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The Effect of Debt to Equity Ratio, Return on Assets and Return on Equity on Stock Prices (Empirical Study of Mining Companies Listed on the Indonesia Stock Exchange for the 2017-2021 Period)

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Abstract

This study aims to determine the effect of Debt to Equity Ratio, Return on Assets and Return on Equity, on stock prices in mining companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The research method used in this study is a quantitative method. The population in this study is mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period. Sampling was conducted using the purposive sampling method, so that 16 companies were obtained as samples. And using descriptive statistical analysis methods, multiple linear regression analysis, classical assumption tests, determination coefficients, f test (simultaneous test), and t test (partial test) with the help of SPSS (Statistical Product and Service Solutions) V.26 software. Based on the results of the study, it can be concluded that partially the Debt to Equity Ratio has no effect and is not significant on the stock price, while the Return on Assets and Return on Equity have an effect and are significant on the stock price. And simultaneously Debt to Equity Ratio, Return on Assets and Return on Equity have a significant effect on the stock price of mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

Abstrak

Penelitian ini bertujuan untuk mengetahui pengaruh Debt to Equity Ratio, Return on Assets dan Return on Equity, terhadap harga saham perusahaan pertambangan yang tercatat di Bursa Efek Indonesia (BEI) periode 2017-2021.. Metode penelitian yang digunakan dalam penelitian ini adalah metode kuantitatif. Populasi dalam penelitian ini adalah perusahaan pertambangan yang terdaftar di Bursa Efek Indonesia periode 2017-2021. Sampel diambil dengan metode purposive sampling, untuk mendapatkan 16 perusahaan sebagai sampel. Dan menggunakan metode analisis statistik deskriptif, analisis regresi linier berganda, uji asumsi klasik, koefisien penentuan, uji f (uji simultan), dan uji t (uji parsial) dengan bantuan perangkat lunak (Solusi Produk dan Layanan Statistik) SPSS V.26. Berdasarkan hasil penelitian ini dapat disimpulkan bahwa sebagian Debt to Equity Ratio tidak berpengaruh dan tidak signifikan terhadap harga saham, sedangkan Return on Assets dan Return on Equity berpengaruh dan signifikan terhadap harga saham. Dan pada saat yang sama, Debt to Equity Ratio, Return on Assets dan Return on Equity berpengaruh signifikan terhadap harga saham perusahaan pertambangan yang tercatat di Bursa Efek Indonesia periode 2017-2021.

1. Introduction

There are many sectors that play an important role in economic growth in Indonesia, one of which is the mining sector. The mining sector is a sector that plays a fairly important role for the economy because the mining sector is the primary sector for many sectors. The products produced by the mining sector are widely used in other sectors and mining is an activity starting from searching, finding, mining, processing, to marketing valuable and economically valuable excavations such as minerals, coal, and oil and gas (www.bps.go.id).

With this mining business, the state can work together to utilize and manage the wealth of natural resources whose results will be used for the welfare of the people because Indonesia is one of the countries with very high natural resources. Mining companies are also one of the industrial sectors listed on the Indonesia Stock Exchange (IDX). The reason for choosing a mining company in this study is because mining companies in Indonesia are growing very rapidly and will get bigger in the future. This statement was reinforced by a statement from the Head of the Central Statistics Agency (BPS) that "the mining and quarrying sector grew 7.78% year-on-year in the third quarter of 2021. This level is the highest since 1995." Mining companies are also high-profile companies. Another reason for choosing mining companies is because mining is one of the pillars of a country's economic development, because of its role as a provider of energy resources that are indispensable for the growth of a country's economy. So that mining sector stocks are the main target for domestic investors and foreign investors in the capital market, mining companies promise two benefits in investment, namely dividends and capital gains.

"Investment is the act of receiving a certain amount of capital with the intention of using it and will generate profits. Investment is essentially an investment with the intention of obtaining profits in the future. Therefore, the capital market has a very important role for economic growth because the capital market performs two functions. First, as a means for business funding or as a means for companies to get funds from the investor community. Second, the capital market is a means for the public (investors) to invest in financial instruments such as stocks, bonds, mutual funds, and so on.

