Original Research Article

The Effect of Profitability, Liquidity, Activity, and Market Value Ratio on Stock Prices in the Manufacturing Industry Sector Listed on the Indonesia Stock Exchange

ABSTRACT

This study aims to determine the effect of profitability, liquidity, activity, and market value ratio on stock prices in manufacturing industry companies. The research method uses multiple linear regression analysis with the help of SPSS for as many as 27 companies listed on the Indonesia Stock Exchange in 2018-2022 with Purposive Sampling. The results showed that profitability, as measured by ROA and NPM of the complete model, had a significant effect on stock prices, but ROA and NPM of the short model had no significant impact on stock prices. While profitability, as measured by ROE, has no significant effect on stock prices. The results of liquidity research, as measured by CuR, QR, and CaR, show no significant impact on stock prices. As measured by TATO, ratio activity significantly affects stock prices, while ratio activity, as measured by ITO and WCT, has no significant impact on stock prices. The market value ratio measured by DY significantly affects stock prices, while the market value ratio measured by PBVR and PER has no significant impact on stock prices.

Keywords: Profitability, Liquidity, Activity, Market Value Ratio, and Stock Price

1. INTRODUCTION

Currently, investment is well-known among Indonesians. According to Bodie (2018), investment is a commitment of funds or other resources made now to obtain future profits. Investment can take the form of real investment and non-real investment. Non-real investment is an investment in the capital market. Investors can invest their funds through the capital market, thus earning profits, and companies can use the funds invested by investors to operate and develop their businesses.

The capital market that is a means of investment in Indonesia is the IDX (Indonesia Stock Exchange). The IDX is a market that connects investors with companies that have gone public. Companies that have gone public or IPO (Initial Public Offering) make initial share offerings. The benefits of an IPO include being a means of long-term funding for the company, increasing the company's value, and can be used as a means to maintain the sustainability of the company (IDX, 2017).

Stock investment is one way to invest in the capital market. According to Husnan (2008), shares are proof of investor ownership to get a share of the prospects or wealth of the company that issued the securities. When investors invest, they want to earn capital gains. Capital gain is the difference between the selling price and the purchase price of the stock. Investors must do proper stock price analysis to reap substantial capital gains. Market participants determine the share price at a specific time and by the demand and supply of the shares concerned in the capital market (Hartono, 2022).

The achievements and performance of a company can influence stock value. Investors will receive dividends and capital gains if the company's performance increases. Companies must increase profits and efficiency to achieve sound corporate and financial performance. Research conducted by Alami (2021), earnings management has a significant positive effect on underpricing and stock returns. The research was born on 30 companies in the manufacturing sector located on the IDX from 2015 to 2019.

Investors can use financial ratios to evaluate company performance. Financial ratios include liquidity, activity, leverage, profitability, and market value. Liquidity ratios, such as Current Ratio, Cash Ratio, and Quick Ratio. Activity ratios include Receivable Turnover, Inventory Turnover, Receivable Turnover in Days, Working Capital Turnover, and Total Assets Turnover. Leverage ratios, such as Debt Ratio and Total Debt to Equity Ratio. And profitability ratios, such as Gross Profit Margin, Net Profit Margin or NPM, Return on Investment or ROI, Return on Equity or ROE, and Return on Asset or ROA. Market value ratios can be used to measure stock prices. The market value ratio is a benchmark for companies to pay investors through dividends. Earning per Share, Dividend Yield, Price to Book Value Ratio, and Price Earning Ratio are examples of market value ratios.

Amalya (2018) researched the effect of ROA, ROE, and DER on stock prices. The results showed that these factors had no significant impact on stock prices. NPM also has a significant effect on stock prices, according to Amalya's research (2018) on 20 samples of coal mining companies on the IDX from 2012 to 2014. Stock prices can increase for companies that can distribute large amounts of dividends—likewise, investors expect increased earnings per share or EPS. Oktavian (2019) has researched the effect of

EPS and DPS on stock prices in the PT Wijaya Karya (Persero) Tbk sample, where the company's stock code is WIKA. The study found that EPS and DPS simultaneously significantly affect stock prices. EPS partially has a significant impact on stock prices, while DPS partially obtains the opposite result. According to Purnawati et al. (2017), ROA, EPS, PER, and NPM's effect on stock prices is insignificant. This study uses a sample of telecommunications companies listed on the IDX between 2012 and 2016.

There are differences in research results between one researcher and another. This is because it uses a different sample. The results may be different if research is carried out in the manufacturing industry sector. Therefore, researchers are interested in researching how the manufacturing industry sector in companies listed on the Indonesia Stock Exchange will affect profitability, liquidity, activity, and market value ratios on stock prices from 2018 - 2022.

