

The Effect of Return on Assets, Earnings Per Share, Cash Conversion Cyle, Price Book Value and Gross Profit Margin on Stock Returns in Food and Drink Companies Listed on The Indonesia Stock Exchange In 2017-2019 Period

Mas Intan Purba¹, Irna S.V Manalu², Cahaya Romian Lubis³, Bryan Maradika Sembiring⁴, Ananda Latersia Sembiring⁵

^{1,2,3,4,5} Fakultas Ekonomi Universitas Prima Indonesia

masintanpurba84@gmail.com

Abstract

This study aims to explain the effect of Return on Assets, Earning Per Share, Cash Conversion Cyle, Price Book Value and Gross Profit Margin on Stock Return. The population of this study were 38 companies in the Food and Beverage sub-sector and only 13 companies that met the criteria using the Purposive Sampling technique. This study uses secondary data with classical assumption test and multiple regression analysis. The results showed that simultaneously Return on Assets, Earning Per Share, Cash Conversion Cyle, Price Book Value and Gross Profit Margin had a significant and significant effect on Stock Return. Cash Conversion Cyle partially and significantly affects Stock Return. while partially Return on Assets, Earning Per Share, Saham in food and beverage companies. Coefficient of Determination Value (R²) R Square value of 0.280 with a rate of 28 percent. So, the effect of Return on Assets, Earning Per Share, Cash Conversion Cyle, Price Book Value and Gross Profit Margin on Stock Return is 28 percent. The remaining 72 percent is influenced by other variables not examined in this study.

Keywords

return on assets; earning per share; cash conversion cyle; price book value gross profit; stock return.



I. Introduction

In this era of globalization, almost all countries pay great attention to the capital market because it has a strategic role in strengthening the economic resilience of a country. The capital market has an important role for the economy of a country because the capital market performs two functions, namely first as a means for lenders or as a means for companies to obtain funds from investors (the public).Second, as a means for the public to invest in financial instruments.

The importance of this research is carried out because stock players or investors need to have a number of information related to the dynamics of stock prices, so that stock players can make decisions about company stocks that are worthy of being selected to accurately value stocks. ROA is very important to study because with ROA it is known how profitable a company is, when compared to its total assets. That way, investors can see whether the management of a company is efficient enough or not. EPS is also important to study because it is the most basic and useful information to describe the company's earning prospects in the future. Importance

Working Capital Management to be researched because to determine the level of company liquidity. Investors certainly want to know how the company carries out daily operational activities. Market ratios are important to research because investors want to see a sustainable dividend flow from a company. If the financial performance is good, of course it will attract the attention of investors to invest because investors do not want to have a high risk in investing.

The share price is the price of a share that occurs on the stock market at a certain time determined by market participants and determined by the relevant supply and demand in the capital market. In this study using the ratio of Return On Assets (ROA), Earnings per share (EPS), Working Capital Management, Market Ratios and financial performance.

Earnings per share (EPS) is earnings per share which is an indicator that briefly presents the company's performance expressed in profit, the higher the EPS from year to year, the better the company is because the profits earned are getting better. The relationship between EPS and stock returns is that the higher the EPS value, the greater the profit provided and the possibility of an increase in the amount of dividends received by shareholders.

Return On Assets (ROA) Also called economic profitability, it is used to measure the company's ability to generate profits in the past which is then projected into the future to see the company's ability to generate profits in the future. The relationship between ROA and stock returns is that the higher the ROA of a company, the higher the stock price.

Basically, working capital management is a form of management of the company's current assets and current liabilities with the aim of achieving a balance between profit and risk so that later it can make a positive contribution to company value, namely increasing profits and reducing risk. The relationship between working capital and stock returns, working capital has a significant effect on stock returns.

Market Ratio is a ratio that measures the financial performance of a listed company in relation to the market value of its shares. This ratio is usually used in stock valuation to assess how attractive the company's current stock price is. The relationship between market ratios and stock returns is that the capital market provides an opportunity for investors to earn returns. This condition encourages companies to be able to meet investors' goals to get the expected profits.

Financial performance becomes one of the buying intentions for an investor when he wants to buy shares. The relationship between financial performance and return is that the stock price is influenced by good company performance, so the business value will be high. With a high business value, investors look to the company to invest so that there will be an increase in stock prices, or it can be said that the stock price is a function of the value of the company.

The food and beverage sector currently has very lucrative prospects because, the majority of Indonesian society is a consumer. This is what makes food and beverage sector companies have a definite selling value. However, this is not always accompanied by an increase in profits generated by investors every year. This development can be seen from the following phenomena.

