THE FACTORS THAT AFFECT STOCK RETURNS

(Empirical Study on Coal Mining Companies Listed on the Indonesia Stock Exchange 2016 - 2019)

Srikaton Simangunsong, Uun Sunarsih
Departement of Accounting
Indonesian College of Economics
Jakarta, Indonesia
Srikaton804@mail.com ; Uun.sunarsih@yahoo.co.id

Abstrak *- This study is aimed to determine whether the effect of Return on Assets, Earning per Share, Debt Equity Ratio, and Price to Book Value on Stock Returns in mining sector companies listed on the Indonesia Stock Exchange (IDX) 2016 - 2019.*

This research uses descriptive research with a quantitative approach which is measured using a method based on multiple linear regression with EVIEWS 10.00. The population of this study are manufacturing companies listed on the Indonesia Stock Exchange from 2016 to 2019. The sample was determined based on the purpose sampling method, with a total of 13 manufacturing companies so that the total observations in this study were 52 observations, this data used in this study is secondary data. . The data collection technique uses the documentation method in the form of books, journals and websites. Hypothesis testing uses the t statistical test and the coefficient of determination.

The results are (1) ROA has no effect on Stock Return, because it experiences fluctuations in financial performance so that the focus on high asset valuation business continuity (2) EPS has no effect on Stock Returns, because it does not consider the EPS factor as an investment decision (3)) DER has an effect on Stock Return, because investors minimize the losses obtained by the liquidated company (4) PBV has an effect on Stock Return, because the price value on the book value is high, which means that it will also produce high stock returns.

Keywords : *Stock Return, Return on Assets (ROA), Earning per Share (EPS), Debt Equity Ratio (DER), Price to Book Value (PBV).*

I. PRELIMINARY

Today, investment activities in Indonesia are increasing along with government programs that invite people to take part in activities in the capital market. A campaign called “let's save shares” initiated by the government was created to invite the public as potential investors to invest in the capital market by buying shares regularly and periodically. The aim of the government is to encourage people to participate in the capital market not only to increase the number of active investors but also to increase investment needs in the community (yuknabungsaham.idx.co.id).

The objective of investors to invest in the capital market is based on one very basic thing, namely to make a profit. Return stock or return on shares is a benefit obtained on an investment made by an investor for an increase in the value of his investment. Compared to other instruments marketed in the capital market, stocks have a high rate of return but the risk accepted by investors is also high. So it is necessary to have risk management for investors in order to minimize the impact of the risk received so that the resulting return is even greater.

Investors will try to prevent big risks that occur. Investors' efforts to prevent this big risk are by assessing the company's performance through the information presented about the company that will be selected as a place of investment. Fundamental analysis is a method of analysis based on the economic fundamentals of a company. This analysis focuses on financial ratios and events that directly or indirectly impact the company's financial performance (wikipedia.org). According to signal theory, the information provided by managers will influence investment decisions. In this case, investment decisions are based on the financial performance of a company. Financial performance is considered good if it meets the achievement of certain targets. If these criteria are successfully met by the company, the investment risk received by investors will be smaller and it will allow investors to get high returns.

Research conducted by Aryaningsih, Fathoni and Harini (2018) shows that there is an influence between return on assets and earnings per share on stock returns. Other research conducted by Saraswati, Halim and Sari (2019) shows that earnings per share, debt to equity ratio, and price to book value affect stock prices, while return on assets has no effect on stock returns. Other research conducted by Siregar, Situmorang and Maimunah (2019) shows that there is an influence between return on assets and debt to equity ratio on stock returns, while earnings per share has no effect on stock returns.

Based on what has been described, the researchers are interested in raising this issue into a study entitled "Factors that affect Stock Returns (Empirical Studies on Mining Companies Listed on the Indonesia Stock Exchange 2016-2019."

REVIEW OF PREVIOUS RESEARCH

This research was conducted inseparable from the results of previous studies.

