation (no autocorrelation occurs) is a good regression model.

In this study, there is an Autocorrelation Random Effect (RE) method using the General Least Square (GLS) approach, so there is no need for an autocorrelation test. The handling method used is using Robust Standard Error regression, namely by using an estimated coefficient that is immune or Robust to violations of the Autocorrelation assumption.

So, even if there is autocorrelation, the estimated coefficient value will not be affected or the model is not biased, because the resulting estimated coefficient is immune. This estimation coefficient is commonly referred to as Huber White.

3.3. Panel Data Multiple Regression Analysis

Table 9. Panel Data Regression Results

Variabel	Variabel Dependen: Harga Saham						
	1	2	3	4	5	6	7
Log_QR (X ₁)	0.68*** (0.15)	-	-	-	0.57*** (0.20)	0.24*** (0.06)	0.60*** (0.21)
Log_DER (X ₂)	-	-0.29** (0.15)	-	-	-0.09 (0.17)	-0.15** (0.07)	-0.12 (0.18)
Log_NPM (X ₃)	-	-	0.11 (0.40)	-	0.22** (0.11)	0.07 (0.07)	0.18 (0.12)
Log_PBV (X ₄)	-	-	-	0.41*** (0.16)	0.54*** (0.15)	0.80*** (0.07)	0.57*** (0.16)
<i>Year Effect</i>	Tidak	Tidak	Tidak	Tidak	Tidak	Tidak	Ya
<i>Companies Effect</i>	Tidak	Tidak	Tidak	Tidak	Tidak	Ya	Tidak
<i>Observation</i>	99	97	92	97	90	90	90
<i>Group</i>	10	10	10	10	10	10	10
<i>Cons</i>	7.21	7.27	7.58	6.85	7.23	6.02	6.34
<i>Between R-Squared</i>	0.16	0.00	0.44	0.37	0.30	0.35	1.00
<i>Overall R-Squared</i>	0.06	0.00	0.16	0.32	0.22	0.35	0.91

Notes: Numbers in brackets are Robust Standard Error numbers. Asterisks denotes as *- significant at 10% level; **-significant at the 5% level; ***-significant at the 1% level.

So the regression equation model in this study is:

$$\text{HargaSaham}_{it} = 6.34 + 0.60\text{QR}_{it} - 0.12\text{DER}_{it} + 0.18\text{NPM}_{it} + 0.57\text{PBV}_{it}$$

The author chooses the regression equation (7) because this model has the best Between and Overall R-Squared. For this reason, the interpretation of the regression equation model (7) can be explained as follows:

- 1) The value of or a constant value of 6.34 means that if the value of all independent variables does not change or is equal to 0, then the value of the Share Price is 6.34 percent.
- 2) The regression coefficient value for the Quick Ratio (Log_QR) variable is 0.60, meaning that a 1 percent increase in the Quick Ratio will cause an increase in stock prices of 0.60 percent by keeping other variables constant.
- 3) The regression coefficient value of the Debt to Equity Ratio (Log_DER) variable is -0.12, meaning that a 1 percent increase in the Debt to Equity Ratio will cause a change in stock prices of -0.12 percent by keeping other variables constant.
- 4) The regression coefficient value of the Net Profit Margin variable (Log_NPM) is 0.18, meaning that a 1 percent increase in Net Profit Margin will cause an increase in stock prices of 0.18 percent by keeping other variables constant.
- 5) The regression coefficient value of Price to Book Value (Log_PBV) is 0.57, meaning that a 1 percent increase in Price to Book Value will cause an increase in Share Price of 0.57 percent by keeping other variables constant.

3.4. Model Feasibility Test

a. F test

The purpose of the F test is to find out/test the independent variable whether it has an effect on the dependent variable simultaneously. The results of the F Test, as follows:

Table 10. F Test Results

Number of Obs	90
Prob > Chi2	0.00
Wald Chi2 (4)	24.43

Based on table 10 of the results of the F test above, the probability value of F is 0.00 less than the value of 0.05, it can be concluded that the variables Quick Ratio (QR), Debt to Equity Ratio (DER), Net Profit Margin (NPM), and Price to Book Value (PBV) together (simultaneously) have a significant effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the period 2011-2020.