Based on data obtained from the Ministry of Finance of the Republic of Indonesia, public statistical data issued by the Indonesian Central Securities Depository (KSEI) in January 2021 shows a significant increase in the number of capital market investors. Data from the end of 2018 to the end of 2019 showed an increase in the number of investors from 1,619,372 to 2,484,354. This increase of 53.41% is still lower than the data at the end of 2019 to 2020. By the end of 2020, the number of investors had reached 3,880,753 despite the ongoing pandemic. This indicates that business in the capital market is more of a choice for the public than a real business that is in a slump during the pandemic (www.djkn.kemenkeu.go.id).

The capital market trades different types of securities. Of the many securities in the capital market, there is one securities that are most traded in the capital market, namely stocks. According to Fahmi (2016:270-271) "shares are a proof of participation in capital / fund ownership in a company that is clearly listed with the face value, company name and followed by clear rights and obligations to each holder". "The form of a share is a piece of paper in which it is stated that the owner of the securities is the owner of the company that issued the letter" (Tjiptono & Hendy, 2011). So, when an investor buys shares of a company, the investor has the rights to the company's assets and income equal to the shares purchased. The purpose of the company issuing shares is to obtain funds, as well as maintain the survival of the company. Because, the stock market itself promises quite high profits compared to other instruments, it can even reach hundreds of percent in a few months, all stock investors flock to try to get profits in their own way.

Stocks are an option to invest, by buying stocks investors have an idea of the profits that will be obtained in the future. One of the things that an investor considers before investing in stocks is the stock price. "The share price is

The prevailing share price in the capital market. Stock price is a very important factor and should be considered by investors before making an investment because the stock price indicates that this company has a good or bad performance. the higher the share price, the higher the value of the company and vice versa" (Egam, Ilat, and Pangerapan 2017).

"Given that stock prices fluctuate, investors must pay attention to the performance of the company's financial statements before investing, good financial statement performance will bring benefits to investors. Because, the higher demand is able to increase the company's stock price so that the increasing stock price can be used as an indicator in analyzing the company's financial performance" (Siregar et al, 2020).

The performance of a company's financial statements can be measured by various financial ratios. Financial ratios have a purpose, a purpose, a purpose, a purpose, and a certain meaning. Then, each outcome of the measured ratio is interpreted so that it becomes meaningful for decision-making. A widely used financial statement analysis tool is to analyze the ratio of financial statements to see the condition of a company's financial performance. Ratio analysis is a form or method commonly used in analyzing the financial statements of a company. By using tools such as ratio analysis, it will be able to explain or illustrate to investors about the good or bad state or financial position of a company, and by analyzing financial ratios, investors will get an overview of the development of the company's financial statements, so that investors can assess what has been achieved in the past and in the future. However, this expectation may not necessarily provide the results that investors expect. Because not all of them are related to the real condition of the company which is not described as a whole in the financial ratio data obtained.

"For investors, there are three most dominant financial ratios that are used as a reference to see the performance condition of a company, namely: liquidity ratio, solvency ratio (*leverage*), and profitability ratio" (Irham, 2014:58). In this study, the ratios used are the solvency ratio (*leverage*), *the Debt to Equity Ratio* (DER), and the profitability ratio *of Return on Assets* (ROA) and *Return on Equity* (ROE).

Debt to Equity Ratio (DER) is one of the leverage ratios used in this study. "DER is used to measure a company's ability to meet all its obligations as indicated by some part of its own capital used to pay debts. This means the amount of debt used by the company to finance its business activities when compared to using its own capital" (Darsono and Ashari, 2010: 54-55).

If the leverage ratio is high enough, the company's performance is getting worse, because the level of dependence on the company's capital to outsiders is getting greater, similarly if the *Debt to Equity Ratio* (DER) of a company is high, then the company's stock price will be low because if the company makes a profit, the company tends to use the profit to pay off its debts rather than distributing its dividends. This condition is what investors do not like, so the stock price falls. Based on research conducted by Norlita & Hery, (2017) shows that if the DER is high, the stock price will also rise. The results obtained are inversely proportional to the research theory conducted by Fara (2014) stating that if the company's DER is high, there is a possibility that the company's share price will be low because if the company earns profits, the company will tend to use the profit to pay its debts instead of paying dividends. On the other hand, if the Debt *to Equity Ratio* level is low, it will have an impact on increasing stock prices on the stock exchange.

