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THE EFFECTS OF EPS, ROE, PER, NPM, AND DER ON THE SHARE PRICE IN THE JAKARTA ISLAMIC INDEX GROUP IN THE 2014-2017 PERIOD

Budiyono and Suryo Budi Santoso

AFFILIATION:
Universitas Muhammadiyah Purwokerto, Jawa Tengah. Indonesia.

***CORRESPONDENCE:**
budi_ump88@yahoo.com

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Abstract: The purpose of this study is to analyze the effect of Earning per Share (EPS), Return on Equity (ROE), Price Earning Ratio (PER), Net Profit Margin (NPM), Debt to Equity Ratio (DER) towards share price. The population used in this study were 30 companies listed in the Jakarta Islamic Index (JII) during the 2014-2017 period. Sampling technique used was non-probability sampling with purposive sampling method and obtained samples of 17 companies per year which are most active in trading in the Jakarta Islamic Index (JII) group during 2014-2017 period. The analytical tool used to test the hypothesis in this study was multiple linear regression analysis using SPSS software. Hypothesis testing results indicate that EPS, ROE, PER, NPM, and DER variables simultaneously have positive and significant effect on share price. Partially, EPS and ROE variables have positive effect on share price. While, NPM have a negative effect on share price, PER and DER have no negative effect on share price, and. R Square testing result showed that the Adjusted R Square is 0.759. It means that 75.9% of the dependent variable which was stock price can be explained by independent variables namely EPS, ROE, PER, NPM, and DER, while the remaining 24.1% is affected by other variables that are not in the linear regression model.

Keywords: EPS; ROE; PER; NPM; DER; Share Price.

Introduction

Many day traders, who trade by buying shares in the morning and selling them in the afternoon or vice versa, learn the movements of the share price. They often use technical analysis to learn share price movements from minute to minute and from day to day to find a pattern of market price movements. Some approaches that usually used to estimate the share price are a relative approach, discounted approach, and model factor. The relative approach includes a price-earnings ratio, price-book value ratio, and price dividend ratio; the discounted approach covers an obtaining approach and dividend approach; meanwhile, the factor model comprises a single factor, single index model, and multifactor model (Samsul, 2006).

The use of shares as a tool to look for additional funds has caused studies and analyzes of shares to develop fundamentally and technically. There are several conditions and situations that determine share fluctuations, namely micro and macroeconomic conditions, company policy in deciding to expand, sudden change of directors, the existence of directors or commissioners of companies involved in criminal acts and the case has gone to court, corporate performance that continues to decline, systematic risk, and the effects of market psychology that are able to suppress the technical conditions of buying and selling shares (Fahmi, 2014).

Research on the factors influencing share price has been done a lot. Nevertheless, they provide different results, which are resulting in inconsistencies in research results. Based on the results of previous studies, the first factor affecting the share price is the Earnings Price Ratio (EPS). Based on the research results of (Bratamanggala, 2018), (Kumar, 2017), (Datu & Maredesa, 2017), and (Bhattarai, 2016), EPS had a positive and significant effect on the share price.

The second factor is the Return on Equity (ROE) that according to (Kamar, 2017), (Halim, Basri, & Faisal, 2016), (Bilal & Jamil, 2015), affected the share price positively and significantly. While as pointed out by (Firmana, Hidayat, & Saifi, 2017), it had a positive and not significant effect on the share price. However, (Tamuntuan, 2015) found out that it had no significant effect on the share price.

The third factor is the Price Earnings Ratio (PER). According to (Ervinta, 2013) and (Suselo, Djazuli, Indrawati, & Najemen, 2014), it had a positive and significant effect on the share price. However, (Arshad, Arshaad, Yousaf, & Jamil, 2015) mention that PER did not affect the share price. The research results of (Deitiana & Chriselda, 2017) indicate that PER negatively affected the share price.

The fourth factor is the Net Profit Margin (NPM). Previous studies conducted by (Ozlen, 2014), (Astuty, 2015), (Septiawan, 2015), and (Susilowati, 2015) imply that NPM had a positive and significant effect on the share price. Meanwhile, according to (Sha, 2017), it had a negative and no significant effect on the share price.

The fifth factor is the Debt to Equity Ratio (DER), that according to (Mussalamah, 2015), and (Artha, Achsani, & Sasongko, 2014) had a negative and significant effect on the share price. On the other hand, (Widayanti & Colline, 2017) and (Chemutai, Ayuma, & Yusufkibet, 2016) found out that DER had a positive and significant effect on the share price. However, (Herawati & Putra, 2018), in their research, mention that it had no impact on the share price.

