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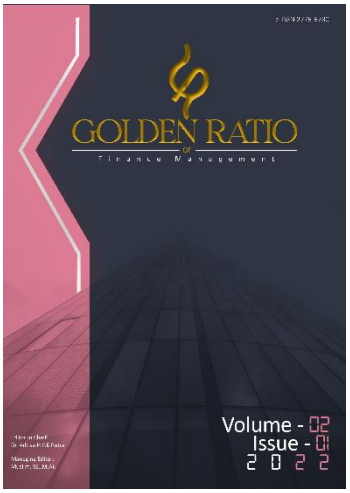

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FINANCE | RESEARCH ARTICLE

Current Ratio, Return on Asset, and Debt-to-Equity-Ratio on Stock-Price of Sector Property and Real Estate

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Abstract: The purposes of this study are: to analyze the current ratio (CR), return on assets (ROA), and debt to equity ratio (DER) both partially and simultaneously affect the stock price of companies listed on the Indonesia Stock Exchange (IDX) in the property sector and real estate. This study uses 31 companies to sample the 55 property and real estate sector from 2017-2021. The sampling technique was carried out using the purposive sampling method. The test used in this study was multiple regression analysis with t-test and f-test. The results show that the current ratio (CR) has a negative and insignificant effect on stock prices in property and real estate sector. In contrast, the debt-to-equity ratio (DER) has a positive but insignificant effect on stock prices in property and real estate sectors. At the same time, Return on Assets (ROA) positively affects stock prices in property and real estate companies. The management of the company is expected to observe the behavior of investors in the capital market, namely by understanding the motives of investors so that the administration can develop a company strategy to attract investors to understand their capital in the company.

Keywords: Current Ratio, Debt To Equity Ratio, Return On Assets, Stocks Price
JEL Classification Code: E44, E43, E31

1. INTRODUCTION

The development of a capital market is influenced by active participation, both from companies that sell their shares (go public) and from investors and other parties involved in capital market activities. One of the alternative investment vehicles, the capital market, has a significant role as a channel of funds from investors to companies that lack funds efficiently. The capital market is one of the long-term financial institutions (securities) traded. Thus the capital market can benefit from carrying out economic and financial functions. The development of capital market in Indonesia has developed quite rapidly, both in the form of shares and debt instruments. Investors investing their funds in the capital market aim to obtain short-term and long-term income. Many factors can affect a company's stock price, both from the external environment and from the company's internal background (Ramsbottom et al., 2015). There are many types of shares traded as investment objects, and groupings occur according to the similarity of criteria. According to van der Kleij et al. (2020), shares are part of one of the securities traded or traded in the capital market. A company can sell its ownership rights in shares (stock). Brückner et al. (2012) state shares are long-term securities to meet long-term needs. Shares are proof of ownership of a limited liability company (Shukla, 2014). In conducting transactions or buying and selling shares carried out on the stock market or stock exchange. It is known as the Indonesia Stock Exchange (IDX) in Indonesia. The Indonesia Stock Exchange has several sectoral indices. One of these sectors is the property and real estate sector. The property sector is one of the critical sectors to analyze for economic health. The property industry is also the first sector to signal a country's falling or rising economy (Vatankhah et al., 2017).

In 2008 property stock prices experienced a drastic decline. Entering the 2010-2013 period, property prices rose again in line with domestic economic stability. The tremendous increase in property prices in Indonesia in 2010-2013 raised concerns about a property bubble, as in other countries. The property bubble rose uncontrollably, then suddenly fell and caused terrible loans. As

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a result, those who suffer losses are the user community and investors, the banking world, and the overall national economy also declines (Ding et al., 2020). The objects used in this study are the property and real estate sectors listed on the Indonesia Stock Exchange. This is marked by the proliferation of housing, apartment, office, and hotel developments. In addition, the development of the property sector can also be seen in the accumulation of real estate in big cities. From a macroeconomic perspective, the property sector has a vast scope of business (Moreno & Jones, 2021). The enthusiasm of the property business will, in turn, affect economic growth and create job opportunities. In this study, the internal factors that affect the prices of the property and real estate sectors are by looking at financial ratios. Stock prices in the capital market reflect market conditions and the company's internal conditions. Stock prices are also a benchmark for investors in making investment decisions (Moradi et al., 2020).