Furthermore, this study uses the profitability ratio. "The profitability ratio is a ratio that aims to determine the company's ability to generate profits during a certain period" (Nidaul, 2021). Profit is one of the main goals in the establishment of the company. Therefore, it is natural that the profitability ratio is the main concern of investors and analysts. A good level of profitability will be the benchmark for the company to be able to survive in its business. An investor will connect the level of profitability of the company with the level of risk arising from his investment because the investor certainly wants a company that can generate profits, therefore, the company is expected to generate net profit instead of loss. The company's net profit will then increase the wealth of shareholders as company owners.

One of them is "*Return on Asset* (ROA) which is a ratio that shows the return on the use of the company's assets in generating net profit" (Hery, 2016:144). The larger this ratio, the more productive a company's financial performance is, so that investor confidence to invest capital also increases in the company. This ratio calculates how much net profit is earned from each asset. The higher the ROA, the more the company is able to utilize assets well to obtain profitability and vice versa. In Novita's (2022) research "ROA is the most important ratio among other rentability and profitability ratios", in contrast to research conducted by Gandhi (2017) "Negative *Return on Asset* (ROA) due to

a company's profit in a negative condition or loss, this shows that the ability of the invested capital as a whole has not been able to generate profits".

Another variable that investors need to look at to measure the performance of the company's profitability ratio is *Return on Equity* (ROE). is a ratio used to measure the ability of own capital to generate profits for all shareholders, both common shares and preferred shares", (Irmadelia Dilla Janati, 2014).

According to Sabrina & Lestari (2014) in their research, *Return on Equity* (ROE) has a positive effect on stock prices because this ratio is used to measure the success of companies in generating profits for shareholders. The relationship between ROE itself and the stock price is that if the company has a good ROE ratio, it will certainly provide good value in the eyes of investors, this good value is the shape of the stock price itself.

Based on the description above, the author is interested in the title of this research is, "The Effect *of Debt to Equity Ratio* (DER), *Return on Assets* (ROA), and *Return on Equity* (ROE) on Stock Prices (Empirical Study of Mining Sector Companies Listed on the IDX for the 2017-2021 Period)"

2. Method

2.1. Research Design

This research is a quantitative research. "The quantitative method can be interpreted as a research method based on the philosophy of positivism, which is used to research on a certain population or sample, data collection using quantitative/statistical data analysis, with the aim of testing the hypothesis that has been determined. This method is called the quantitative method because the research data is in the form of numbers and analysis using statistics" (Sugiyono, 2013:7-8). With quantitative methods, the significance of group differences or the significance of the relationship between the variables studied will be obtained.

This quantitative study analyzed secondary data. Secondary data in this study were obtained from the company's financial statements obtained from the Indonesia Stock Exchange (www.idx.co.id) and the share price obtained from Yahoo Finance (https://finance.yahoo.com/).

2.2. Independent Variables

This variable is a variable that affects the dependent variable either a positive influence or a negative influence. The independent variable will explain how the problem in the study was solved. "It is also called an independent variable. The purpose of the study is to explain or predict the variability that occurs in dependent variables using independent variables. Independent variables are representations of phenomena used to explain or predict dependent variables" (Paramita, et al., 2021). The variables (X) in this study are as follows:

2.2.1. Debt to Equity Ratio (**X1**)

Iqomah (2017) stated, "*Debt to Equity Ratio* (DER) provides an overview of the capital structure owned by a company, so that the level of risk of uncollectible debt can be seen. *Debt to Equity Ratio* (DER) is a ratio that compares the amount of debt to equity. This ratio is used as a measurement tool in analyzing financial statements to show the amount of collateral available to creditors. The calculation of the ratio according to Hery, (2016:169) is:

$$\text{DER} = \frac{\text{Total Liability}}{\text{Total Equity}}$$

2.2.2. *Return* on *Assets* (***X*2**)