The benefit of reviewing previous research is to find out what has been produced and what differences were there before. . The research results are used as a comparison regarding the research topic, namely the factors that affect stock returns. Here are some of the research results that have been conducted.

Aryaningsih, Fathoni and Harini (2018) with the title Effect of Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) on Stock Returns in Consumer Good (Food and Beverages) Companies Listed on the Indonesia Stock Exchange (IDX) 2013-2016 period. This research is available in the Journal of Management 4 (4). This study uses quantitative methods with a sample size of 4 companies. The results showed that all variables used in the study had an effect on stock returns.

Hermuningsih, Mumpuni (2019) with the title Effect of Earning per Share and Debt to Equity Ratio on Stock Returns with Dividend Policy as Intervening in Property & Real Estate Companies Registered in Bei 2013-2017. This research is available in the Indonesian Journal of Management and Business Science. This study uses quantitative methods with 8 companies used as samples. The results showed that the dividend payout ratio and earnings per share had an effect on stock returns.

Ariyanti, Suwitho (2016) with the title The Effect of CR, TATO, NPM and ROA on Stock Returns. This research is available in the Journal of Management Science and Research. This study uses quantitative methods with 11 companies used as the sample. The results of this research are net profit margin and return on assets have a significant effect on stock returns, while the current ratio and total asset turnover have no significant effect on stock returns.

II. BASIS OF THEORY AND HYPOTHESIS DEVELOPMENT

1. Saham

The capital market is basically a meeting place for parties who have surplus funds and wish to place their funds by investing in securities that are lowered by companies and parties that need funds (entities) by offering securities by listing first on an authority body in the capital market as a company (Aghaniyu, 2018). Shares are proof of ownership or ownership of a company's capital. Stocks are one of the sources of funds obtained by companies that come from owners of capital with the consequence that the company must pay dividends. According to Bambang Riyanto (in Resdiyanto, 2016), shares are proof of taking part or participating in a PT. The stock price consists of the opening price (open price), high, low, and closing price. Among the Open, High, Low, and Close price positions, the close price is the most important stock price and is used to calculate stock returns.

2. Stock Returns

Return is the return on an investment which is usually expressed as an annual percentage rate. Return is the result obtained from investment. Stock returns can be divided into two, namely realized return and expected return (Jogiyanto in Hartanti, 2019). Return realized (realized return) is the return that has occurred which is calculated based on historical data and is used as a measure of the company's Return on Asset performance.

3. Return on Assets

Profitability is the of a company to get profit trough all its resources (Hery, 2017). Profitability measures can be divided into several indicators such as opening profit, net income, return on investment or assets, and returns on owners equity (Hery, 2017). Profitability can be used as a tool to measure te level of effectiveness of management performance. Good performance will be shown trough the success of management in generating maximum profit for 2.

4. Earnings Per Share

Earning per share is a ratio that shows how much profit (return) is obtained by investors or shareholders per share (Tjiptono in Badruzaman, 2017). According to Simamora (in Agustin, 2017), earning per share is net income per common share which is measured during a period. The earning per share variable is a proxy for the company's earnings per share which is expected to provide an overview for investors about the benefits that can be obtained in a certain period by owning a share. An investor buys and maintains shares of a company in the hope of obtaining dividends or capital gains. Profit is usually the basis for determining future payments and increases in share value. Therefore, shareholders are usually interested in the EPS figures that companies report. EPS is only calculated for common stock, and the calculation depends on the capital structure so the calculations can be simple or complex.

5. Debt to Equity Ratio

According to Modigliani and Miller (Yuliandi, 2016) the value of a According to Ang (Hartanti, 2019) Debt to Equity Ratio (DER) is a comparison between total debt to total shareholders equity owned by a company. Total debt here is total short-term debt and total long-term debt. Meanwhile, Shareholders Equity is the total equity (total paid-up capital company will increase with increasing DER due to the effect of the corporate tax shield. This is because in a perfect market condition and there are taxes, generally the interest paid due to the use of debt can be used to reduce the taxable income.