An important indicator for assessing the company's prospects in the future is to see how far the company's profitability is growing. This indicator is significant to note to determine the extent to which the investment investors in a company can provide returns that follow the level indicated by investors—one of the indicators seen by investors when they want to invest in its net profit. The company's profit is the company's ability to fulfill obligations to its funders, which shows its value in the future. Investors will only invest their funds in companies that have a good reputation. Companies with a good reputation can increase company profits and provide constant dividends to shareholders. The higher the profit achieved by the company, the higher the stock price. Capital market activities and stock prices are significant factors and must be considered by investors in investing because stock prices show the issuer's performance. The movement of stock prices is in line with the issuer's performance (Ilyas & Osiyevskyy, 2021; Madaleno & Vieira, 2020; Ravenda et al., 2019). If the issuer has better performance, the profits generated from business operations will be even greater. Conversely, if the dividends paid are small, the company's share price is also low, so the company's value is low (Ulum et al., 2008). The share price is determined according to the law of supply-demand or bargaining power. The more people who want to buy, the stock price tends to move up. Conversely, the more people want to sell shares, the lower the percentages (Moradi et al., 2020). One way to assess a company that will affect stock prices is to measure its performance. The company's performance can be seen from the financial statements issued periodically. Financial statements are essential information for potential investors because, from these financial statements, a company's performance can be known. According to Ravenda et al. (2019), financial statements result from an accounting process that can be used to communicate financial data or assets of a company with parties with interest in the data or activities of the company.

One of the factors determining stock prices is based on the company's performance. Performance can be seen from the financial statements. Financial reports in the form of information about the company's state are used as a source of information for decision-making. Financial statements need to be analyzed to evaluate the performance achieved by the company's management in the past and for consideration in preparing the company's plans. For these investors to be interested, the company must be able to show optimal performance by using financial statements, to able to measure performance and forecast the company's prospects by manipulating stock prices with the company's fundamental factors as seen in the financial information that can be measured using financial ratios, and financial ratios that used to predict stock prices, namely Current Ratio, Return on Assets, and Debt to Equity Ratio. Financial reports are designed so that all interested parties can use them (Irimia-Diéguez et al., 2014; Othuon et al., 2021; Pantea et al., 2014). The interested parties include the company's internal and external parties, namely suppliers, investors, creditors, government agencies, and prospective investors. Internal parties are employees and company management.

Capital market participants often use this information as a benchmark or guide in conducting transactions for buying and selling shares of a company. Financial reports are designed to help report users to identify relationships between variables from financial statements using ratios, including liquidity ratios, financial leverage, activities, profitability, and market ratios. The liquidity ratio is a ratio that describes the company's ability to immediately settle its short-term obligations, while liquidity includes the Current Ratio. The Activity Ratio represents how efficiently the company generates sales by utilizing its assets. Financial Leverage Ratios, including Debt to Equity

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Ratio, describe how much the company uses funds from debt (loans). Market ratio or stock ratio is the ratio used to measure the value of shares, the market ratio related to the rate of return on investment is Earning Per Share. The profitability ratio is a ratio that describes the company's ability to earn profits from the sources of funds it has; the profitability ratio consists of Return On Equity (Al Qudah & Malkawi, 2014). Research in the capital market has often been carried out, especially those affecting stock prices. Besides that, research on the effect on stock prices uses different factors and has varying effects; some are significant, and some have no effect. Therefore, which variables are the most influential and dominant on stock prices have not been found. In this study, the factors that will be selected in the form of financial performance, including current ratio, return on assets, and debt-to-equity Equity Ratio, are factors in investment assessment concerning assessing the performance of the effectiveness and efficiency of the company. So if the company's performance is good, investors will have the confidence to invest and buy shares of the company.

2. Literature Review and Hypothesis Development

2.1. Current Ratio (CR) relationship with stock prices

Financial liquidity between companies tends to differ from one industry to another. The criteria for a company with a solid financial position are: meeting financial obligations to external parties promptly, maintaining sufficient working capital conditions, paying interest and dividend obligations that must be paid, and maintaining a secure credit position. The higher the liquidity ratio, the better for investors; companies interested in investors should have a reasonably high liquidity ratio. The better the Current Ratio, the more liquid the company will be, increasing public interest in investing in the company (Kassem & Turksen, 2021; Othuon et al., 2021; Wu et al., 2020). This will have a positive impact on stock prices. Othuon et al. (2021) show that the independent variable simultaneously has a significant effect on the dependent variable, and partially, the current ratio variable has a positive and considerable influence on closing stock prices. significant impact on stock prices

2.2. Relationship between Debt to Equty Ratio (DER) and stock prices

This ratio is used to assess debt on equity. This ratio is sought by comparing all debt including current debt, with all equity. This ratio helps know the number of funds provided. In other words, this ratio serves to determine each rupiah of own capital used for debt guarantees (Vătavu, 2015). For internal and external parties, the greater this ratio, the more unprofitable it will be, the greater the ratio borne for failures that occur in the company. Conversely, the lower this ratio, the higher the level of funding provided by the owner and the greater the security limit for the borrower in the event of a loss or depreciation of the liability value. This ratio shows the feasibility and financial risk of the company. Research by Semaw Henock (2019) with test results showing that the Debt to Equity Ratio has no significant effect on stock prices.