The Profitability ratios used in this study are Return on Asset, Return on Equity, and Net Profit Margin. Current Ratio, Quick Ratio, and Cash Ratio are liquidity ratios that will be used in this study. This study will also use Total Assets Turnover, Inventory Turnover, and Working Capital Turnover as activity ratios. The market value ratios used in this study are Dividend Yield, Price Book Value Ratio, and Price Earning Ratio. The manufacturing industry sector is interesting to study because the sector experienced a decline during the economic recovery. In previous studies, the sample was more specific, so researchers wanted to use the manufacturing industry sector for a more comprehensive selection.

2. LITERATURE REVIEW

2.1 Investment in the Capital Market

The capital market is a market prepared to trade shares, securities, or bonds in circulation using the services of securities brokerage firms (Destina, 2022). According to Tandelilin (2017), investment is a commitment to several funds or other resources made at this time, which aims to obtain future profits. The purpose of someone investing is to make some money and improve the investor's welfare. According to Hartono (2009), investment generates returns. Brigham and Houston (2018) say return is the difference between the amount received and invested, divided by the amount invested. Stock returns are divided into realized and expected returns (Hartono, 2009). Realized return is the return that has occurred, calculated based on historical data. Meanwhile, the expected return is the return expected to be obtained by investors.

2.2 Capital Market Theory

Tandelilin (2017) defines the efficient market concept as an efficient market concept that emphasizes more on the information aspect, meaning that an efficient market is a market where the prices of traded securities reflect all available information. According to Hartono (2022), market efficiency is based on three forms of knowledge: weak-form efficiency, semi-strong-form efficiency, and strong-form efficiency.

2.3 Factors Affecting Stock Prices

Fundamental factors are one of the factors that affect stock prices. The company's fundamental factors are issues related to the company's operations and profitability. The term "financial performance" refers to a description of the financial state of a business over some time in terms of how funds are raised and used. Financial ratios are a tool for comparing financial data on items on a company's financial statements to determine the company's performance. Financial ratio analysis explains the relationship between items on the financial statements (balance sheet and income statement) (Siswanto, 2021). Financial ratio analysis is divided into five groups, according to Murhadi (2013):

1. Liquidity Ratio

   The liquidity ratio is a ratio that looks at the relationship between the company's current assets and current liabilities to determine the company's ability to meet short-term obligations (Halim and Hanafi, 2016). Liquidity ratios consist of the current, quick, and cash ratios.
2. Asset Management Ratio

   The management ratio is a ratio that shows the company's ability to manage its assets effectively - in this case, converting non-cash assets into cash assets (Murgadi, 2013). The asset management ratio consists of the receivable turnover ratio, days of sales outstanding, inventory turnover ratio, days of inventory, payable turnover, average payment period, and total assets turnover.
3. Debt Management Ratio

   The ratio that shows the company's ability to manage and pay its obligations is the debt management ratio. The debt management ratio is divided into two, namely: the leverage ratio and the solvency ratio.
4. Profitability Ratio

   The profitability ratio is a ratio used to assess the company's ability to generate profits (Kasmir, 2018). Profitability ratios consist of gross profit margin, operating income, net profit margin, return on equity, and return on assets.
5. Market Value Ratio

   The ratio of a company's book value to the value of its shares to its earnings is known as the market value ratio (Brigham and Houston, 2018). Market value ratios consist of earnings per share, dividend payout ratio, price-to-earnings ratio, dividend yield, price-to-book value ratio, price/sales ratio, and price-earnings ratio to growth.

2.4 Hypothesis

2.4.1 Effect of Profitability on Stock Price

An indicator to assess a company's future prospects is to see the growth of the company's profitability. The profitability ratio, known as Return on Assets, describes the extent to which the company's assets can generate profits. Based on research conducted by Amalya (2018) on the effect of Return on Assets on stock prices, it is said that ROA has an insignificant impact on stock prices. ROA

has a positive relationship with stock prices. The results of this study are also following research conducted by Purnamawati et al. (2017), Nurlia & Juwari (2019), and Utami & Darmawan (2018). Namely, ROA has no significant effect on stock prices. ROA has a significant impact on stock prices, as found by Ilmiyomo (2019) and Agnatia and Amalia (2018).

Return on equity measures the ability of capital to generate profits for shareholders. Return on equity is significant for company owners because it illustrates the level of return that can be obtained. Companies that can return in terms of share ownership will make investors feel safe. This will attract investors to invest so that the share price will increase. Based on studies on how Return on Equity affects stock prices conducted by Amalya (2018), Nurlia & Juwari (2019), Tumonggor et al. (2017), Agnatia & Amalia (2018), Utami & Darmawan (2018), and Aryanti (2021). They are saying that ROE has an insignificant effect on stock prices. ROE has a positive relationship with stock prices. This means that when ROE increases, the stock price will also increase.