Based on the above background and the inconsistent results of the previous research, this study is essential to do. The researchers entitled this study as “The Effects of Earnings Price Ratio (EPS), Return on Equity (ROE), Price Earnings Ratio (PER), Net Profit Margin (NPM), and Debt to Equity Ratio (DER) on the Share Price in the Jakarta Islamic Index Group in the 2014-2017 Period”.

Based on the above background, the main problems in this study can be formulated as follows: 1) Does the Earnings Per Share (EPS) have a positive effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period?, 2) Does the Return on Equity (ROE) have a positive effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period? 3), Does the Price Earnings Ratio (PER) negatively affect the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period? 4) Does the Net Profit Margin (NPM) have a negative effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period?, and 5) Does the Debt to Equity Ratio (DER) have a negative effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period?

Literature Review and Hypotheses Development

Samsul (2006) states that buying shares mean buying the company's prospects, which is reflected in the earnings per share (EPS). If it is higher, the company's opportunity is better. However, if it is lower, it indicates less pleasant results. Furthermore, negative EPS shows bad results. Meanwhile, a larger EPS signifies a company's greater ability to generate net profits for shareholders, and this situation will encourage share price to rise. The EPS formula is as follows (Fahmi, 2014):

$$EPS = \frac{\text{Net profit after tax}}{\text{Number of shares outstanding}}$$

Some previous research such as (Datu & Maredesa, 2017), (Bratamanggala, 2018), (Kumar, 2017), and (Bhattarai, 2016) reveal that EPS affected share price positively and significantly.

Return On Equity (ROE) is a financial ratio that is more widely used to measure company performance, especially regarding company profitability (Darmadji and Fakhruddin, 2006). It measures the ability of a company to generate its own return on capital. The higher the market ratio, the greater the profit earned by the company. The formula of the ROE is as follows (Fahmi, 2014):

$$ROE = \frac{\text{Net profit after tax}}{\text{Own capital}}$$

The research results of (Halim, Basri & Faisal, 2016), (Kamar, 2017), (Bilal & Jamil, 2015), show that the ROE variable had a positive and significant effect on the share price. However, some studies indicate different results, such as (Firmana et al., 2017) and (Tamuntuan, 2015), that point out that the ROE variable did not influence the share price. Several previous studies have shown inconsistencies in research results.

For investors, the higher the Price Earnings Ratio (PER), the expected profit growth will also increase (Fahmi, 2014). Therefore, the PER is the ratio between the market price per share and EPS. The formula of PER is as follows:

$$PER = \frac{\text{Market Price per Share}}{\text{Earnings per Share (EPS)}}$$

The results of previous studies, such as (Suselo et al., 2014), and (Ervinta, 2013), show that the PER variable had a positive and significant effect on the share price. Nonetheless, some other studies indicate different results, such as (Arshad et al., 2015), that assert that the PER variable did not affect the share price, and (Deitiana & Chriselda, 2017), and (Riani, 2018) found out that PER positive affected the share price.

The Net Profit Margin (NPM) ratio also called the ratio of income to sales (Fahmi, 2014). The NPM is equal to net income divided by net sales. It presents the stability of the unit to produce gains at a special sales level. The NPM ratio formula is:

$$NPM = \frac{\text{Earnings After Tax (EAT)}}{\text{Sales}}$$

The results of previous studies of (Astuty, 2017), (Septiawan, 2015), and (Ozlen, 2014), show that the NPM variable had a positive and significant effect on the share price. Besides, the results of (Sha, 2017) study show that the NPM variable had no significant negative effect on the share price. Moreover (Susilowati, 2015), in her research, discovered that the NPM variable had a significant positive effect on the share price.

The debt to equity ratio (DER) is a ratio that measures the extent to which the amount of debt can be covered by own capital (Fahmi, 2014). This ratio is calculated as follows:

$$DER = \frac{\text{Total of Money}}{\text{Equity}}$$

The lower the debt ratio, the better it is because it is safe for creditors when liquidation occurs.

(Chemutai et al., 2016) and (Widayanti & Colline, 2017), in their research state that the DER variable had a positive and significant effect on the share price. In addition, the results of the study of (Mussalamah, 2015) and (Artha et al., 2014) point out that the DER variable had a negative and significant effect on the share price. However, (Herawati & Putra, 2018), in their research, found out that the DER variable did not affect the share price.