2.3. Relationship between Return on asses (ROA) and stock prices

This ratio describes the company's ability to generate profits from every rupiah of assets used. ROA shows the company's ability to generate returns on assets used. The higher this ratio, the better the state of a company. If the ROA level is low, it doesn't always mean it's terrible. This can be caused by a deliberate decision to use large amounts of debt, and high-interest expenses cause net income to be relatively low (Brigham, 2010: 149). This ratio also provides a better measure of the company's profitability because it shows the effectiveness of management in using assets to generate income. The financial ratios used in this study are the Current Ratio, Return On Assets, and Debt to Equity Ratio. Consequently, the conceptual framework in this study is as follows in Fig 1.

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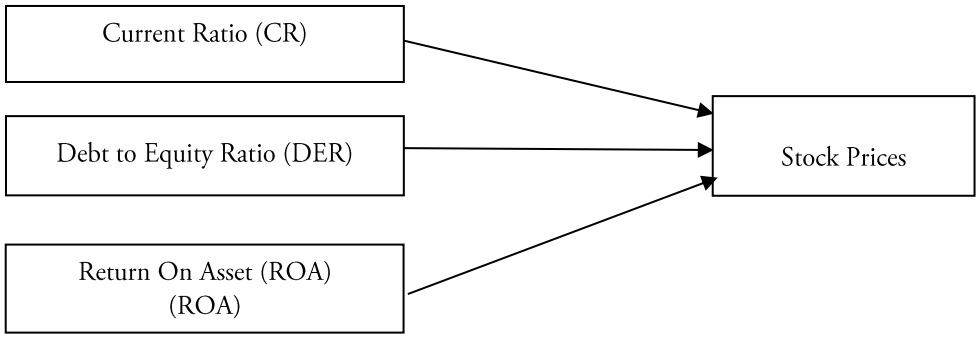

Figure 1. Conceptual Framework

From the conceptual framework and theoretical basis that have been stated previously, the hypotheses put forward are as follows:

1. Current Ratio has a positive and significant effect on stock prices in service companies listed on the Indonesian stock exchange in the property and real estate sector.
2. Debt to Equity Ratio has a positive and significant effect on stock prices in service companies in the property and real estate sectors.
3. Return on Assets has a positive and significant effect on stock prices in service companies listed on the Indonesian stock exchange in the property and real estate sector.
4. The variable Debt to Equity Ratio is the variable with the most dominant influence on stock prices in service companies in the property and real estate sector.

3. Research Method and Materials

3.1. Materials and Measurement

This research is comparative causal research that aims to analyze the effect of independent variables on the dependent variable. The variables used in this study are the Current Ratio (CR), Debt to Equity Ratio (DER), Return On Assets (ROA), and Stock Price (Y) as the dependent variable. At the same time, the research time is planned for two months, from May to June 2022. For collecting g data for this study, the author uses quantitative secondary data in the form of financial reports issued by the Indonesia Stock Exchange, including the criteria for the property and real estate sectors in 2013-2017. Secondary data sourced from www.IDX.co.id in the form of financial statements of companies listed on the Indonesia Stock Exchange in the property and real estate sector and can also be obtained from literature studies, either in the form of textbooks or journals and articles obtained from various media. The data collection techniques used in writing this thesis are:

1. The direct observation technique is by conducting a direct survey to the IDX Investment Gallery and making indirect observations by opening the website of the object under study, so that data can be obtained that can be used in this study.site used is www.IDX.co.id.The
2. Documentation technique, namely by looking for data on research that has been done previously and the literature relevant to this research.
3. The population in this study are service companies listed on the Indonesia Stock Exchange in the property and real estate sector. From the existing population, there are 55 companies, as follows:

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Table 1: Sample of Property and Real Estate Sector Companies

No	Code	Company List
1	APLN	Agung Podomoro Land
2	ASRI	Alam Sutera Realty
3	BEST	Bekasi Fajar Industrial Estate
4	BKDP	Bukit Darmo Property
5	BKSL	Sentul City
6	BSDE	Bumi Serpong Damai
7	CTRA	Ciputra Development
8	DART	Duta Anggada Realty
9	DILD	Intiland Development
10	DUTI	Duta Pertiwi
11	EMDE	Megapolitan Developments
12	GMTD	Gowa Makassar Tourism Development
13	GPRA	Perdana Gapuraprima
14	GWSA	Greenwood Sejahtera
15	JRPT	Jaya Real Property
16	KIJA	Kawasan Industri Jababeka
17	LPCK	Lippo Cikarang
18	LPKR	Lippo Karawaci
19	MDLN	Modernland Realty
20	MKPI	Metropolitan Kentjana
21	MTLA	Metropolitan Land
22	MTSM	Metro Realty
23	NIRO	City Retail Developments
24	PLIN	Plaza Indonesia Realty
25	PUDP	Pudjiati Prestige
26	PWON	Pakuwon Jati
27	RBMS	Ristia Bintang Mahkotasejati
28	RDTX	Roda Vivatex
29	RODA	Pikko Land Development
30	SMDM	Suryamas Dutamakmur
31	SMRA	Summarecon Agung