6. Price to Book Value

According to Tryfino (in Mariana, 2020) price to book value (PBV) is a calculation or comparison between the market value and the book value of a stock. This ratio serves to complete the book value analysis. If in book value analysis, investors only know the capacity per share from the share value, in the PBV ratio, investors can know directly how many times the market value of a stock has been valued from its book value. Sihombing (in Lumoly, 2018) argues that price to boook value (PBV) is a value that can be used to compare whether a stock is more expensive or cheaper than other stocks. To compare it, the two companies must be from one business group that has the same business characteristics. Sawir (in Lumoly, 2018) argues that the price to book value ratio describes the value of the financial market to the management and organization of an ongoing company (going concern). The high ratio of price to book value (PBV) of a company shows the higher the company is valued by investors..

The Effect of Return on Assets on Stock Return

Return On Assets (ROA) is obtained by comparing net income or Earning After Tax (EAT) with total assets (Hery, 2017). ROA describes the company's ability to earn a return on the capital it uses. The higher the ROA value, the higher the net income (profitability) so that the company's sales value also increases (Ikhsani, 2019). Increased sales will also increase the company's profit and show that the company's operations are healthy and good. Rational investors will definitely choose to invest in companies that have a high level of profitability so that it will encourage an increase in stock prices and then will encourage an increase in stock returns (Ariyanti, 2016).

H1: Return on assets (ROA) has a positive effect on stock returns.

The Effect of Earning Per Share on Stock Return

This is in accordance with the signaling theory, which in general, company management, common stockholders and prospective shareholders are very interested in the return on shares of a company, because this describes the amount of rupiah earned for each common share. One indicator of the success of a company can be seen by the amount of profit per share that is distributed, this will also encourage investors to be interested in the company's shares. The high value of earnings per share, the greater the profit provided to holders (Hermuningsih, 2019). This will result in an increase in profit, the share price tends to increase, while when profits decrease, the share price also decreases (Siregar, 2019). Based on the explanation above, the fourth hypothesis in this study is formulated:

H2: Earning per share (EPS) has a positive effect on stock returns

The Effect of Debt to Equity Ratio on Stock Return

The value of a company will increase with increasing DER due to the effect of the corporate tax shield. This is because in a perfect market condition and there are taxes, generally the interest paid due to the use of debt can be used to reduce the taxable income. Thus, if there are two companies with the same operating profit, but one company uses debt and pays interest while the other company does not, the company paying interest will pay lower income tax, thereby saving income. However, this does not mean that companies can determine debt limits arbitrarily, trying to balance costs and benefits must be done. With good company management, a high DER will be able to increase profits for the company and have an impact on increasing the share price of a company (Saraswati et al, 2020).

H3: Debt to Equity Ratio (DER) has a positive effect on stock returns.

The Effect of Price to Book Value on Stock Returns.

Price to book value is the market ratio used to measure the performance of the stock market price against its book value. This ratio is calculated by comparing the stock market price with book value per share (book value per share). Book value per share is used to measure the value of shareholder equity for each share and basically the book value per share is calculated by dividing total shareholder equity by the number of outstanding shares. Market value is the share price that occurs on the stock exchange at a certain time determined by market participants. Market value is determined by the supply and demand for the shares concerned on the stock exchange. The high price to book value indicates a high stock return because stocks are valued higher than their book value. Conversely, if the price to book value is low, it indicates a low stock return because stocks are priced cheaper than they should be (Henny et al, 2020).

H4: Price to book value (PBV) has a positive effect on stock returns.

III. RESEARCH METHODOLOGY

Strategy

The strategy used in this research is associative research with a causal relationship, namely a causal relationship between the independent and dependent variables (Sugiyono 2018: 56). In this study, the aim of this study is to determine the causal relationship, namely the effect of return on assets, earnings per share, debt to equity ratio and price to book value on stock returns.