Table 1. Phenomenon Table

ISSUER CODE	Year	Return On Assets	100	Earning Per Share	100	Cash Conversion Cyle	100	Price Book Value	100	Gross Profit Margin	100	STOCK RETURN S	100
SKLT	2017	0.036101344	18.44	33.25520271		-0.1778789		2.470381076		25.92504929		2.571428571	85.85
	2018	0.042759801		46.26068871		-0.20090019		3.05424757		25.57964437		0.363636364	
	2019	0.056829843		65.06586468		-0.1609409		2.923619827		25.28390112		0.073333333	
BUDI	2017	0.015544033	10.45	1.01558		-0.2863776		0.353984893		13.85334373		0.015544033	4.31
	2018	0.014873946		1.12174		-0.3938746		0.352147885		13.22430967		0.014873946	
	2019	0.021341991		1.42301		-0.2419791		0.360530801		12.67994066		0.021341991	
MYOR	2017	0.109343675		72.94493199		0.0107682	320.75	6.141208368		23.89937397		0.227963526	173.24
	2018	0.100071831		78.73598653		-0.0172367		6.857417412		26.58537078		0.297029703	
	2019	0.107123275		91.21300576		0.0380503		4.62985973		31.63512752		-0.217557252	
STTP	2017	0.092222117		164.9038777		-0.0246622	8.02	4.124577704		21.71224129		0.36677116	242.95
	2018	0.096948113		194.7243405		-0.1493822		2.983804644		21.92068455		-0.139908257	
	2019	0.167475259		368.3897121		0.011359		2.744404454		27.132553852		0.2	
ICBP	2017	0.112056529		0.000303824		-0.1622654		5.106735682		31.05839416	6.65	0.037900875	61.53
	2018	0.135559119		0.000399487		-0.1655165		5.366897149		31.93038826		0.174157303	
	2019	0.138468716		0.000459619		-0.1373669		4.875324029		34.05469452		0.066985646	

Source: Indonesia Stock Exchange

At PT Sekar Laut Tbk, the Return On Assets Value increased from 2017 to 2018 by 18.44%. Which in 2017 was worth 0.036101344 up to 0.042759801 in 2018. This was not followed by an increase in Stock Return which decreased by 85.85%. Where in 2017 it was worth 2.571428571 down to 0.363636364 in 2018. This is because the high profit in the company is not necessarily used for the benefit of investors, so the profit can be used to pay obligations in the near future.

At PT Budi Starch & Sweetener Tbk, the Earning Per Share Value has increased from 2017 to 2018 by 10.45%. Which in 2017 was valued at 1.01558, which rose to 1.12174 in 2018. This was not followed by an increase in Stock Return which decreased by 4.31%. Where in 2017 the value of 0.015544033 fell to 0.014873946 in 2018. The results of this study indicate that a high EPS condition indicates that the smaller the bigger the bigger the bigger the profit but not necessarily the profit for the investor.

At PT Mayora Indah Tbk, the Cash Conversion Cyle Value has increased from 2018 to 2019 by 320.75%. Which in 2018 was worth -0.0172367 up to 0.0380503 in 2019. This was not followed by an increase in Stock Return which decreased by 173.24%. Where in 2018 the value of 0.297029703 fell to -0.217557252 in 2019. This shows that high amounts of cash that must be paid in the near future will result in a decrease in investor profits in obtaining dividends.

At PT Siantar Top Tbk, the Price Book Value decreased from 2018 to 2019 by 8.02%. Which in 2018 was worth 2.983804644 down to 2.744404454 in 2019. This was not followed by a decrease in Stock Return which increased by 242.95%. Where in 2018 the value of -0.139908257 rose to 0.2 in 2019. Stock prices that tend to fall do not always result in low profits for investors.

At PT Indofood CBP Sukses Makmur Tbk, the Gross Profit Margin Value increased from 2018 to 2019 by 6.65%. Which in 2018 was worth 31.93038826, which rose to 34.05469452 in 2019. This was not followed by an increase in Stock Return which decreased by 61.53%. Where in 2018 it was worth 0.174157303 down to 0.066985646 in 2019. The increase in sales will result in high expenses that must be incurred by the company so that it will reduce profits for shareholders.

II. Review of Literature

2.1 Theory of the influence of Earning Per Share on Stock Return

According to (Darmadji & Fakhruddin, 2006: 195) states that "the higher the EPS value, of course, the greater the profit, resulting in the stock market price rising because demand and supply increase".

According to (Tandelin, 2010:374) states that Earning Per Share (EPS) is positively related to Stock Return. For investors, EPS information is information that is considered the most basic and useful, because it can describe future earnings prospects in the company.

According to (Suarjaya, 2013) states that if the EPS of a company is high this will increase investors to buy and bid shares which will result in high stock prices, high EPS indicates the company's ability to generate net profits for each share is also high which will affect the return that is high. obtained by investors in the capital market.