Based on the results of previous studies as described above, the hypotheses proposed in this study are:

H1 *: Earnings per Share (EPS) has a positive effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period*

H2 *: Return on Equity (ROE) has a positive effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period*

H3 *: Price Earnings Ratio (PER) negatively affects share price in the Jakarta Islamic Index group in the 2014-2017 period*

H4 *: Net Profit Margin (NPM) negatively affects share price in the Jakarta Islamic Index group in the 2014-2017 period*

H5 *: Debt to Equity Ratio (DER) has a negative effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period*

The following figure is the theoretical framework of this study:

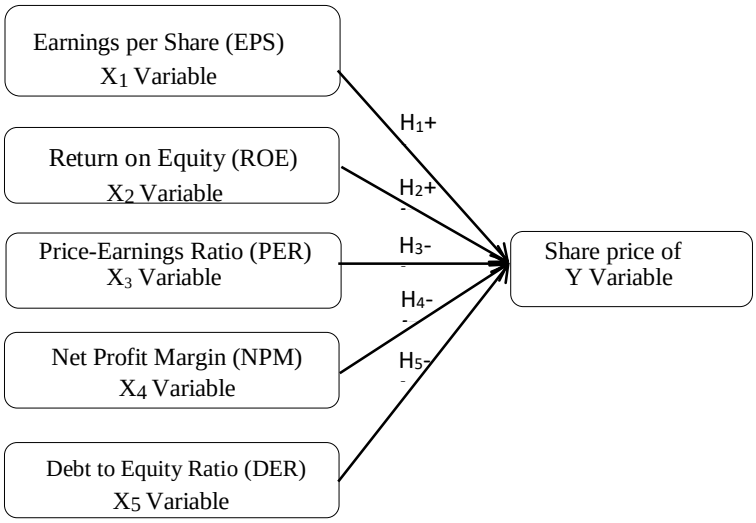

Figure 1 Theoretical Framework

Research Method

This research belongs to quantitative research because it is based on numerical data. The data were obtained from financial reports published annually by the Indonesia Stock Exchange in the 2014-2017 period and processed with the SPSS 24 program. The population used in this study were 30 companies whose shares were included in the Jakarta Islamic Index in 2014-2017. One of the criteria for selecting the data for this study is that the companies should be listed on the Jakarta Islamic Index and the Indonesia Stock Exchange.

This study employed a non-probability sampling technique with a purposive sampling method. The criteria for the sample selection are 1) Companies were listed on the Indonesia Stock Exchange (IDX), 2) Companies that were incorporated in the Jakarta Islamic Index (JII), 3) Shares that were traded continuously during 2014-2017.

Types and Sources of Data

This study used secondary data, namely, data sourced from the Indonesia Stock Exchange (IDX) that has been published. This research applied multiple regression analysis with the following equation: HS = α + β1EPS+ β2ROE+ β3PER+ β4NPM+ β5DER + ε.

After the data collection process completed, the researchers analyzed the data through quantitative analysis carried out by processing the data in the form of numbers using the multiple linear regression. The steps are as follows:

Classic Assumption Test

The classic assumption test was carried out to ensure that the normality, autocorrelation, multicollinearity, and heteroscedasticity were not found in this study.

Multiple Linear Regression Analysis

Multiple linear regression analysis is the development of a simple regression analysis in which there are more than one independent variable x. In general, the form of multiple regression models is Y = α+ β1X 1+ β2X 2+ β3X 3+ …+ βkX k + εi. The multiple linear regression equation for this study is: HS = α + β1EPS+ β2ROE+ β3PER+ β4NPM+ β5DER+ ε, where HS = Share Price, α = intercept/constant, β1,β2,β3,β4,β5 = partial regression coefficients of the dependent variable, EPS = Earning per Share, ROE= Return On Equity PER = Price-Earnings Ratio, NPM = Net Profit Margin, DER = Debt to Equity Ratio, ε = error for the first (i) observation.

Hypotheses Testing

Simultaneous Significance Test (F Statistical Test)

The F statistical test shows whether all independent variables entered in the model have a simultaneous effect on the dependent variable. To test this hypothesis, F statistical test was used with the following decision-making criteria: 1) if the calculated F value is greater than 4, then H0 can be rejected at a 5% confidence level, 2) if the estimated F value is higher than the F table, then H0 is rejected, and Ha is accepted (Ghozali, 2013).