3.5. Coefficient of Determination Test (R²)

The Coefficient of Determination Test is used to measure the ability of the regression model to explain the dependent variable. Based on table 9 shows that the R-squared value is 0.91 which means that 91 percent of the stock price can be explained by the Quick Ratio (QR), Debt to Equity Ratio (DER), Net Profit Margin (NPM), and Price to Book Value (PBV). While the remaining 9 percent are explained by other variables outside of this study.

3.6. Hypothesis Testing (t Test)

Hypothesis testing or t-test is used to test the hypothesis and show the effect of each independent variable on the dependent variable partially. If the probability value is less than 0.05, then H1 is accepted, which means that the independent variable has a significant effect on the dependent variable partially. The results of the t-test are as follows:

3.7. Quick Ratio

Table 11. t-Test Results of Quick Ratio

Variabel	Robust		Prob
	Coef	Std Err	
Log_QR (X ₁)	0.60	0.21	0.00

Based on table 11, it is known that the coefficient value of the Quick Ratio is 0.60 with a probability value of 0.00 which is smaller than the value of 0.05, it can be concluded that partially Quick Ratio has a positive and significant effect on the stock prices of food and beverage sector companies listed in Indonesia. Indonesia Stock Exchange in the period 2011-2020.

So, H1 states that the Quick Ratio has a significant positive effect on the stock price of companies in the food and beverage sector received.

3.8. Debt to Equity Ratio

Table 12. T-Test Results of Debt to Equity Ratio

Variabel	Robust		Prob
	Coef	Std Err	
Log_DER (X ₁)	-0.12	0.16	0.50

Based on table 12, it is known that the coefficient value of the Debt to Equity Ratio is -0.12 with a probability value of 0.50 which is greater than the value of 0.05, it can be concluded that partially Debt to Equity Ratio has a negative and insignificant effect on stock prices of sector companies. food and beverage listed on the Indonesia Stock Exchange in the period 2011-2020.

So, H2 states that the Debt to Equity Ratio has a significant positive effect on the stock prices of companies in the food and beverage sector, which is rejected.

3.9. Net Profit Margin

Table 13. t-Test Results of Net Profit Margin

Variabel	Robust		Prob
	Coef	Std Err	
Log_NPM (X ₁)	0.18	0.12	0.13

Based on table 13, it is known that the coefficient value of the Net Profit Margin is 0.18 with a probability value of 0.13 which is greater than the value of 0.05, it can be

concluded that partially Net Profit Margin has a positive and insignificant effect on the stock price of food and beverage sector companies. listed on the Indonesia Stock Exchange in the period 2011-2020.

So, H3 states that the Net Profit Margin has a significant positive effect on the stock price of the food and beverage sector companies.

3.10. Price to Book Value

Table 14. t-Test Results of Price to Book Value

Variabel	Robust		Prob
	Coef	Std Err	
Log_PBV (X ₁)	0.57	0.16	0.00

Based on table 14, it is known that the coefficient value of Price to Book Value is 0.57 with a probability value of 0.00 which is smaller than the value of 0.05, it can be concluded that partially Price to Book Value has a positive and significant effect on stock prices of food and beverage sector companies. beverages listed on the Indonesia Stock Exchange in the period 2011-2020.

So, H4 states that Price to Book Value has a significant positive effect on the share price of companies in the food and beverage sector received.

3.11. The Effect of Quick Ratio on Stock Price

Based on the partial test that has been carried out, it can be seen that the Quick Ratio has a positive value of 0.60, meaning that a 1 percent increase in the Quick Ratio will cause an increase in the stock price of 0.60 percent by keeping other variables constant. With a probability value of 0.00 which is smaller than the value of 0.05, it can be concluded that the Quick Ratio partially has a significant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period.