According to Toto Prihadi (2019:166-167) "*Return on Assets* is a ratio to find out how far the assets used can generate profits. By knowing *the Return on Asset* (ROA), we can assess whether the company has been efficient in using its assets in operating activities to generate profits". The following formula is used to calculate ROA according to Brigham & Houston (2010:148):

$$ROA = \frac{\textbf{Net Profit}}{\textbf{Total Assets}}$$

2.2.3. Return on Equity (*X*3)

According to Wastam (2018:50) "*Return on Equity* (ROE) is a ratio that compares net profit to total equity and this ratio measures the rate of return of a business on all existing capital". Brigham & Houston (2010:149) states, "*Return on Equity* is the ratio of net income to ordinary equity to measure the rate of return on common shareholders' investments". The calculations used are as follows:

$$ROE = \frac{\textbf{Net Profit}}{\textbf{Total Equity}}$$

2.3. Dependent Variables

Dependent variables are variables that are influenced or consequential, due to the existence of independent variables. "A study can consist of 1 or more dependent variables according to the purpose of the research. The topic in research generally emphasizes the placement of variables as dependent variables, because dependent variables are phenomena that will be explained. The dependent variable is also called the bound variable, this variable is the variable that is the center of attention of the researcher or the main concern in a study" (Paramita, et al., 2021). The dependent variables in this study are:

2.3.1. Stock Price (Y)

The share price is the price formed in the trading of the company's shares on the Indonesia Stock Exchange. The share price referred to in this study is the closing price of each company obtained from the share price at the end of the year as of December 31 with the time period from 2017-2021 in mining companies. Because it is the share price listed in the company's financial statements at the end of each year.

Table 1. Variable Operational Definition

It	Variable	Variable Definition	Indicator	Scale
1	Debt to Equity Ratio (X1)	Debt to Equity Ratio (DER) Indicates composition or structure capital from total loans to total capital owned by the company. The DER value is derived from the total debt divided by total equity (Fendy, 2017)	DER = Total Liability Total Equity	Ratio
2	Return On Assets (X2)	Ratio used by the company to illustrate the ability companies in earning profits with the assets he owns (Iqomah, 2017).	ROA = Profit Clean Total assets	Ratio
3	Return On Equity (X3)	Return On Equity (ROE) is the ratio of which is used to measure the success of the company in generate profits for shareholder (Sasi & True, 2020).	ROE = Total Net Profit Equity	Ratio
4	Stock Price (Y)	The share price referred to in the This research is stock price Closing price each companies obtained from the price Stocks at the close of the year per	Stock price = Stock price used in research This is the price	Rupiah

It	Variable	Variable Definition	Indicator	Scale
		December 31 with a time period from 2017-2021 on the company mining on the Indonesia Stock Exchange.	stock Closing (closing price) at the end of the year company.	

2.4. Population

Sugiyono (2013) stated that, "population is a generalization area consisting of objects/subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions". The population used in this study is mining sector companies listed on the Indonesia Stock Exchange which totals 49 companies as follows:

Table 2. Research Population

No.	Company Name	Code
1	Adaro Energy Tbk	ADRO
2	Atlas Resources Tbk	ARII
3	Aneka Tambang Tbk	ANTM
4	Alakasa Industrindo Tbk	ALKA
5	Alumindo Light Metal Industry Tbk	ALMI
6	Bumi Resources Tbk	EARTH
7	Borneo Laksanaa Sukses Tbk	BOSS
8	Bayan Resources Tbk	BYAN
9	Bumi Resources Minerals Tbk	BRMS
10	Batulicin Nusantara Maritim Tbk	BESS
11	Saranacentral Bajatama Tbk	CASUALTY
12	Astrindo Nusantara Infrastruktur Tbk	GDP
13	Betonjaya Manunggal Tbk	BTON
14	Cita mineral investing tbk	APPOINTMENT
15	Citra Tubindo Tbk	CTBN
16	Citatah Tbk	CTTH
17	Dwi Guna Laksana Tbk	DWGL
18	Central Omega Resources Tbk	DKFT
19	Energi Mega Persada Tbk	ENRG
20	Elnusa Tbk	ELSA
21	Garda Tujuh Buana Tbk	GTBO
22	Golden Energy Mines Tbk	GEMS
23	Gunung Raja Paksi Tbk	GGRP
24	Gunawan Dianjaya Steel Tbk	GDST
25	HK Metals Utama Tbk	HKMU
26	Indal Aluminium Industry Tbk	INAI
27	Ifishdeco Tbk	IFSH
28	Vale Indonesia Tbk	INCO
29	Steel Pipe Industry of Indonesia Tbk	ISSP
30	Resource Alam Indonesia Tbk	KKGI
31	Krakatau Steel (Persero) Tbk	KRAS
32	Lionmesh Prima Tbk	LMSH
33	Medco Energi Internasional Tbk	MEDC
34	Mitra Investindo Tbk	MYTHS
35	Merdeka Copper Gold Tbk	MDKA
36	Optima Prima Metal Sinergi Tbk	OPMS
37	Pelita Samudera Shipping Tbk	PSSI
38	Bukit Asam Tbk	PTBA
39	J Resources Asia Pacific TBK	PSAB
40	Sugih Energy Tbk	SUGI

No.	Company Name	Code
41	Super Energy Tbk	SURE
42	Wilton Makmur Indonesia Tbk	SQMI
43	Source: Global Energy Tbk	SGER
44	Golden Eagle Energy Tbk	SMMT
45	Tembaga Mulia Semanan Tbk	TBMS
46	Trans Power Marine Tbk	TPMA
47	Transcoal Pacific Tbk	TCPI
48	Trada Alam Mineral Tbk	TRAM
49	Kapuas Prima Coal Tbk	ZINC

Source: Data processed 2023

2.5. Sample

In general, the sample is a small part of the population that is determined to be used in the data collection process in the study. The sampling technique in this study is based on purposive sampling, which is a sampling technique with certain considerations or criteria. The criteria for selecting the sample in this study are as follows:
1) Mining companies listed on the Indonesia Stock Exchange for the period 2017-2021.
2) Mining companies that publish financial statements for the period 2017-2021.
3) Mining companies did not conduct stock splits during the 2017-2021 study period.
4) Companies that have a net profit (no loss) during the period 2017-2021.

Table 3. Sample Selection Criteria

No.	Information	Sum
1	Mining companies listed on the Indonesia Stock Exchange for the period 2017-2021	49
2	Mining companies that do not publish financial statements (Annual Report) for the period 2017-2021	(4)
3	Mining companies did not conduct stock splits during the 2017-2021 study period	(1)
4	Companies that suffered losses during the 2017-2021 period	(28)
	Number of samples that meet the criteria	16

Source: Data processed 2023

Based on the sample selection criteria, in this study, 16 samples of mining sector companies listed on the IDX were obtained in the 2017-2021 period. So that the total number of samples for this study is 80 data (16 companies x 5 years of research period). The list of companies as samples in this study is as follows:

Table 4. Research Sample

No.	Company Name	Code
1.	Adaro Energy Tbk	CHURCHYARD
2.	Aneka Tambang Tbk	ANTM
3.	Alakasa Industrindo Tbk	ALKA
4.	Astrindo Nusantara Infrastruktur Tbk	GDP
5.	Betonjaya Manunggal Tbk	BTON
6.	Cita mineral investing tbk	APPOINTMENT
7.	Elnusa Tbk	ELSA
8.	Golden Energy Mines Tbk	GEMS
9.	Steel Pipe Industry of Indonesia Tbk	ISSP
10.	Indal Aluminium Industry Tbk	INAI
11.	J Resources Asia Pacific TBK	PSAB
12.	Bukit Asam Tbk	PTBA
13.	Pelita Samudera Shipping Tbk	PSSI
14.	Trans Power Marine Tbk	TPMA
15.	Tembaga Mulia Semanan Tbk	TBMS

No.	Company Name	Code
16.	Kapuas Prima Coal Tbk	ZINC

Source: Data processed 2023

2.6. Data Collection

Data collection in this study was carried out by documentation method, and literature study method. The documentation data was obtained from the financial statements and year-end stock prices of mining sector companies listed on the Indonesia Stock Exchange (IDX) in the 2017-2021 period. The literature study method is to examine various literature such as books, journals, and other sources related to research.