2.2 Theory of the influence of Return on Assets on Stock Return

According to (Ang Yuliana, 2013) states that ROA is one of the profitability ratios, namely the ratio that shows how effectively the company operates so that generate profits or profits for the company.

According to (Kasmir, 2012:202) states that the higher the value of Return on assets, it means that the better the company uses its assets to earn profits. This makes investors more interested in buying company shares and also has an impact on better stock prices and returns.

According to (Tandelin, 2010:315) states that Return on assets where this ratio describes the level of profit earned by the company with the level of investment invested. ROA is used to describe the extent to which the company's assets can generate profits.

2.3 Theory of the influence of Working Capital Management on Stock Return

According to (Sabapriya, 2012) it is stated that given the importance of working capital, financial managers must be able to plan well the amount of working capital that is appropriate and in accordance with the needs of the company.

According to (Malintan, 2013, Azis, 2012 and Prabowo, 2013) it is stated that if the company has a high ROA from the previous year, the higher the confidence and interest of investors to invest in the company.

According to (Agus Harjitno, 2002: 76) states that the concept underlying healthy working capital management is an appropriate combination of short-term funding where the source of working capital can continue to rotate in order to finance the company's daily operational activities.

2.4 Theory of Effect of Market Ratio on Stock Return

According to (Ping-fu & Kwai-ye, 2016) states that the higher the market ratio, the more interested investors are in stocks. Judging from the annual sales so that the price will increase which has a direct impact on stock returns.

According to (Tandelin, 2010:102), it is stated that investors invest is to maximize returns by taking into account the investment risk factors they will face.

According to (Brigham and Houston, 2010: 50) states that return is the difference between the amount received and the amount of investment, divided by the amount of investment.

2.5 Theory of the Effect of Financial Performance on Stock Return

According to (Fahmi in Gere, 2015) states that financial performance is an analysis carried out to see the extent to which a company has implemented it using financial implementation rules properly and correctly.

According to (Hartono in Estrini, 2013) states that if the company's signal informs the market of good news, it can increase stock prices. Vice versa, if the company's signal informs the company of bad news, the company's stock price will decrease.

According to (Gumanti, 2013) states that if shareholders or investors do not try to find information related to the signal, then they will not be able to take maximum benefit.

III. Research Method

3.1 Research Methods

This study uses a quantitative analysis approach because the data used is in the form of numbers. The selected variable is in the form of units that can be calculated and measured.

3.2 Research Approach

According to Sugiyono (2015:14) a quantitative approach is research based on the philosophy of positivism to examine a particular population or sample and take random samples by collecting data using instruments, data analysis is quantitative and statistical with the aim of testing the established hypothesis.

IV. Result and Discussion

4.1 Indonesia Stock Exchange Overview

The Indonesia Stock Exchange or Indonesia Stock Exchange is a party that organizes and provides a system as well as a means to bring together offers of buying and selling securities of other parties with the aim of trading Securities between them. Historically, the capital market has existed long before Indonesia's independence.

The food and beverage company are a member of the Indonesian stock exchange. A food and beverage company are a company that is engaged in the manufacture of products which are then sold in order to earn big profits. Along with the development of fast-paced technology and information, the needs of society have increased sharply, everyone wants everything that is instant, including food and beverages, to meet their needs. the community will instant food the company produces various food and beverage commodities. Several food and beverage commodities that experienced a sharp increase in the community were biscuits, health drinks and instant noodles.

4.2 Descriptive Statistics

Descriptive Statistics is a data management that aims to see the minimum value, maximum value, average value (mean) and standard deviation or standard deviation. The results of data processing can be seen from the descriptive statistics below:

Table 2. Descriptive Statistics Test Results
Descriptive Statistics

	N	Minimum	Maximum	mean	Std. Deviation
SQRT_ROA	39	3.61	205.88	82.1555	50.32981
SQRT_EPS	39	.08	3040.34	948.3691	981.05090
SQRT_CCC	39	1.00	1451.75	1103.7140	280.17836
SQRT_PVB	39	296.37	2618.67	1415.8311	593.50648
SQRT_GPM	39	502.83	2718.08	1724.3646	622.03691
SQRT_RETURN SHARE	39	1.00	2070.76	1764.2633	412.09921
Valid N (listwise)	39				

Source: data processed by researchers, 2022

Based on the table above after being transformed, it can be seen that the minimum and maximum values, the average value (Mean) and standard deviation of Return On Assets (X1), Earning Per Share (X2), Cash Conversion Cyle (X3), Price Book Value (X4), Gross Profit Margin (X5) Stock Return (Y) as follows:

1. Return On Assets(X1), with 39 samples having a minimum value of 3.61 and a maximum value of 205.88. Meanwhile, the average value (Mean) is 82.1555 and the standard deviation is 50.32981.
2. Earning Per Share(X2), with 39 samples having a minimum value of 0.08 and a maximum value of 3040.34. Meanwhile, the average value (Mean) is 948.3691 and the standard deviation is 981.05090.
3. Cash Conversion Cyle(X3), with 39 samples having a minimum value of 1 and a maximum value of 1451.75. Meanwhile, the average value (Mean) is 1103.7140 and the standard deviation is 280.17836.
4. Price Book Value(X4), with 39 samples having a minimum value of 296.37 and a maximum value of 2618.67. Meanwhile, the average value (Mean) is 1415,8311 and the standard deviation is 593,50648.
5. Gross Profit Margin(X5) with a sample of 39 has a minimum value of 502.83 and a maximum value of 2718.08. Meanwhile, the average value (Mean) is 1724.3646 and the standard deviation is 622.03691.
6. ReturnStock (Y), with a sample of 39 has a minimum value of 1 and a maximum value of 2070.76. Meanwhile, the average value (Mean) is 1764.2633 and the standard deviation is 412.09921.

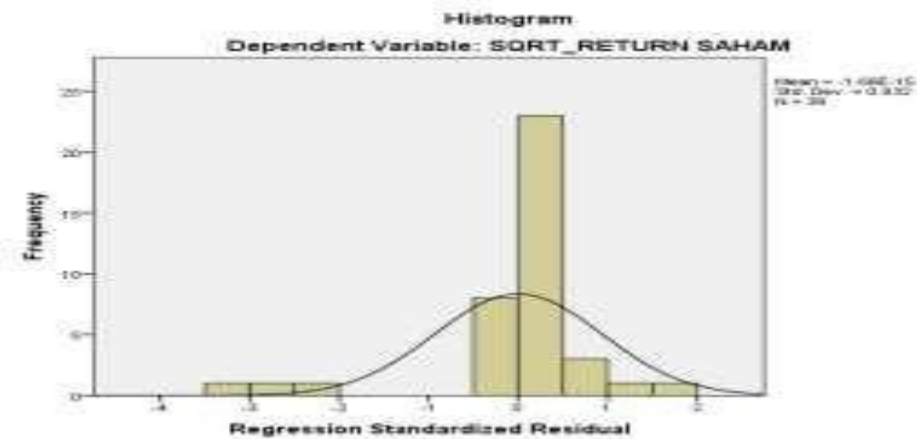
4.3 Classic assumption test

a. Normality test

The normality test aims to test whether in the regression, the confounding or residual variables have a normal distribution. To detect whether the residuals are normally distributed or not, that is by graphical analysis and statistical analysis.

1. Graphics Analysis

a). Histogram Graph

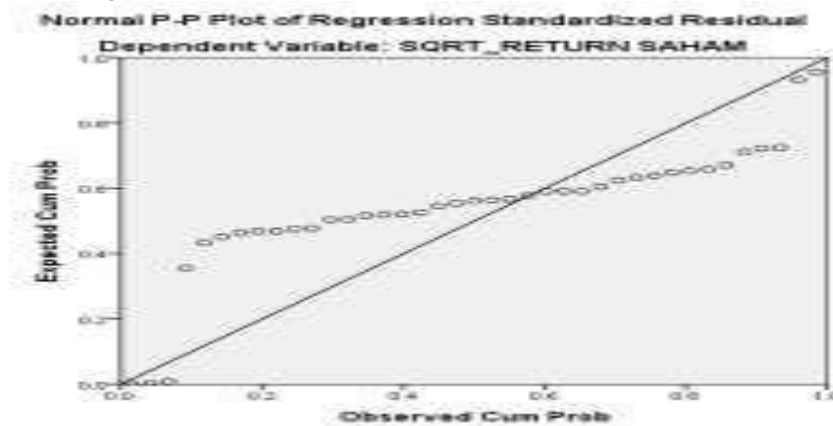


Source: data processed by researchers, 2022

Figure 1. Histogram Graph Test Results

After being transformed, it can be seen that the normality test with histogram graph shows the distribution of the data following a bell-shaped curve. it can be concluded that the regression model has met the assumption of normality.

b. Normal Probability Plot



Source: data processed by researchers, 2022

Figure 2. Probability Graph Test Results

From the results above after being transformed, it shows that the data spreads around the diagonal line and follows the direction of the diagonal line, it can be concluded that the regression model has met the assumption of normality.

4.3 Statistic test

Kolmogorov-Smirnov (KS) non-parametric statistical test with decision-making guidelines on data with normal distribution with the following conditions:

- If the significance value is <0.05 , then the distribution of residual data is not normal.
- If the significance value > 0.05 then the residual data is normally distributed.