Significance Test of Individual Parameters (T-Test)

The t-test shows how far the influence of one explanatory or independent variable individually in explaining the variation of the dependent variable. The steps of conducting the t-test are as follows: 1) if the number of degree of freedom (df) is 20 or more, and the degree of confidence is 5%, then H0 which states bi = 0 can be rejected if the value of the t is greater than 2 (in absolute value). In other words, the researchers accept the alternative hypothesis, which states that an independent variable individually affects the dependent variable, 2) if the value of the t count > the t table, the researchers accept an

alternative hypothesis, which states that an independent variable individually influences the dependent variable (Ghozali, 2013).

Coefficient of Determination

The coefficient of determination (R^2) essentially measures how far the model's ability to explain variations in the dependent variable. The value of R2 is between zero and one. A small R2 value means that the ability of independent variables to explain the variation of the dependent variable is very limited (Ghozali, 2013).

Result and Discussion

Descriptive Statistics Analysis

Descriptive statistics describe data based on the mean, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and skewness (skewed distribution), (Ghozali, 2013). The results of the descriptive statistics analysis are presented in the following table:

Table 1 The Results of Descriptive Statistics Test

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Earnings Per Share	68	-20,82	1984,64	381,2737	418,82719
Return On Equity	68	-,84	135,85	20,1746	28,28823
Price-Earnings Ratio	68	-230,18	248,83	20,9991	47,76848
Net Profit Margin	68	-,43	26,90	12,4415	6,40818
Debt to Equity Ratio	68	,20	2,65	,9219	,62902
Harga Saham	68	6,19	10,93	8,4012	1,14237
Valid N (listwise)	68				

Classic Assumption Test

Normality Test Results

Table 2 Normality Test Results of Kolmogorov-Smirnov (K-S)

One-Sample Kolmogorov-Smirnov Test		
		Standardized Residual
N		68
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	,96196317
Most Extreme Differences	Absolute	,066
	Positive	,038
	Negative	-,066
Test Statistic		,066
Asymp. Sig. (2-tailed)		,200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

The results of the normality test using the Kolmogorov-Smirnov One-Sample Test show Asymp. Sig. (2-tailed) of 0.200, which means higher than 0.05, therefore the data is normally distributed.

Multicollinearity Test Results

Table 3 Multicollinearity Test Results

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	7,852	,212		37,013	,000		
	Earning Per Share	,002	,000	,696	10,730	,000	,853	1,173
	Return On Equity	,017	,003	,428	4,966	,000	,484	2,065
	Price Earning Ratio	-,001	,002	-,026	-,385	,701	,789	1,268
	Net Profit Margin	-,030	,012	-,172	-2,505	,015	,766	1,305
	Debt to Equity Ratio	-,149	,150	-,082	-,992	,325	,529	1,892
a. Dependent Variable: Share Price								

Based on the results of the analysis in Table 3, it can be seen that all VIF values are below 10, and tolerance values are more than 0.1. It means that there is no multicollinearity between independent variables.

Heteroscedasticity Test Results

Table 4 Heteroscedasticity Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,684	,118		5,808	,000
	Earning Per Share	1,388E-5	,000	,018	,141	,888
	Return On Equity	-,001	,002	-,066	-,391	,697
	Price Earning Ratio	,002	,001	,225	1,694	,095
	Net Profit Margin	-,014	,007	-,276	-2,051	,065
	Debt to Equity Ratio	-,116	,083	-,227	-1,397	,167
a. Dependent Variable: ABRESID						

The analysis results in Table 4 show that the sig value of the independent variable > 0.05, meaning that it does not contain heteroscedasticity between the independent variables.

Autocorrelation Test Results

Table 5 Autocorrelation Test Results

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,882[a]	,777	,759	,56039	1,904
a. Predictors: (Constant), Debt to Equity Ratio, Earning Per Share, Net Profit Margin, Price Earning Ratio, Return On Equity					
b. Dependent Variable: Share Price					

The autocorrelation test results in Table 5 point out that the D-W value is 1.904, which means that there is no autocorrelation because the D-W value is higher than dU (1,768), and less than 4-dU (2,232).