Panel data regression analysis is a data analysis tool used in this study. In analyzing the data, this research uses Eviews 10 software using panel data analysis. In regression analysis, in addition to measuring the strength of the influence between two or more variables, it also shows the direction of influence between the dependent variable and the independent variable. In this study, the multiple regression model to be tested is as follows:

$$RS = \alpha + \beta_1 ROA + \beta_2 EPS + \beta_3 DER + \beta_4 PBV$$

<u>Information:</u>

RS	: Stock return
A	: Constant coefficient
β1, β2, β3, β4, β5	: Independent variable regression coefficients
ROA	: Return on assets
EPS	: Earning per share
DER	: Debt to equity ratio
PBV	: Price to book value
ε	: Component error of the model (error rate)

IV. Researc Result

Descriptive Statistics

Table 4.1

Descriptive Statistics Result

	ROA	EPS	DER	PBV	RS
Mean	0.118619	554.1695	0.804535	1.688145	0.228146
Median	0.088177	183.7297	0.629809	1.184817	0.097857
Maximum	0.455579	3318.938	3.383111	7.865741	2.170370
Minimum	0.002162	2.195617	0.118670	0.246589	-0.821898
Std. Dev.	0.111229	810.1322	0.602429	1.568043	0.673252
Observations	52	52	52	52	52

Source: Output Eviews 10

Based on table 4.1 the research results are as follows :

1. The test results show that the mean or average value of the return on assets variable is 0.118619 with a median value of 0.088177. The maximum value of the return on assets variable was 0.455579 which was achieved by Bayan Resources Tbk (BYAN) in 2018

while the minimum value of 0.002162 was achieved by Aneka Tambang Tbk (ANTM) in 2016. The standard deviation value of the return on assets variable was 0.111229.

2. The test results show that the mean or average value of the earning per share variable is 554.1695 with a median value of 183.7297. The maximum value of the earning per share variable was 3318,938 achieved by Indo Tambangraya Megah Tbk (ITMG) in 2018 while the minimum value of 2.195617 was achieved by J Resources Asia Pasifik Tbk (PSAB) in 2019. The standard deviation value of the earning per share variable was 810.1322.

3. The test results show that the mean or average value of the debt to equity ratio variable is 0.804535 with a median value of 0.629809. The maximum value of the debt to equity ratio variable was 3,383111 which was achieved by Bayan Resources Tbk (BYAN) in 2016 while the minimum value of 0.118670 was achieved by Harum Energy Tbk (HRUM) in 2019. The standard deviation value of the debt to equity ratio variable was 0.602429 .

4. The test results show that the mean or average value of the price to book value variable is 1.688145 with a median value of 1.184817. The maximum value of the price to book value variable was 7,865741 which was achieved by Bayan Resources Tbk (BYAN) in 2016 while the minimum value of 0.246589 was achieved by Dian Swastatika Sentosa Tbk (DSSA) in 2016. The standard deviation value of the price to book value variable was 1.568

MODEL FEASIBILITY TEST

- **Chow Test**

TABLE 4.2
Chow Test Result

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	3.659791	(12,35)	**0.0013**
Cross-section Chi-square	42.278849	12	**0.0000**

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Cross-section F	3.659791	(12,35)	**0.0013**
Cross-section Chi-square	42.278849	12	**0.0000**

Table 4.2 presented above is the result of testing the panel data regression model using the chow model. From the test results, it is known that the probability value of the Cross-section F is 0.0013 and the Chi-square Cross-section is 0.0000. The chi-square probability value which is smaller than 0.05 (<5%) is significant so that H0 is rejected, so the correct model to use is the Fixed Effect Model (FEM).