Table 3. Test Results One-Sample Kolmogorov-Smirnov Test
One-Sample Kolmogorov-Smirnov Test
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		39
Normal Parameters, b	mean	0E-7
	Std.	8746.426455
	Deviation	58
Most Extreme Differences	Absolute	.159
	Positive	.159
	negative	-.100
Kolmogorov-Smirnov Z		.991
asympt. Sig. (2-tailed)		.279

a. Test distribution is Normal.

b. Calculated from data.

Source. data processed by researchers, 2022

It can be seen that the Asymp value. Sig. (2-tailed) on the data after the transformation is 0.363. Where is the value of Asymp Sig. (2-tailed) $>$ a significant value of 0.05 so that the data is concluded to be normally distributed.

4.4 Multicollinearity Test

Multicollinearity test aims to test whether the regression model found a correlation between the independent variables (independent). A good regression model should not have a correlation between the independent variables. With the provisions of the tolerance value model and Variance Inflation Factor (VIF), where the criteria are VIF 10 and tolerance value 0.10, then the regression is free from multicollinearity.

Table 4. Multicollinearity Test Results
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1176,821	365,99		3.215	.003		
SQRT_ROA	1,208	7		.808	.425		
SQRT_EPS	-.025	1.496	.148	-.384	.704	.654	1,530
1	.670	.064	-.059	2,964	.006	.936	1.069
SQRT_CCC	.009	.226	.456	.080	.936	.923	1.084
SQRT_PVB	-140	.109	.013	-1.117	.272	.881	1.135
SQRT_GPM		.125	-.211			.612	1,633

a. Dependent Variable: SQRT_RETURN STOCK

Source. Data processed by researchers,2022

From the results above, after being transformed, it can be seen that the value of the variance inflation factor (VIF) of the variable < 10 and the value of Tolerance > 0.1 so that it can be concluded that there is no multicollinearity problem between independent variables.

4.5 Autocorrelation Test

Autocorrelation test is used to determine whether or not there is a deviation from the classical assumption of autocorrelation, namely the correlation that occurs between the residuals in one observation with other observations in the regression model. A good regression model is a regression that is free from autocorrelation. The criteria for seeing this test are:

$$du < dw < 4-du$$

Table 5. Autocorrelation Test Results
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.529a	.280	.171	375.28937	1,844

a. Predictors: (Constant), SQRT_GPM, SQRT_CCC, SQRT_EPS, SQRT_PVB, SQRT_ROA

b. Dependent Variable: SQRT_RETURN STOCK

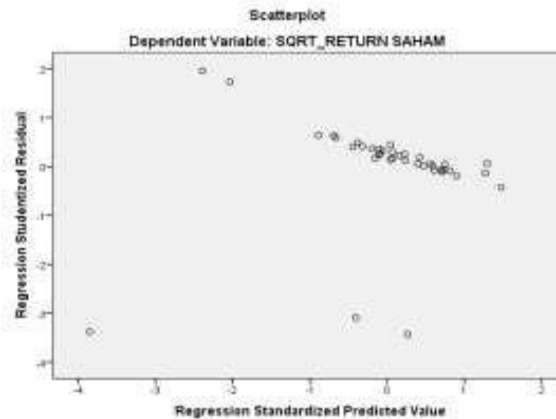
Source. Data processed by researchers,2022

From the output above, after being transformed, the Durbin-Watson value generated from the regression model is 1.844. The value of du is 1.7886 and the value of 4-du is 2.2114 (4-1.7886). So as to produce $du < DW < 4-du$ or $1.7886 < 1.844 < 2.2114$, it can be concluded that there is no autocorrelation.

4.6 Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. A good regression model is that there is no heteroscedasticity. Heteroscedasticity test can be shown in the scatterplot graph and the glejser test.

a. Scatterplot Graph



Source: Data processed by researchers,2022

Figure 3. Scatterplot Heteroscedasticity Test Results

From the results above, after the data has been transformed, it shows that the data spreads randomly and does not form a good pattern. The data are scattered and below the 0 line on the Y axis which indicates that there is no heteroscedasticity.

b. Glejser Test

Table 6. Glacier Test Results
Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	-.049	.139	-.354	.726
	SQRT_ROA	.000	.001	.524	.604
	SQRT_EPS	-.001	.000	.118	.921
	SQRT_CCC	.141	.184	-.288	.770
	SQRT_PVB	-.016	.043	.171	.867
	SQRT_GPM	-.133	.279	-.088	.773
			-.133	-.476	.637

a. Dependent Variable: SQRT_RES2

Source: data processed by researchers,2022

From the output above after being transformed, it can be seen that the significance value of the three independent variables is Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin > 0.05. It can be concluded that there is no heteroscedasticity between the independent variables in the regression model.

4.7 Data Analysis Results

The analytical method used is multiple linear regression analysis. Multiple linear regression analysis is basically an extension of simple linear, which is to increase the number of independent variables that were previously only one to two or more independent variables.