In this study, sampling was carried out by purposive sampling based on specific criteria. From the population will be taken, several samples that meet the following criteria will be accepted:

a. The company is included in the property and real estate sector companies on the Indonesia Stock Exchange during the observation period, namely 2013–2017.
b. Companies whose financial statements must have financial ratios or factors to calculate complete financial ratios. So companies that did not have an entire balance during the study period (2013 – 2017) were excluded from the sample.
c. The property and real estate sector shares on the Indonesia Stock Exchange that were actively traded during the study period (2013 -2017) were consistently and still listed on the Indonesia Stock Exchange.

Based on these criteria, the samples obtained by statistical methods in determining the number of pieces are as follows in Table 2 :

Table 2: Details of Research Sample

Description	Total (Companies)
Population	55 Companies
Sample Criteria	
Companies that were delisted from 2013-2017	7 Companies
No Financial Reports for 2013-2017	17 Companies
Sample used	31 Companies

1) Seven property and real estate companies are not listed or delisted on the Indonesia Stock Exchange.

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2) Incomplete property and real estate sector companies published annual reports and financial reports for 2013-2017, as many as 17 companies.
3) Companies whose shares are actively traded during the study period are consistently listed on the Indonesia Stock Exchange.

Based on the results of the analysis above, the sample companies are 31 companies, namely: Data analysis is a way to manage the data that has been collected and then provide interpretation. The results of this data management are used to answer the problems that have been formulated. This research helps determine the relationship between the independent variable (X) and the dependent variable (Y). Therefore, to determine the relationship between the independent variable (X) and the dependent variable (Y), the multiple regression equation is used as follows :

$$Y = a + b1X1 + b2X2 + b3X3 + e$$

Description:

Y = Stock price
a = Constants
b1, b2, b3 = coefficient x1, x2, x3, x4
X1 = Current Ratio (CR)
X2 = Debt To Equity Ratio (DER))
X3 = Return on Assets (ROA)
e = disturbing variables

Testing of the hypotheses carried out in this study was carried out in the following way:

i. F-statistical

The F-statistical test shows whether all the independent variables included in the regression model have a joint influence on the dependent variable (Ghazali, 2009:88) after F-regression found the results, then compared with the F-estimated. To determine the F table, the significance level used is = 5% with degrees of freedom df = (NK) where n is the number of observations, k is the number of variables including intercepts. If F-calculated > F-estimated, then H0 is rejected. This means that the independent variable is able to explain the dependent variable simultaneously/together. On the other hand, if F-calculated < F-estimated, then HO is accepted. This means that the independent variables together cannot explain the dependent variable.

ii. T-statistical

The t-test on statistics shows how far the influence of the independent variables individually in explaining the variation of the independent variables. To determine the value of the t-table statistic, a significant level of 5% was determined with degrees of freedom df = (nk-1), where n is the number of variables including intercepts. If t-calculated > t-estimated, Ho is rejected, and Ha is accepted, meaning that the independent variable can explain the dependent variable. Conversely, if t-calculated < t-estimated, HO is accepted and Ha is rejected, meaning that the independent variable does not define the dependent variable individually.

iii. Coefficient of Determination (R^2)

The multiple regression test was also analyzed. The magnitude of the regression coefficient (R^2) essentially measures how far the regression model can explain variations in the dependent variable or dependent variable. R^2 is used to measure the best accuracy of multiple analyses. If R^2 is close to 1, it can be said that the stronger the ability of the independent variable in the regression model is to explain the variation in the dependent variable. Conversely, if R^2 is close to zero, the independent variable's weaker defines the dependent variable.

iv. Classical Assumption Test

The regression model was obtained from the method of least squares. Usually, ordinary least squares (OLS) is a regression model that produces the best unusual linear estimator. This condition will occur if several classical assumptions are fulfilled, which consist of:

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1) Normality. The normality test is used to determine whether the variables are normally distributed or not; it can be seen from the standard probability plot graph. If the distribution is normal, the plot spread will be around and along the 45oline. Based on the average probability plot graph, the variables are normally distributed. Sarstedt et al. (2014), the basis for normality decision making if it meets the following conditions:
   a) The data spreads around the diagonal line and follows the direction of the diagonal line, or the histogram graph shows a normal distribution pattern. The regression model fulfills the assumption of normality.
   b) The data spreads far from the diagonal line or does not follow the direction of the diagonal line, or the histogram graph does not show a regular distribution pattern. The regression model does not meet the assumption of normality.
2) Multicollinearity. This assumption test aims to show a linear relationship between the independent variables in the regression model and to indicate the presence or absence of a high degree of collinearity between the independent variables. Guidelines for a regression model free of multicollinearity are: Having a variance influence factor (VIF) value < 10 and a tolerance number above 10%. It can also be said that there is no multicollinearity if the correlation coefficient between independent variables is less than 0.80 (r < 0.80). The coefficient between the independent variables must be weak (below 0.5). There will be a multikol problem.
3) Autocorrelation Test. A good regression equation does not have autocorrelation problems. If there is autocorrelation, then the equation is not good or suitable for prediction. The new autocorrelation problem arises if there is a linear correlation between the confounding error of period-t (was) and the confounding error of period t-1 (previous). One measure in determining whether there is an autocorrelation problem is the Durbin-Watson (DW) test, with the following conditions:
   a) There is a positive autocorrelation if DW is below -2 (DW<2)
   b) There is no autocorrelation if the DW value is between -2 and +2 (-2DM+2)
   c) There is a negative autocorrelation if the DW value exceeds +2 (DW > 2).
4) Heteroscedasticity. A test is used to determine whether there is an inequality of variance in the regression model from one observation residual to another statement. If the disagreement from the residual of one message to the observation remains, it is called homoscedasticity, and if it is different, it is called heteroscedasticity. A good regression model has homoscedasticity or no heteroscedasticity. The way to approach the existence of heteroscedasticity can be done by looking at the graph, where the X-axis is the residual and the Y-axis is the predicted Y value. If there is no clear pattern and the points are spread above and below the 0 axis on the Y axis, it means no heteroscedasticity occurs in the regression model (Ghozali, 2013).

4. Results and Discussion

4.1. Description Analysis

The research data explains the presentation of data regarding share prices in the Property and Real Estate sectors on the Indonesia Stock Exchange. Presentation of data from property and real estate sector companies and share prices of each company for 5 (five) years. The sampling process resulted in 31 companies with 55 observations for the research period from 2017 to 2021. The description of the research data consisted of the Current Ratio (CR), Debt to Equity Ratio (DER), Return On Assets (ROA), and Stock Prices.

a) Current Ratio

The current ratio compares the current assets and current liabilities of a company with a current ratio; it cannot necessarily pay the company's debts that have matured because the distribution of existing assets is not profitable. The current ratio can also be said to measure the level of security

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(margin of safety) of a company. The manager will see the operations' performance; the greater the current ratio, the greater its ability to meet its short-term obligations. A high value in the current ratio or more than 1 (100%) indicates that the company can meet its debts within the next 12 months; on the contrary, if the value is low or less than 1 (100%), the company tends to have difficulty paying off its debts. The following data on the average current ratio of sample companies can be seen in Table 3 below:

Table 3: Average Current Ratio (CR) Development of Property and Real Estate Sector Companies

Year	Average Current Ratio	Progress
2017	358.70	0.00
2018	373.62	4.16
Year	Average Current Ratio	Progress
2019	431.43	15.47
2020	497.64	15.35
2021	412.85	-17.04
Average	414.85	4.49

Table 3 above shows that the amount of data used in this study is 155 observations of data taken from 2017–2021, indicating that the company has good liquidity with an average value of 414.85. The current ratio for property and real estate companies is more than 1 (100%), indicating that they can pay off their obligations within the next 12 months. In each period, it appears that the current ratio value for property and real estate companies has fluctuated. Namely, the average value in 2017 was 358.70, increased until 2020 reached 497.64, then decreased in 2021 to 412.85. The largest current ratio is owned by Ristia Bintang Mahkota Sejati Tbk. (RBMS), which amounted to 2,982.37 in 2017. The higher the current ratio, the greater the company's ability to pay short-term obligations. However, a current ratio (CR) that is too high also indicates poor management of liquidity sources, excess funds, and existing assets that should be used to pay dividends, pay off long-term debt, and for investments that can generate higher returns. Meanwhile, the lowest current ratio is owned by Alam Sutera Realty Tbk. (ASRI), which is 127.02 in 2021.

b) Debt to Equity Ratio (DER)

This ratio is used to assess debt with equity. This ratio is sought by comparing all debt, including current debt, with all equity. This ratio helps know the number of funds provided, or in other words, this ratio serves to find out each rupiah of own capital used for debt guarantees (Harahap, 2009: 308). The lower this ratio, the higher the debt-to-equity ratio, which indicates that the company can attract additional capital from other loans. The low DER ratio demonstrates a good investment structure in the company. The following data on the average Debt to Equity Ratio development of sample companies can be seen in table 4.