- **Hausman Test**

TABLE 4.3

Hausman Test Result

Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	16.845260	4	**0.0021**

The Hausman test is used to select the most suitable model between the Fixed Effect Model (FEM) and the Random Effect Model (REM). Table 4.6 shows that the probability value of random cross section is 0.0021.The probability value (P-value) for random cross section is 0.0021 greater than 0.05 (significant value) so H0 is accepted, so the most appropriate model to use is the fixed effect model. (FEM).

- **Larange Multiplier Test (LM)**

TABLE 4.4
Lagrange Multiplier Test Result

Lagrange multiplier (LM) test for panel data
Sample: 2016 2019
Total panel observations: 52
Probability in ()

Null (no rand. effect) Alternative	Cross-section One-sided	Period One-sided	Both
Breusch-Pagan	6.487371	**6.707865**	13.19524
	(0.0109)	**(0.0096)**	(0.0003)
Honda	-2.547032	2.589955	0.030351
	(0.9946)	(0.0048)	(0.4879)
King-Wu	-2.547032	2.589955	1.177459
	(0.9946)	(0.0048)	(0.1195)
SLM	-2.079654	3.328265	--
	(0.9812)	(0.0004)	--
GHM	--	--	6.707865
	--	--	(0.0135)

Source: Output Eviews 10

The LM test is used to select the most suitable model between the Fixed Effect Model (FEM) and the Random Effect Model (REM). The table shows that the Breusch-Pagan probability value in the cross-section is 0.0096 <0.05, so the model chosen is the Random Effect Model (REM).

Panel Data Regression with Randam Effect Model

Table 4.5

Panel Data Regression Test Result

Dependent Variable: RS
Method: Panel Least Squares
Date: 07/29/20 Time: 20:40
Sample: 2016 2019
Periods included: 4
Cross-sections included: 13
Total panel (balanced) observations: 52

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	**-0.247485**	0.500449	-0.494526	0.6240
ROA	**-2.269759**	2.168385	-1.046751	0.3024
EPS	**9.92E-05**	0.000332	0.299116	0.7666
DER	**-1.198130**	0.417134	-2.872288	0.0069
PBV	**0.979672**	0.286801	3.415863	0.0016

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.716897	Mean dependent var	0.335012
Adjusted R-squared	0.587479	S.D. dependent var	0.041185
S.E. of regression	0.026452	Akaike info criterion	-4.169026
Sum squared resid	0.024490	Schwarz criterion	-3.531120
Log likelihood	125.3947	Hannan-Quinn criter.	-3.924468
F-statistic	5.539381	Durbin-Watson stat	2.261988
Prob(F-statistic)	0.000012		

Source: Output Eviews 10

$$RS = -0.247485 - 2.269759ROA + 9.920887EPS - 1.198130DER + 0.979672PBV$$

From the regression model above, it can be explained as follows:

1. A constant value of -0.247485, which means that if the variable value of return on assets, earnings per share, debt to equity ratio and price to book value are considered constant (worth 0) then the stock return value is -0.247485.

2. The coefficient value of the return on assets variable is -2.269759. This shows that if the variable return on assets is worth 1 unit and the variable earnings per share,

debt to equity ratio and price to book value are considered constant (worth 0) then the stock return variable will decrease by -2.269759.

3. The coefficient value of the earning per share variable is 9,920887. This shows that if the variable earning per share is 1 unit and the variable return on assets, debt to equity ratio and price to book value are considered constant (worth 0), the stock return variable will increase by 9.920887.

4. The coefficient value of the debt to equity ratio variable is -1.198130. This shows that if the debt to equity ratio variable has a value of 1 unit and the variable return on assets, earning per share and price to book value are considered constant (worth 0), the stock return variable will decrease by 1.198130.

5. The coefficient value of the price to book value variable is 0.979672. This shows that if the variable price to book value is 1 unit and the variable return on assets, debt to equity ratio and earnings per share are considered constant (worth 0) then the stock return variable will increase by 0.979672.