Table 7. Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1176,821	365,997		3.215	.003
1	SQRT_ROA	1,208	.148	.808	.425
		-.025	.064	-.384	.704
	SQRT_EPS	.670	.226	2,964	.006
		.009	.109	.013	.936
	SQRT_CCC	-.140	.125	-.211	.836
					.272
	SQRT_PVB				
	SQRT_GPM				

Coefficients^a

a. Dependent Variable: SQRT_RETURN STOCK

Source: data processed by researchers, 2022

Based on the results above, the multiple linear regression equation of the research hypothesis is as follows:

$$\text{SQRT_Return Stock} = 1,176,821 + 1,208X_1 - 0.025X_2 + 0.670X_3 + 0.009X_4 - 0.140X_5$$

From the multiple linear equations of the research hypothesis, the following information is obtained:

1. The constant value (a) is 1,176.821 meaning that if the independent variables are Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin are considered constant, then the Stock Return on food and beverage companies listed on the Indonesia Stock Exchange is equal to 1,176,821.
2. The regression coefficient value of Return On Assets is 1.208. This shows that for every one percent increase in Return On Assets, a 120.8 percent increase in stock returns will be seen.
3. Earning Per Share regression coefficient value is -0.025. This shows that for every one percent increase in Earning Per Share, a 2.5 percent decline in stock returns will be seen.
4. The regression coefficient value for Cash Conversion Cycle is 0.670. This shows that for

every one percent increase in Cash Conversion Cycle, a 67 percent increase in stock returns will be seen.

5. Price Book Value regression coefficient is 0.009. This shows that for every one percent increase in Price Book Value, an increase in stock returns of 0.9 percent will be seen.
6. Earning Per Share regression coefficient value is -0.140. This shows that for every one percent increase in Earning Per Share, a 14 percent decrease in stock returns will be seen.

4.8 Coefficient of Determination (R²)

The coefficient of determination is used to measure how much influence Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin have on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

Table 8. Coefficient of determination test results
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.529a	.280	171	375.28937

a. Predictors: (Constant), SQRT_GPM, SQRT_CCC, SQRT_EPS, SQRT_PVB, SQRT_ROA

Source: data processed by researchers, 2022

Based on the table above, after being transformed, the R Square value is 0.280 with a level of 28 percent. So, the effect of Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin on Stock Return is 28 percent. The remaining 72 percent is influenced by other variables not examined in this study.

4.9. Simultaneous Hypothesis Testing (F-Test)

Simultaneous hypothesis testing (F-Test) is used to determine how far the influence of the independent variables on the dependent variable simultaneously or as a whole. The test results with the F-Test are as follows.

Table 9. F. Test Results
ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1805589.348	5	361117,870	2,564	.046b
	Residual	4647789.613	33	140842.109		
	Total	6453378.961	38			

b. Dependent Variable: SQRT_RETURN STOCK

c. Predictors: (Constant), SQRT_GPM, SQRT_CCC, SQRT_EPS, SQRT_PVB,

SQRT_ROA

Source: data processed by researchers,2022

From the table above after being transformed, it can be seen that the Fcount value is 2.564 and the Ftable value is 1 (df1) $k = 5$, and degrees of freedom 2 (df2) $= nk-1 = 39-5-1 = 33$, where n = number of samples, k = number of independent variables, the value of ftable at the 0.05 significance level of confidence is 2.50, thus $fcount = 2.564$, the conclusion is $Fcount > Ftable = 2.564 > 2.50$ with a significance value of $0.046 < 0.05$. So, simultaneously Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin have a significant and significant effect on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

4.10. Partial Hypothesis Testing (t)

Partial test (t) is basically used to determine the effect of each independent variable on the dependent. The t-test aims to see the effect of the independent variable on the dependent variable.

Table 10. t test results
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	1176,821	365,997	3.215	.003
	SQRT_ROA	1,208	1.496	.808	.425
	SQRT_EPS	-.025	.064	-.384	.704
	SQRT_CCC	.670	.226	2,964	.006
	SQRT_PVB	.009	.109	.080	.936
	SQRT_GPM	-.140	.125	-.013	.987
				-1.117	.272

a. Dependent Variable: SQRT_RETURN STOCK

Source: data processed by researchers,2022

With 2-sided testing (significance = 0.025) the results obtained for the t table of 2.02269 (33) each independent variable partially on the dependent variable can be analyzed as follows:

1. *Return On Asset* has a tcount value of 0.808 with a significant level of 0.425 while the ttable value is 2.02269 with a significance level of 0.05. So the conclusion is that $tcount < ttable$ is $0.808 < 2.02269$ and sig value > 0.05 , meaning that the Return On Assets variable partially has no effect and is not significant on stock returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2017 period. 2019.