Quick Ratio (QR) has a significant positive effect on stock prices, meaning that the higher the company's QR value, the higher the company's stock price. QR is a ratio used to calculate liquidity. This calculation is used to determine the company's ability to meet short-term obligations with the company's most liquid assets. QR calculations only use the most liquid current assets compared to current liabilities. Companies that have good conditions, namely if the QR is getting higher and the company is able to meet its short-term obligations. Investors will be interested in buying shares of companies that have high liquidity and this will make the stock price rise.

The results of this study are proven and consistent with the results of research (Suryanengsih & Kharisma, 2020) which states that QR has a significant positive effect on stock prices.

3.12. The Effect of Debt-to-Equity Ratio on Stock Price

Based on the partial test that has been carried out, it can be seen that the Debt to Equity Ratio is -0.12, meaning that a 1 percent increase in the Debt to Equity Ratio will cause a change in Stock Price of -0.12 percent by keeping other variables constant. With a probability value of 0.50 which is greater than the value of 0.05, it can be concluded that partially the Debt to Equity Ratio has an insignificant negative effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period.

Debt to Equity Ratio (DER) is the ratio between debt and total capital. The larger the DER indicates that the company's risk is relatively high. The high DER will reflect the company's high financing that does not come from its own financial sources, but from creditors, which is a fairly dangerous trend because it also reflects the company's high dependence on debt in its equity financing. The low DER value indicates that the company has a small risk, so it is preferred by investors because they feel that their interests will be more protected and guaranteed. As a result, the share price in question tends to increase.

The results of this study are proven and consistent with the results of research (Lubis et al., 2021) which states that DER does not have a significant positive effect on stock prices.

3.13. The Effect of Net Profit Margin on Stock Price

Based on the partial test that has been carried out, it can be seen that the Net Profit Margin is positive at 0.18, meaning that a 1 percent increase in Net Profit Margin will cause an increase in Share Price by 0.18 percent by keeping other variables constant. With a probability value of 0.13 which is greater than the value of 0.05, it can be concluded that partially Net Profit Margin has an insignificant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period.

Net Profit Margin(NPM) can describe the amount of net profit earned by the company on each sale made. The more net profit increases, the total sales will also increase. NPM has no effect on stock prices because of the high costs incurred. This results in reduced investor confidence to invest in the company because management is considered a failure in terms of operations (sales).

The results of this study are proven and consistent with the results of research (Ramziah, Arjuniadi & Zahara, 2020) which states that NPM does not have a significant positive effect on stock prices.

3.14. The Effect of Price to Book Value on Stock Price

Based on the partial test that has been carried out, it can be seen that the Price to Book Value is positive at 0.57, meaning that a 1 percent increase in Price to Book Value will cause an increase in Share Price by 0.57 percent by keeping other variables constant. With a probability value of 0.00 which is smaller than the value of 0.05, it can be concluded that partially Price to Book Value has a significant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period.

The higher the PBV value means that the market believes in the prospects of a company, resulting in the share price of the company increasing as well and the lower PBV will have an impact on lower market confidence in the company's prospects which results in a decrease in demand for shares and subsequently also decreases the share price of the company. the company.

The results of this study are proven and consistent with the results of research (Irfan & Kharisma, 2020) which states that PBV has a significant positive effect on stock prices.

V. Conclusion

Based on the results of the research data analysis that has been carried out, the following conclusions are obtained:

1. Quick Ratio (QR) has a significant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period. It is shown from the analysis that QR has a positive coefficient value of 0.60 with a probability value of 0.00 which is smaller than the value of 0.05.
2. Debt to Equity Ratio (DER) has an insignificant negative effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period. This is shown from the analysis results that DER has a coefficient value of -0.12 and a probability value of 0.50 which is greater than the value of 0.05.
3. Net Profit Margin (NPM) has an insignificant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the 2011-2020 period. This is shown from the analysis results that NPM has a positive coefficient value of 0.18 and a probability value of 0.13 which is greater than the value of 0.05.
4. Price to Book Value (PBV) has a significant positive effect on the stock prices of food and beverage sector companies listed on the Indonesia Stock Exchange in the period 2011-2020. It is shown from the analysis that PBV has a positive coefficient value of 0.57 and a probability value of 0.00 which is smaller than the value of 0.05.

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