Hypotesis Test

- **Parsial Test (t)**

TABLE 4.6
Hypotesis Test Result: t

Dependent Variable: Y
Method: Panel Least Squares
Date: 07/29/20 Time: 20:40
Sample: 2016 2019
Periods included: 4
Cross-sections included: 13
Total panel (balanced) observations: 52

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.247485	0.500449	**-0.494526**	**0.6240**
ROA	-2.269759	2.168385	**-1.046751**	**0.3024**
EPS	9.92E-05	0.000332	**0.299116**	**0.7666**
DER	-1.198130	0.417134	**-2.872288**	**0.0069**
PBV	0.979672	0.286801	**3.415863**	**0.0016**

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.716897	Mean dependent var	0.335012
Adjusted R-squared	0.587479	S.D. dependent var	0.041185
S.E. of regression	0.026452	Akaike info criterion	-4.169026
Sum squared resid	0.024490	Schwarz criterion	-3.531120

Log likelihood	125.3947	Hannan-Quinn criter.	-3.924468
F-statistic	5.539381	Durbin-Watson stat	2.261988
Prob(F-statistic)	0.000012		

Source: Output Eviews 10

From the partial test results it can be explained as follows :

1. First Hypothesis (H1)

   The probability value of the return on assets variable is 0.3024 with a t-statistic value of -1.046751. In this study, the significance level used was 0.05 and the t-table value used in this study was -2.00958 (n-k, 52-3 = 49). When compared, the calculated probability value is greater than the significance level (0.3024> 0.05) and the calculated t-statistic value is greater than the t-table value (-1.046751> -2.00958). Based on these results, it can be concluded that the null hypothesis is accepted and the alternative hypothesis is rejected.

2. Second Hypothesis (H2)

   The probability value of the variable earning per share is 0.7666 with a t-statistic value of 0.299116. In this study, the significance level used was 0.05 and the t-table value used in this study was 2.00958 (n-k, 52-3 = 49). When compared, the calculated probability value is greater than the significance level (0.7666> 0.05) and the calculated t-statistic value is greater than the t-table value (0.299116 <2.00958). Based on these results, it can be concluded that the null hypothesis is accepted and the alternative hypothesis is rejected.

3. Third hypothesis (H3)

   The probability value of the debt to equity ratio variable is 0.0069 with a t-statistic value of -2.872288. In this study, the significance level used was 0.05 and the t-table value used in this study was -2.00958 (n-k, 52-3 = 49). When compared, the calculated probability value is greater than the significance level (0.0069 <0.05) and the calculated t-statistic value is greater than the t-table value (-2.872288 <-2.00958). Based on these results, it can be concluded that the null hypothesis is accepted and the alternative hypothesis is rejected.

4. Fourth hypothesis (H4)

   The probability value of the price to book value variable is 0.0016 with a t-statistic value of -3.415863. In this study, the significance level used was 0.05 and the t-table value used in this study was 2.00958 (n-k, 52-3 = 49). When compared, the calculated probability value is greater than the significance level (0.0016 <0.05) and the calculated t-statistic value is greater than the t-table value (3.415863> 2.00958). Based on these results, it can be concluded that the null hypothesis is rejected and the alternative hypothesis is accepted.

- **Coefficient of Determination (R^2)**

TABLE 4.7
Determination Test Results

R-squared	**0.716897**	Mean dependent var	0.335012
Adjusted R-squared	0.587479	S.D. dependent var	0.041185
S.E. of regression	0.026452	Akaike info criterion	-4.169026
Sum squared resid	0.024490	Schwarz criterion	-3.531120
Log likelihood	125.3947	Hannan-Quinn criter.	-3.924468
F-statistic	5.539381	Durbin-Watson stat	2.261988
Prob(F-statistic)	0.000012		

Source : Output Eviews 10.