2. *Earning Per Share* has a tcount value of -0.384 with a significant level of 0.704 while the ttable value is 2.02269 with a significance level of 0.05. So the conclusion is that $tcount < ttable$ is $-0.384 < 2.02269$ and $sig\ value > 0.05$, meaning that the Earning Per Share variable partially has no effect and is not significant on Stock Return in food and beverage companies listed on the Indonesia Stock Exchange in the 2017 period. -2019.
3. *Cash Conversion Cycle* has a tcount value of 2,964 with a significant level of 0.006 while the ttable value is 2.02269 with a significance level of 0.05. So the conclusion is $tcount > ttable$, which is $2,964 > 2,02269$ and the value of $sig < 0.05$, it means that the Cash Conversion Cycle variable has a partial and significant effect on stock returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.
4. *Price Book Value* has a tcount value of 0.080 with a significant level of 0.936 while the ttable value is 2.02269 with a significance level of 0.05. So the conclusion is that $tcount < ttable$ which is $0.808 < 2.02269$ and $sig\ value > 0.05$, meaning that the Price Book Value variable partially has no effect and is not significant on stock returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2017 period. 2019.
5. *Gross Profit Margin* has a tcount value of -1.117 with a significant level of 0.272 while the t-table value is 2.02269 with a significance level of 0.05. So the conclusion is $tcount < ttable$, namely $-1.117 < 2.02269$ and $sig\ value > 0.05$, meaning that the Gross Profit Margin variable partially has no effect and is not significant on Stock Return in food and beverage companies listed on the Indonesia Stock Exchange in the 2017 period. -2019.

4.11. Discussion

a. The Effect of Return on Assets on Stock Returns

Based on the results of the test (t) it was obtained that $tcount < ttable$ and the sig value was greater than 0.05. So partially Return On Assets has no effect and is not significant on Stock Return. in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

In accordance with the theory, the results of the research show that $tcount < ttable$ is $0.808 < 2.02269$ and sig value is $0.425 > 0.05$, this means that Return On Assets has no effect and is not significant on Stock Return.

This result is in line with research conducted by (Rachmawati, 2017) which says that an increase or decrease in ROA does not necessarily increase or decrease stock returns. Companies with a good ROA level are not a reference for investors in making investment decisions or tend not to consider ROA.

In food and beverage companies, the increase in profit which results in ROA increasing from year to year is not a good impact for profit sharing for shareholders, this is evidenced by a decrease in stock returns in the same year.

b. Effect of Earning Per Share on Stock Return

Based on the results of the test (t) it was obtained that $tcount < ttable$ and the sig value was greater than 0.05. So partially Earning Per Share has no effect and is not significant on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

In accordance with the theory, the results of the research show that $tcount < ttable$ is $-0.384 < 2.02269$ and sig value is $0.704 > 0.05$, this means that Earning Per Share has no influence and is not significant on Stock Return.

This result is in line with research conducted by (Sodikin, 2016) which says that some investors invest to get short-term profits not to get long-term profits so they don't pay too much attention to the earnings per share (EPS) ratio as an investment decision to analyze and assess an investment. stock so as to get the expected stock return.

Judging from the data on food and beverage companies the value of the stock has increased, it will not necessarily make the stock return go up. This happens because food and beverage companies focus on making several types of new products which are market factors that make stock returns decrease.

c. Effect of Cash Conversion Cycle on Stock Return

Based on the test results (t) it was obtained that $t_{count} > t_{table}$ and the sig value was less than 0.05. So partially the Cash Conversion Cycle has an effect and is significant on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

In accordance With the theoretical results from the research, it can be seen that $t_{count} > t_{table}$ is $2,964 > 2,02269$ and the value of sig $0.006 < 0.05$, this means that the Cash Conversion Cycle has a significant and significant effect on Stock Return.

This result is in line with research conducted by (Fitri, 2019) which states that there is an influence between the Cash Conversion Cycle and the company's stock returns because investors make their investment decisions by looking at the CCC value. Companies that can shorten the CCC time can speed up existing sales, speed up accounts receivable collection periods and slow down payment of obligations.

Food and beverage companies have an active level of sales, this is evidenced by the increase in cash. This results in high investor interest in investing so that the return received also increases.

d. Effect of Price Book Value on Stock Return

Based on the results of the test (t) it was obtained that $t_{count} < t_{table}$ and the sig value was greater than 0.05. So partially Price Book Value has no effect and is not significant on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

In accordance With the theoretical results from the research, it can be seen that $t_{count} < t_{table}$ is $0.808 < 2.02269$ and sig value is $0.936 > 0.05$, this means that Price Book Value has no influence and is not significant on Stock Return.