Multiple Regression Test

Table 6 Multiple Regression Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7,852	,212		37,013	,000
	Earning Per Share	,002	,000	,696	10,730	,000
	Return On Equity	,017	,003	,428	4,966	,000
	Price Earning Ratio	-,001	,002	-,026	-,385	,701
	Net Profit Margin	-,030	,012	-,172	-2,505	,015
	Debt to Equity Ratio	-,149	,150	-,082	-,992	,325
a. Dependent Variable: Share Price						

Based on Table 6 above, the multiple regression equation is SP = 7,852 + 0,002EPS + 0,017ROE – 0,001PER – 0,030NPM – 0,149DER. A constant of 7.852 states that if the EPS, ROE, PER, NPM and DER variables are 0, then the share price is $e^{7,852}$ or equal to Rp 2,570,871. EPS regression coefficient of 0.002 states that each EPS increase of Rp 1, it will increase the stock price of $e^{0.002}$ or equal to Rp 1.002. ROE regression coefficient of 0.017 states that each ROE increases of 1%, it will increase the stock price of $e^{0,017}$ or equal to Rp 1,017. The regression coefficient of PER of -0.001 states that each PER increase of 1 time, it will reduce the stock price of $e^{0,001}$ or equal to Rp 1,001. The NPM regression

coefficient of - 0.030 states that each NPM increase of 1%, it will reduce the stock price by $e^{0,030}$ or equal to Rp 1,030. The DER regression efficiency of - 0.149 states that each DER increase of 1%, it will reduce the share price of $e^{0,149}$ or equal to Rp 1,161.

Model Feasibility Test

Coefficient of Determination

The R Square test results are shown in Table 7 below:

Table 7 R Square Test Results

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,882[a]	,777	,759	,56039
a. Predictors: (Constant), Debt to Equity Ratio, Earning Per Share, Net Profit Margin, Price Earning Ratio, Return On Equity				
b. Dependent Variable: Share Price				

Based on the results of the R Square test above, the Adjusted R Square is 0.759. It means that 75.9% of the dependent variable that is share price can be explained by the independent variables, namely the EPS, ROE, PER, NPM, and DER, while the remaining 24.1% are affected by other variables that are not in the linear regression model.

F-Test (Simultaneous)

F-test results are presented in the following table and Figure 2:

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	67,965	5	13,593	43,286	,000[b]
	Residual	19,470	62	,314		
	Total	87,436	67			
a. Dependent Variable: Share Price						
b. Predictors: (Constant), Debt to Equity Ratio, Earning Per Share, Net Profit Margin, Price Earning Ratio, Return On Equity						

Table 7 depicts that the calculated F value is 43.286. The F table value with v1 = k = 5 and v2 = n – k – 1 = 68 – 5 – 1 = 62, then the obtained F table is 2.368. Therefore, the F count 43.286 > F table 2.368 and a significance level of 0.000 < 0.05, then Ho is rejected, and Ha is accepted so that the regression model can be accepted and used to predict that the EPS, ROE, PER, NPM, and DER together have a significant effect on the share price.

Hypotheses Testing

The T-Test (Partial)

The t-test in this study was used to test all the five hypotheses stated above.

Table 8 T-Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7,852	,212		37,013	,000
	Earning Per Share	,002	,000	,696	10,730	,000
	Return On Equity	,017	,003	,428	4,966	,000
	Price Earning Ratio	-,001	,002	-,026	-,385	,701
	Net Profit Margin	-,030	,012	-,172	-2,505	,015
	Debt to Equity Ratio	-,149	,150	-,082	-,992	,325
a. Dependent Variable: Share Price						

Based on Table 8, the t count is 10.730, and the significance value is 0.000, which means that the significance value ≤ 0.05. While the t table of 1.671 results in the value of one-tilled 0.05 and degree of freedom 63 (n-k = 68-5). Because the t count 10.730 > the t table 1.671 and the significance value ≤ 0.05, EPS has a positive effect on the share price. Hence, hypothesis 1 is accepted.

The t count is 4.966, and the significance value is 0.000, which means the significance value ≤ 0.05. While the t table of 1.671 results in the value of one-tilled 0.05 and degree of freedom 63 (n-k = 68-5). Because the t count 4.966 > the t table 1.671 and the significance value is ≤ 0.05, it means that the ROE has a positive effect on the share price. Thus hypothesis 2 is accepted.

The t count of -0.385 and the significance value of 0.701 mean that the significance value ≥ 0.05. The t table of -1.671 obtained t one-tilled 0.05 and 63 degrees of freedom (n-k = 68-5). Because the t count -0,385 > the t table -1,671 and the significance value ≥ 0.05, PER have no a negative effect on the share price. Hence, hypothesis 3 is rejected.