2.7. Data Analysis Techniques

The data analysis techniques used in this study are descriptive statistics, multiple linear regression analysis by conducting classical assumption testing first. The test was carried out to test whether the data in this study was normally distributed and did not have symptoms of multicollinearity, autocorrelation symptoms, and heteroscedasticity symptoms. The multiple linear regression analysis method was assessed from hypothesis tests, namely the determination coefficient, the t-test, and the F-test.

3. Results and Discussion

3.1. Descriptive Statistics

Table 5. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
THE	80	.17	5.44	1.3626	1.18566
ROA	80	.0013	.4270	.068390	.0751878
ROE	80	.0030	1.1192	.134344	.1495480
And	80	50	7950	952.20	1261.077
Valid N (listwise)	80				

1) Debt to Equity Ratio

   The minimum value of the Debt to Equity Ratio is 0.17 and the maximum value is 5.44. The results show that the Debt to Equity Ratio of mining companies sampled in this study ranges from 0.17 to 5.44 with an average of 1.3626 at a standard deviation of 1.18566. The mean value is greater than the standard deviation, meaning that the Debt to Equity Ratio value distribution is good.

2) Return on Asset

   The minimum value of Return on Asset is 0.0013 and the maximum value is 0.0470. The results show that the return on asset of the mining companies sampled in this study ranges from 0.0013 – 0.0470 with an average of 0.068390 with a standard deviation of 0.0751878. A mean value smaller than the standard deviation means that the spread of Return on Asset value is not good.

3) Return on Equity

   The minimum value of Return on Equity is 0.0030 and the maximum value is 1.1192. The results show that the size of the Return on Equity of the mining companies sampled in this study ranges from 0.0030 to 1.1192 with an average of 0.1343444 with a standard deviation of 0.1495480. A mean value smaller than the standard deviation means that the Return on Equity value spread is not good.

4) Stock Price

   The minimum value of the Stock Price is 50 and the maximum value is 7950. The results show that the size of the share price of the mining companies sampled in this study ranges from 50 to 7950 with an average of 952.20 with a standard deviation of 1261,077. An average value (mean) greater than the standard deviation means that the spread of the stock price value is good.

3.2. Normality Test

Based on the image above, it can be seen that the points formed spread around the diagonal line and the distribution is in the same direction following the diagonal line.

3.2.1. Multicollinearity Test

Table 6. Coefficients^a

Model	Tolerance	BRIGHT
(Constant) THERE	.587	1.704
ROA	.149	6.695
ROE	.161	6.198

3.2.2. Autocorrelation Test

Table 7. Model Summary^b

Model	R	R Square Adjusted R Square		Std. Error of the Estimate	Durbin- Watson
1	.818a	670	.657	738.783	.978

Based on the table above, Durbin Watson's value is 0.978. Therefore, it can be concluded that the regression model has no correlation between the perturbulent error in the period t and the previous period t-1, because the DW number is between -2 to +2 so that -2 < DW (0.978) < +2, then there is no autocorrelation.

3.2.3. Heteroscedasticity Test

Based on figure above, it can be seen that the dots spread randomly, as well as the dots spread above and below the number 0 (zero) on the Y axis

1) Multiple Linear Regression Analysis

Table 8. Coefficients^a

Model	Unstandardized	Coefficients	Standardized	t	Mr.
1 (Constant)	327.691	185.344		1.768 .	.081
THE	-51.407	78.059	-.048	-.659	.512
ROA	9487.490	1462.116	.566	6.489	.000
ROE	.327	.084	.324	3.867	.000

Source: Data processed 2023, SPSS Version 26

Based on the table above (Coefficients), it is used to describe the following regression equation: Y = 327,691 - 51,407 (X1) + 9487,490 (X2) + 0.327 (X3) or Stock Price = 327,691 - 51.407 (Debt to Equity Ratio) + 9487.490 (Return on Asset) + 0,327 (Return on Equity).