This is in line with research conducted (Fadillah, 2020) which says the smaller the PBV value, the smaller the stock return will be. This is due to the lack of investor confidence in buying shares at low prices and resulting in the low value of stock returns received.

A high book value does not provide good returns to investors, this can be seen in food and beverage companies that have high book values but low returns.

e. Effect of Gross Profit Margin on Stock Return

Based on the results of the test (t) it was obtained that $t_{count} < t_{table}$ and the sig value was greater than 0.05. So partially Gross Profit Margin has no effect and is not significant on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange in the 2017-2019 period.

In accordance with the theory, the results of the research show that $t_{count} < t_{table}$, namely $-1.117 < 2.02269$ and sig value $0.272 > 0.05$, this means that Gross Profit Margin has no influence and is not significant on Stock Return.

This is in line with research conducted (Pratiwi, 2020) which says that the gross profit margin variable cannot be used as a reference in determining the investment strategy of investors in investing their shares in the capital market during the study period.

Food and beverage companies have a high level of sales, this does not provide a good return for investors because it covers operational costs that have been incurred by the company.

V. Conclusion

Based on the results of research and discussion on the effect of Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Value and Gross Profit Margin on Stock Return:

1. Return On Assetshas no effect and is not significant on stock returns.
2. Earning Per Sharehas no effect and is not significant on return.
3. Cash Conversionhas a significant and significant effect on stock returns.
4. Price Book Value Sharehas no effect and is not significant on stock returns.
5. Gross ProfitMargin has no effect and is not significant on stock returns.
6. Return On Assets, Earning Per Share, Cash Conversion Cycle, Price Book Valueand Gross ProfitMargin has an influence and is significant on Stock Return.

References

- Andansari, NA, Raharjo, K., & Andini, R. (2016). The Effect of Return On Equity (ROE), Price Earning Ratio (PER), Total Asset Turn Over (TATO) and Price To Book Value (PBV) on Stock Returns (Case Study on Manufacturing Companies in the Food and Beverage Sector Listed on the IDX for the period 2008- 2014).
Journal of accounting, 2(2).Ang Yuliana, 2013, Kasmir, 2012:202, Tandelin, 2010:315.
The theory of the influence of Return on Assets on Stock Returns. Creswell, 2012:13. Types of Research. Darmadji & Fakhruddin, 2006:195, Tandelin, 2010: 374, Suarjaya, 2013. Theory of Effects of Earning Per Share on Stock Returns Data Table Phenomenon in 2017- 2019. Source www.idx.co.id.
- Fadhilla, F., & Muslih, M. (2020). The Effect of Activity Ratios and Market Ratios on Stock Returns (Case Study on Manufacturing Companies in the Consumer Goods Industry Sector Listed on the Indonesia Stock Exchange (IDX) for the 2014-2018 Period). eProceedings of Management, 7(2).
- Fahmi in Gere, 2015, Hartono in Estrini, 2013, Gumanti, 2013. The theory of influence PerformanceFinance on Stock Returns.
- Fitri, DA, Mardani, RM, & ABS, MK (2019). Analysis of the Effect of Financial Performance, Risk Management and Working Capital Management on Stock Return (Case Study on Food and Beverage Companies Listed on the Stock Exchange 2014-

- 2016). Scientific Journal of Management Research, 8(8).
- Journal of Management Economics, 2(1), 18-25. Sugiyono, 2015:14. Research Approach.
- Sugiyono, 2012 Nature of Research.
- Ping-fu & Kwai-yee, 2016, Tandelin, 2010:102, Brigham and Houston, 2010:50. Theory of the influence of Market Ratio on Stock Return. Population and Sample. Source: Indonesia Stock Exchange
- Pratiwi, I., & Trisnawati, R. (2020). The Effect of the Audit Committee, Gross Profit Margin (GPM), Return On Assets (ROA) and Leverage on Stock Return (Empirical Study on Companies Listed in the LQ 45 Index for the 2015-2018 period) (Doctoral dissertation, University of Muhammadiyah Surakarta).
- Rachmawati, H., & Suhermin, S. (2017). Effect of ROA, EPS, and Stock Price on Stock Return. Journal of Management Science and Research (JIRM), 6(9).
- Sabapriya, 2012, Malintan, 2013, Azis, 2012 and Prabowo 2013, Agus Harjitno, 2002:76. The theory of the influence of Working Capital Management on Stock Returns.
- Sinambela, E. (2015). Effect of Earning Per Share (EPS) on Stock Returns in Property and Real Estate Companies Listed on the Indonesia Stock Exchange. Economist: Journal of Economics and Development Studies, 13(1).
- Sodikin, S., & Wuldani, N. (2016). The effect of price earning ratio (PER) and earnings per share (EPS) on stock returns (study at pt. Unilever Indonesia tbk.). <https://www.idx.co.id/>