Table 4: Debt To Equity Ratio (DER) Development of Property and Real Estate Sector Companies

Year	Debt To Equity Ratio	Progress
2017	147.12	0.00
2018	140.88	-4.24
2019	139.28	-1.14
2020	136.19	-2.22
2021	142.92	4.94
Average	141.28	-0.67

Based on table 4, the average property and real estate sector companies show a ratio above 1 (100%) which reveals that the company has a good investment structure. The amount of data used in this study was 155 observations of data taken from the period 2017 - 2021 obtained an average value of 141.28 where during 2017-2020 it decreased and increased in 2021. The average DER value in 2017 by 147.12 decreased to 136.19 in 2020 and rose again in 2021 by 142.92. The increase that occurs indicates that there has been an additional creditor to finance the company's operations because the increased DER ratio has made the company financed by the lender (creditor). Debt to Equity Ratio (DER) in property and real estate companies for five years has

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fluctuated. The largest DER is owned by Plaza Indonesia Realty Tbk (PLIN) which is 370.10 in 2021, while the lowest DER value is owned by Ristia Bintang Mahkota Sejati Tbk (RBMS) which is 3.47 in 2020.

c) Return on Assets (ROA)

Return on Assets is also often referred to as economic profitability, which is a measure of the company's ability to generate profits with all the assets owned by the company. This ratio describes asset turnover measured by sales volume. The bigger this ratio the better. This means that assets can be compared more quickly between profit before tax and overall capital. A good ratio value above zero percent. A higher ratio indicates that the company is more effective in managing its assets to generate a larger amount of net profit. The following data on the average return on assets (ROA) of the sample companies can be seen in table 5:

Table 5: Return on Assets (ROA) Development of Property and Real Estate Sector Companies

Year	Return on Assets	Progress
2017	96.77	0.00
2018	94.63	-2.21
2019	94.16	-0.50
2020	95.62	1.55
2021	99.06	3.60
Average	96.05	0.61

Based on table 5, the average ROA of property and real estate companies is around 90 percent which shows that on average the companies experience high profitability each period. The rate of return on investment in assets is large so that the average performance of property and real estate companies is concluded to be good. The amount of data used in this study was 155 observations of data taken from the period 2017 - 2021 obtained an average value of 96.05 and fluctuated, namely the average value in 2017 of 96.77 decreased until 2015 reached 94, 16 then increased in 2020 by 95.62, increasing until 2021 it reached 99.06. Roda Vivatex Tbk (RDTX) has the largest ROA, which is 923.60 in 2017, while the lowest ROA is owned by Ristia Bintang Mahkotasejati Tbk. (RBMS) in 2017. This shows that overall companies in the property and real estate sector still need to increase their operational activities to generate profits for the company.

d) Stocks Prices

The share price is the selling price of a share and is listed on the stock exchange. Each point of increase or decrease that occurs at any time can determine the investor's profit or loss on a share owned. The stock price in this pin is the closing price. The following data on the average stock price development of the sample companies can be seen in table 6.

Table 6: Stocks Prices Development of Property and Real Estate Sector Companies

Year	Stocks Prices	Progress
2017	1,487.52	0.00
2018	1,951.42	31.19
2019	2,005.13	2.75
2020	2,318.06	15.61
2021	2,489.06	7.38
Average	2,050.24	14.23

Based on table 6, above shows that the amount of data used in this study was 155 observations of data taken from the period 2013 - 2017 obtained an average value of 2,050.24 and increased in 2013 by 1,487.52 up to 2,489 .06 in 2017. The largest share price is owned by Bumi Metropolitan Kentjana Tbk (MKPI) which is 36,500.000 in 2017. While the lowest share value is owned by Perdana Ristia Bintang Mahkotasejati Tbk (RBMS) which is 56.00 in 2014 (Attached data). In general, the average share price has increased every year, this means stable financial performance experienced by property and real estate companies from 2017 to 2021.

4.2. Statistical Analysis

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Testing of data on property and real estate sector companies and stock prices of each company for 5 (five) years. The sampling process resulted in 31 companies with 55 observations for the research period from 2013 to 2017. The description of the research data consisted of the Current Ratio (CR), Debt to Equity Ratio (DER), Return On Assets (ROA), and Stock Prices. The data will be described or described from each variable that has been processed using SPSS version 21. The results of SPSS data processing in the form of descriptive statistics will display the characteristics of the sample used in the study, including the number of pieces (N), the average sample (mean), minimum and maximum, and standard deviation (σ) for each variable, which is presented in Table 7 below:

Table 7: Descriptive Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
CR	155	127.02	2,982.37	349.8472	318.44029
DER	155	3.47	370.10	76.2771	52.17433
ROA	155	-8.80	923.60	31.0479	139.82176
Stock Prices	155	56.00	36,500.00	1,985.2387	4,412.64003
Valid N (listwise)	155				

i

ng the data using classical assumptions are needed to determine whether the regression estimation results are genuinely free from the presence of heteroscedasticity symptoms, symptoms of multicollinearity. The regression model can be used as an unbiased estimation tool to meet the requirements. Namely, there is no heteroscedasticity and no multicollinearity (Sudrajat, 1988). If there is heteroscedasticity, then the variance is not constant to cause a standard error bias. If there is multicollinearity, it will be challenging to isolate the variables' personal effects, so the significance level of the regression coefficient is low. In addition, the tolerance value of the independent variable has a tolerance value of more than 0.10. Meanwhile, the calculation results of the Variance Inflation Factor (VIF) value also show the same thing. None of the independent variables has a VIF value of more than 10. Thus, it can be concluded that in the regression model, there is no multicollinearity between the independent variables.

4.3. Hypothesis Result

Multiple linear regression analysis is used to predict the effect of two or more independent variables (X) on a dependent variable (Y) or to prove that there is or is not a relationship between two or more independent variables and a dependent variable. Multiple linear regression analysis can be seen in the following table 8.

Table 8: Hypothesis Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.202	.311		19.923	.000
	CR	-.001	.000	-.183	-2.068	.040
	DER	.004	.002	.154	1.743	.083
	ROA	.004	.001	.381	5.065	.000
a. Dependent Variable: Stock Price						

Table 8 shows the results of the regression data on the current ratio (CR), Debt to Equity Ratio (DER), and Return On Assets (ROA) as independent variables. The stock price is the dependent variable. The results of the multiple linear regression equation from this research model are:

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$$Y = 6.202 - 0.183\ X1 + 0.154X2 + 0.381X3$$

Based on the results of the multiple linear regression equation, it is described as follows:

1. Constant bo = 6.202. The constant value of 6.202 indicates that if the independent variables are current ratio (CR), Debt to Equity Ratio (DER), and Return On Assets (ROA) is constant. The stock price is Y = 6.202.
2. b1 = -0.183. The coefficient of the constant current ratio = -0.183, meaning that if the variable current ratio (CR)(X1) is increased, then the stock price of property and real estate sector companies listed on the IDX will decrease by 0.183, assuming the variable Debt to Equity Ratio (DER), and Return On Assets (ROA) constant negative sign indicates a unidirectional relationship between the current ratio and stock prices.
3. b2 = 0.154. The coefficient of the constant Debt to Equity Ratio (DER) = 0.154, meaning that if the Debt to Equity Ratio (DER) (X2) variable is increased, then the stock price of property and real estate sector companies listed on the IDX will decrease by 0.154 assuming the variable current ratio and Return on Assetsconstant
4. b3 = 0.381. The constant-coefficient Return On Assets (ROA) = 0.381, meaning that if the Return on Assets (ROA) (X3) variable is increased, the stock prices of property and real estate sector companies listed on the IDX will increase by 0.381, assuming the current ratio (CR)) and Debt to Equity Ratio (DER).

To find out the effect of each independent variable (X1, X2, X3) on the dependent variable (stock price) partially, it can be done by comparing the value of t-count > t-table (2.051) and <0.05 as seen in table 13. To find out more details can be described as follows:

a. The test results for the Current ratio (X1) variable show that the t-count value is 2.682 > t-table 2.051, and a significant level of 0.040. The results showed that the varying current ratio (X1) had a significant adverse effect on stock prices in property and real estate sector companies listed on the IDX. Thus the proposed hypothesis can be rejected.
b. The test results on the DER variable (X2) show that the t-count value is 1.743 < t-table 2.051; and a significant level of 0.083. The results showed that the DER variable (X2) had a negative and insignificant effect on stock prices in property and real estate sector companies listed on the IDX. Thus the proposed hypothesis can be rejected.
c. The test results on the ROA variable (X3) show that the t-count value is 5.065 > t-table 2.051, and a significant level of 0.000. The results showed that the ROA variable (X3) positively and significantly affected stock prices in property and real estate sector companies listed on the IDX. Thus the proposed hypothesis can be accepted.

Based on the above description of the three independent variables, it turns out that the Return On Asset (ROA) (X3) variable most dominantly affects stock prices in property and real estate sector companies listed on the IDX because the unstandardized coefficient or the most significant beta number is 0.381 compared to variable Current Ratio (CR) (X1) -0.183 and Debt to Equity Ratio (DER) (X2) 0.154. Hypothesis testing was carried out simultaneously using the F-test and partially with the t-test and the coefficient of determination test. Simultaneous hypothesis testing aims to see the effect of all independent variables' current ratio (X1), DER (X2), and ROA (X3) on the dependent variable, Stock Price (Y). The results of simultaneous hypothesis testing can be seen in Table 9.