3.3. Hypotesis Test

3.3.1. Coefficient of Determination Test

Table 9. Coefficients^a

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.818a	.670	.657	738.783

a. Predictors: (Constant), ROE, DER, ROA
b. Dependent Variable: Stock Price
Source: Data processed 2023, SPSS Version 26

The result of the determination official (R 2) showed a value of 0.670 or 67%. This shows that the variables *Debt to Equity Ratio* (DER), *Return on Asset* (ROA) and *Return on Equity* (ROE) simultaneously affect the Stock Price variable by 67% while the remaining 33% are influenced by other factors that are not analyzed in this study.

3.3.2. Simultaneous Test (Test f)

Table 10. ANOVA

Model	Sum of Squares	df	Mean Square	F	Mr.
1 Regression	80358286.270	3	26786095.423	44.964	.000b
Residual	45274849.118	76	595721.699		
Total	125633135.387	79			

a. Dependent Variable: Stock Price
b. Predictors: (Constant), ROE, DER, ROA
Sumber: Data diolah 2023, SPSS Versi 26

Based on the table above, the results of the F test obtained a value of Fcal that is greater than that of Ftable (44,964 > 2.72) with a significant value of 0.000 < 0.05, so that the independent variables *Debt to Equity Ratio* (DER), *Return on Asset* (ROA), and *Return on Equity* (ROE), and simultaneously affect the stock price of mining companies. This shows that a model that explains the relationship between DER, ROA, and ROE can be used to predict the stock price of mining companies.

3.3.3. Partial Test (t-Test)

Table 11. Coefficients^a

Model	Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Mr.
1 (Constant)	327.691	185.344		1.768	.081
THE	-51.407	78.059	-.048	-.659	.512
ROA	9487.490	1462.116	.566	6.489	.000
ROE	.327	.084	.324	3.867	.000

Source: Data processed 2023, SPSS Version 26

From table above, the results of the hypothesis test based on the partial test (t-test) are as follows:
1) The DER variable has a ttable < count (-0.659 < 1.66488) with a significance of 0.512 > 0.05, so H0 is accepted and H1 is rejected. This shows that DER has no significant influence on the share price of mining companies.
2) The ROA variable has a ttable > count (6.489 > 1.66488) with a significance of 0.000 < 0.05, so that H0 is rejected and H2 is accepted. This shows that ROA has a significant influence on the share price of mining companies.
3) The ROE variable has a tcal > ttable (3.867 > 1.66488) with a significance of 0.000 < 0.05, so H0 is rejected and H2 is accepted. This shows that ROE has a significant influence on the stock price of mining companies.

3.4. Discussion

3.4.1. The Effect *of Debt to Equity Ratio* on Stock Prices

The results of the research obtained regarding the effect *of Debt to Equity Ratio* on Stock Prices in Mining Companies on the Indonesia Stock Exchange for the 2017-2021 Period. The results of the hypothesis test partially show that the tcount value for the *Debt to Equity Ratio* variable is -0.659 and the ttable with α = 5% is known to be 1.66488. Thus the tcount is smaller than the ttable (- 0.659 < 1.66488) and the significant value of 0.512 is greater than 0.05 (0.512 > 0.05), meaning that H0 is accepted and H1 is rejected. Based on these results, it shows that the Debt *to Equity Ratio* does not have a significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 Period.

This result is in line with the results of research conducted by (Ramadhani, 2017), (Takarini & Hendrarini, 2011) and (Siregar et al., 2015) which stated that *the Debt to Equity Ratio* does not have a significant effect on the Stock Price. But this study is not in line with the results research (Nainggolan, 2019) and (Hikmah et al., 2018) which stated that *the Debt to Equity Ratio* had a significant effect on the company's Stock Price. So, the author can conclude that *the Debt to Equity*

Ratio has no significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 Period.