In the table above, it is known that the R-squared value is 0.716897 or 71.69%. The test results show that the variables return on assets, earnings per share, debt to equity ratio and price to book value affect stock returns by 71.69%. While the remaining 28.31% is influenced by other variables not examined in this study. From the test results it is also known that the variables return on assets, earning per share, debt to equity ratio and price to book value are good for explaining stock returns.

The Effect of Return on Assets on Stock Return.

The results of the t test that have been carried out in this study. The factors that influence stock returns have a tcount of 0.3024 with a table value of -1.046751. So if the tcount is 1.046751> -2.00958) then the hypothesis is rejected. . This result is in line with the research conducted by Saraswati et al (2020) which shows that there is no influence between return on assets on stock returns. And contrary to research conducted by Aryaningsih et al (2018), Siregar et al (2019) and Ariyanti et al (2016) which state that there is an influence between return on assets on stock returns. In this study, return on assets is measured by comparing the value of net income for the current year with the total assets owned by the company in the same year.

The Effect of Earning Per Share on Stock Return

The results of the t test that have been carried out in this study. The factors that influence stock returns have a tcount of 0.7666 with a table value of 0.299116. So if the tcount value (0.299116 <2.00958) then the hypothesis is rejected. This is in line with the research conducted by Siregar et al (2019) and contrary to research conducted by Aryaningsih et al (2018), Hermuningsih et al (2019) and Saraswati et al (2020) which states that there is an influence between earnings per share on stock returns. In this study, earnings per share is measured by comparing the net income earned by the company in the current year with the total outstanding shares issued by the company.

The Effect of Debt to Equity Ratio on Stock Return

The results of the t test that have been carried out in this study The factors that influence stock returns have a tcount of 0.0069 and a table value of 0.0069, so that if the t-count (-2.872288 <-2.00958) then the hypothesis is rejected. This is in line with research conducted with Saraswati et al (2020) which states that there is an influence between debt to equity ratio on stock returns. In this study, the debt to equity ratio is measured by comparing the total debt of the company to the total equity of the company in the current year.

The Effect of Price to Book Value on Stock Returns

The results of the t test that have been carried out in this study The factors affecting stock returns have a tcount of 0.0016 with a table value of 3.415863. So if the t-value is (3.415863> 2.00958) then the hypothesis is rejected. This is in line with research conducted by Saraswati et al. (2020) and Henny et al (2020) who show that there is an influence between price to book value on stock returns. In this study, price to book value is measured by comparing the share price per sheet to the book value per share of the company's outstanding shares.

V. CONCLUSIONS AND SUGGESTIONS

CONCLUSION

This research was conducted to examine the factors that affect Stock Returns in mining sector companies listed on the Indonesia Stock Exchange 2016-2019. Based on the results of the research and discussion that has been explained, it can be concluded as follows:

1. There is no partially significant effect between return on assets on stock returns. This is because the sector under study is experiencing fluctuations in financial performance so that investors focus only on business continuity rather than getting a high return on assets.

2. There is no partially significant effect between earnings per share on stock returns. This is because the sector under study is experiencing fluctuations in financial performance so that investors are focusing on the sustainability of the company rather than getting high earnings per share.

3. There is a partially significant effect between the debt to equity ratio on stock returns. This is because investors minimize the losses that are obtained if the company is liquidated.

4. There is a partially significant effect between price to book value on stock returns. This is because companies that have a high price to book value will also produce high stock returns.

SUGGESTIONS

Based on the conclusions that have been stated above, the authors provide the following suggestions:

1. For the company
   In order to consider the factors of return on assets, earnings per share, debt to equity ratio and price to book value as one of the factors that affect stock returns.

2. For investors
   In order to pay attention to important things before investing, especially return on assets, earning per share, debt to equity ratio and price to book value, in order to obtain the expected return.

3. For further researchers
   In order to be a consideration for future research on a company's stock returns.

VI. List Of Reference

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