Based on table 8, the t count is -2.505, and the significance value is 0.015, which means the significance value ≤ 0.05. While the t table of -1.671 obtained t one-tilled 0.05 and 63 degrees of freedom (n-k = 68-5). Because the t count -2.505 < the t table -1.671 and the significance value ≤ 0.05, NPM has a negative effect on the share price. Therefore, hypothesis 4 is accepted.

The t count presented in Table 8 is -0.992, and the significance value is 0.325. It means that the significance value ≥ 0.05. While the t table of -1.671 obtained t value of one-tilled 0 and degree of freedom 63 (n-k = 68-5). Because the t count -0.992 > t table -1.671 and the significance value ≥ 0.05, DER have no a negative effect on the share prices. Hence, hypothesis 5 is rejected.

The Effect of the Earnings Per Share (EPS) on the Share Price

Based on the results of the first hypothesis, it is found that the EPS has a positive and significant effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period. This result is proven by the t count 10.730 > the t table 1.671 and the significance value is 0,000 or ≤ 0.05. The results of this study are supported by some previous research, such as (Datu & Maredesa, 2017), (Bratamanggala, 2018), (Kumar, 2017), and (Bhattarai, 2016), who reveal that the EPS had a positive and significant effect on the share price.

The Effect of the Return on Equity (ROE) on the Share Price

Based on the results of the second hypothesis, it is found that the ROE has a positive and significant effect on the share price in the Jakarta Islamic Index (JII) group during 2014-2017. This result is proven by the t count 4.966 > the t table 1.671, and the significance value is 0,000 or ≤0.05. The results of this study are supported by some prior research, such as (Halim, Basri & Faisal, 2016), (Kamar, 2017), (Bilal & Jamil, 2015), that indicate a positive and significant influence between the ROE on the share price.

The Effect of the Price Earnings Ratio (PER) on the Share Price

The third hypothesis found that the PER has no significant negative effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period. It is proven by the results of the t count -0.338 > the t table -1.671 and the significance value is 0,701 or > 0.05. The results of this study differ from those conducted by (Deitiana and Chriselda, 2017), and (Riani, 2018), which state that the PER had a positive effect on the share price.

The Effect of the Net Profit Margin (NPM) on the Share Price

Based on the results of the fourth hypothesis, it is found that the NPM has no significant negative effect on the share price in the Jakarta Islamic Index (JII) group in the 2014-2017 period. It can be seen on the results of the t count -2.505 < the t table -1.671, and the significance value is 0,015 or ≤ 0.05. The results are supported by (Sha, 2017), who found out that the NPM variable did not have a significant negative effect on the share price.

The Effect of the Debt to Equity Ratio (DER) On the Share Price

Based on the results of the third hypothesis, it is found that DER has no significant negative effect on the share price in the Jakarta Islamic Index (JII) group during 2014-2017. It is proven by the results of the t count -0.589 > the t table -1.671, and the significance value is 0,325 or ≤ 0.05.

The results of this study differ from those conducted by (Mussalamah, 2015) and (Artha et al., 2014), which state that the DER had a negative effect on the share price.

Conclusion

Based on the discussion of data analysis and verification of the hypotheses of the Effect of the Earnings Price Ratio (EPS), Return On Equity (ROE), Price Earning Ratio (PER), Net Profit Margin (NPM), and Debt to Equity Ratio (DER) on the share price in the Jakarta Islamic Index group in the 2014-2017 period, the conclusions are: 1) Earnings Price Ratio (EPS) has a positive effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period, 2) Return On Equity (ROE) has a positive effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period, 3) Price-Earnings Ratio (PER) have no a negative effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period, 4) Net Profit Margin (NPM) has a negative effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period, 5) Debt to Equity Ratio (DER) have no a negative effect on the share price in the Jakarta Islamic Index group in the 2014-2017 period.

Suggestions

Suggestions in this study are: 1) investors should not only rely on data or information in the form of EPS, ROE, PER, NPM and DER, but also need to pay attention to other factors to anticipate the rising and falling share price such as right macroeconomic conditions on a national and international scale, 2) for companies, they need to pay more attention to their ability to increase share price by always anticipating global economic conditions and free markets to increase the profits of companies and shareholders, 3) for subsequent researchers, it is necessary to add macroeconomic variables such as inflation, interest rates, exchange rates, and the Jakarta Composite Index to get more presented results.

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