Table 9. Results of Simultaneous Hypothesis Testing (Test F)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	60.879	3	20.293	11.400	.000[b]
	Residual	268.805	151	1.780		
	Total	329.684	154			

Table 9 shows that the calculated F-value obtained is F-arithmetic 11.400 > F table 2.96 with a significant level of 0.000 which is smaller than the significant level of 0.05 or (0.000 < 0.05). The

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calculated F-value is greater than the F table value, so it is concluded that together CR (X1), DER (X2) and ROA (X3) have a simultaneous and significant effect on stock prices in property and real estate sector companies listed on the IDX.

4.4. Discussion

1. Effect of Current Ratio (CR) on Stock Prices

The current ratio or current ratio (CR) is a ratio to measure the company's ability to pay short-term obligations or debts that are due immediately when they are billed in full. From the results of the ratio measurement, if the current ratio is low, it can be said that the company lacks the capital to pay debts. However, if the measurement results of the ratio are high, it does not mean that the company's condition is good. This can happen because cash is not used as well as possible. The results of hypothesis testing conclude that the current ratio has a negative and significant effect on stock prices of property and real estate sector companies listed on the Indonesia Stock Exchange; of course, this does not support the first hypothesis regarding the current ratio a positive and significant effect on stock prices, so the first hypothesis is rejected. The current Ratio shows how much the company can pay off its short-term debt. There is no absolute provision about what level of current ratio is considered good or that a company must maintain. However, the general standard used to measure current ratio of a good company is at the limit of 200 %. The existence of a significant negative effect of the current ratio on stock prices is caused by the high value of the current ratio or the average being above 200%. If the current ratio is above 200% (too liquid), the company has sizeable idle cash. This indicates inefficient cash management. When the current ratio is low, it means that the company is in a position of financial difficulty because the company must pay its short-term debt. So with the general limit of the company with a current ratio that is considered safe, it will result in the company being in a promising position for investors who invest because the company is deemed to be able to pay off its current debt.

2. Effect of Debt to Equity Ratio (DER) on Stock Prices

The debt to equity ratio shows the comparison between total debt and total assets. The higher the debt to equity ratio indicates the high dependence of the company's capital on external parties so that the company's burden is also getting heavier. Of course, this will reduce the rights of shareholders. Companies with a high debt-to-equity ratio have a higher risk of loss, but the expected rate of return is also higher face. Small. The test results show that the Debt to Equity regression coefficient positively and significantly affects stock prices in property and real estate sector companies listed on the Indonesia Stock Exchange. Ratio DER. And vice versa, if there is an increase in one unit of the debt to equity ratio, it will reduce the stock price. This ratio shows the composition of the capital structure of the total debt to the total capital owned by the company. The higher the debt to equity ratio indicates that the total debt (short term and long term) is more outstanding than the total equity—the more significant the impact on the company's burden on outside parties (creditors).

3. Effect of Return on Asset (ROA) on Stock Prices

This ratio describes the company's ability to generate profits from every rupiah of assets used. In addition, return on assets also provides a good measure of the company's profitability because it shows the effectiveness of management in using assets to earn income and can assess whether the company is efficient in utilizing its investments in its operational activities. The greater this ratio, the better because it means, the more significant the company's ability to generate profits. The calculation results above illustrate that this ratio describes the company's ability to generate profits from every one rupiah of assets used in the last four years. Based on the study results, it was found that the return on assets variable had a positive and significant effect on stock prices in property and real estate sector companies listed on the IDX. Thus the hypothesis that the return on assets has a positive and significant impact can be accepted. This means that every one unit increase in return on investments will increase the share price of property and real estate sector companies listed on the

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Indonesia Stock Exchange. Likewise, if there is a decrease in one unit of return on assets, it will reduce the stock price.

5. Conclusion

Based on the results of the research that has been done, it can be concluded that:

Partially Current Ratio (CR) has a significant negative effect on stock prices in property and real estate companies listed on the Indonesia Stock Exchange Partially the Debt to Equity Ratio (DER) has a positive and insignificant effect on stock prices in property and real estate companies listed on the Indonesia Stock Exchange. Partially Return On Assets (ROA) has a positive and significant effect on stock prices in property and real estate companies listed on the Indonesia Stock Exchange. The Return On Asset (ROA) variable is the dominant variable affecting stock prices in property and real estate companies listed on the Indonesia Stock Exchange. Therefore, the return on assets (ROA) variable has a positive and significant effect on stock prices, so management must be maintained to increase further. The Debt to Equity Ratio (DER) variable has no significant effect on stock prices, so management must improve further. The management of the company is expected to observe the behavior of investors in the capital market, namely by understanding the motives of investors so that the administration can develop a company strategy to attract investors to understand their capital in the company. For further researchers, it is hoped that they can examine other variables outside of this variable to obtain more varied results that can describe what things can affect stock prices.

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