3.4.2. Effect *of Return on Asset* on Stock Price

Based on the results of research obtained regarding the effect *of Return on Asset* on Stock Prices in Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 period. The results of the hypothesis test partially show that the tcount value for the *Return on Asset* variable is 6.489 and the ttable with α = 5% is known to be 1.66488. Thus the tcount is greater than the ttable (6.489 > 1.66488) and the significant value of 0.000 is greater than 0.05 (0.000 < 0.05), meaning that H0 is rejected and H2 is accepted. Based on these results, it shows that partially *Return on Assets* has a significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

The results of this study are in line with the results of research conducted (Hangga, 2017), (Nordiana & Budiyanto, 2017) and state that *Return on Asset* has a significant effect on Stock Price. However, this study is not in line with the research conducted by (Devi et al., 2020), (Itabillah, 2013) and (Arifiani, 2019) which states that *Return on Asset* does not have a significant effect on Stock Prices. So, the author can conclude that *Return on Asset* has a significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

3.4.3. The Effect *of Return on Equity* on Stock Price

Based on the results of the research obtained regarding the effect *of Return on Equity* on Stock Prices in Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 period. The results of the hypothesis test partially show that the tcount value for the *Return on Equity* variable is 3.867 and the ttable with α = 5% is known to be 1.66488. Thus the tcount is greater than the ttable (3.867 > 1.66488) and a significant value of 0.000 is greater than 0.05 (0.000 < 0.05), meaning that H0 is rejected and H3 is accepted. Based on these results, it shows that partially *Return on Equity* has a significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 Period.

The results of this study are in line with the results of research conducted (Ani et al., 2019), (Sasi & Dina, 2020) and state that *Return on Equity* has a significant effect on Stock Prices. However, this study is not in line with the research conducted by (Situmorang, 2022), (Apriyani et al., 2020) and (Nurul et al., 2020) which stated that *Return on Equity* does not have a significant effect on Stock Prices. So, the author can conclude that *Return on Equity* has a significant effect on the Stock Price of mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

3.4.4. The Simultaneous Effect *of Debt to Equity Ratio*, *Return on Asset*, and *Return on Equity* on Stock Price

Based on the F test that tests simultaneously, namely whether the three independent variables of the variables, namely *Debt to Equity Ratio*, *Return on Asset* and *Return on Equity* have a significant influence relationship together on the Stock Price, then a fcalculated of 44.964 with a significant level of 0.000 while ftable 2.72 with a significant of 0.05 was obtained. Thus H0 is rejected and H4 is accepted. Therefore, it can be concluded that *Debt to Equity Ratio*, *Return on Asset* and *Return on Equity* together have a significant influence on the Stock Price, because the ftable > calculation (44.964 > 2.72) and the significant value is 0.000 < 0.05.

The results of this study are in line with the results of research conducted by previous studies (Sari et al., 2020) and (Safira, 2020) which stated that *Debt to Equity Ratio*, *Return on Asset* and *Return on Equity* together (simultaneously) have a significant effect on the Stock Price of Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 Period. Thus, the author can conclude that the influence of *Debt to Equity Ratio, Return on Asset* and *Return on Equity* together (simultaneously) on the Stock Price has a significant effect on Mining Companies listed on the Indonesia Stock Exchange for the 2017-2021 Period.

4. Conclusion

1) Based on the test results, the *Debt to Equity Ratio* (DER) does not have a significant effect on the Stock Price, while *the Return on Asset* (ROA) and *Return on Equity* (ROE) have a significant effect on the stock price of mining companies listed on the Indonesia Stock Exchange during the period 2017-2021.

2) Based on the test results, the *Debt to Equity Ratio* (DER), *Return on Asset* (ROA), and *Return on Equity* (ROE) simultaneously had a significant effect on the Stock Price of mining companies listed on the Indonesia Stock Exchange (IDX) during the 2017-2021 period.

3) The *Return on Asset* (ROA) variable has a more dominant effect on the stock price of mining companies listed on the Indonesia Stock Exchange compared to the *Debt to Equity Ratio* (DER) and *Return on Equity* (ROE) variables.

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