The profitability ratio, known as Net Profit Margin, determines the ratio of net income to net sales. A company's net income from net sales will be higher if its net profit margin is higher. Investors will be more likely to invest as a result. Based on research conducted by Amalya (2018) on the effect of Net Profit Margin on stock prices, it is said that NPM has a significant impact on stock prices. The stock price is also significantly influenced by research conducted by Ramadhani and Zannati (2018). According to a study by Purnamawati et al. (2017) and Agnatia & Amalia (2018), NPM does not affect stock prices. NPM has a positive relationship with stock prices. This means that when NPM increases, the stock price will increase. This shows that investors pay more attention to the company's ability to generate net income to determine their return.

H1a: Return on Asset affects stock price
H1b: Return on Equity affects stock price
H1c: Net Profit Margin affects stock price

2.4.2 Effect of Liquidity on Stock Price

The current ratio measures a company's ability or ability to fulfill its short-term obligations that are due immediately. According to research conducted by Ramadhani and Zannati (2018), the current ratio significantly affects stock prices. According to Nurlia & Juwari (2019) and Widiana & Yustrianthe (2020), the current ratio also has a significant impact on stock prices. Suryanengsih & Kharisma (2020) and Tumonggor et al. (2017) also researched the current ratio's effect on stock prices, and the results had no significant impact. The greater the current ratio, the higher the company's ability to meet its short-term obligations. An increase in the current ratio can be a positive signal for investors to make decisions to purchase shares in the capital market. Increasing a company's current ratio can encourage an increase in the company's share price.

A quick ratio is a ratio that shows the company's ability to meet short-term liabilities with the most immediate assets. The greater the quick ratio, the better the company's condition, and the short-term debt can be paid well because high liquidity can make investors interested and can cause stock prices to rise. Based on research conducted by Suryanengsih and Kharisma (2020), the quick ratio positively affects stock prices.

The cash ratio is a tool used to measure how much cash is available to pay the debt. The higher the cash ratio value, the company has enough time to pay off its debts. Based on research conducted by Widiana & Yustrianthe (2020), the cash ratio has a significant effect on stock prices. According to a study conducted by Nurkholifah and Kharisma (2020), the cash ratio significantly impacts stock prices.

H2a: Current Ratio affects stock price
H2b: Quick Ratio affects stock prices
H2c: Cash Ratio affects stock price

2.4.3 Impact of Activity on Share Price

The ratio known as total assets turnover describes the turnover of assets in terms of sales volume. The greater the total assets turnover, the better. As a result, assets can turn faster, generate profits, and show efficiency, which results in more significant sales. Based on research conducted by Natalia et al. (2021) shows that the total assets turnover ratio has no significant effect.

A ratio known as the inventory turnover ratio is used to evaluate the efficiency of a company's inventory management. The higher the value of a company's inventory turnover ratio, the faster the return of funds embedded in the inventory. Based on research conducted by Deviyanti & Safitri (2021), the results show that the inventory turnover ratio does not have a significant effect.

Working Capital Turnover Ratio is a ratio to measure the amount of cash needed to generate certain sales. The higher the Working Capital Turnover Ratio value will result in profitable working capital for the company. According to research conducted by Deviyanti and Safitri (2021), the results of the Working Capital Turnover Ratio significantly affect stock prices. Setyardiani & Fuadati's study (2017) also found that WCT significantly impacts stock prices.

H3a: Total Assets Turn Over affects stock price
H3b: Inventory Turn Over Ratio affects stock price
H3c: Working Capital Turnover Ratio affects stock price

2.4.4 Effect of Market Value on Stock Price

The stock price increases proportionally with the price-to-book value ratio. A good company has a high price-to-book value ratio, indicating that investors are willing to spend many times the company's book value. Based on research conducted by Tannia and Suharti (2020), the price-to-book value ratio significantly affects stock prices.

The price Earning Ratio describes the market value of a company's ability to generate profits. The smaller the Price Earning Ratio, the better because the share price becomes cheap. Based on research by Purnawati et al. (2017) looks at how stock prices are affected by the Price Earning Ratio. You are saying that the stock price is not significantly affected by PER. According to research by

Tannia and Suharti (2020), PER has no significant effect on stock prices. Meanwhile, research by Natalia et al. (2021) shows that PER significantly impacts stock prices.
H4a: Price to Book Value Ratio affects stock price
H4b: Price Earning Ratio affects stock price

2.4.5 Effect of Dividend Yield on Stock Price

The dividend yield is the percentage of dividends to a company's share price. A high-profit yield indicates that the profits circulating to investors are also high. According to Akuba & Hasmirati's research (2021), dividend yield does not significantly affect stock prices. Aryanti's research (2021) shows that dividend yield significantly influences stock prices.
H5: Dividend Yield affects stock price

3. Methodology

This study uses manufacturing sub-field companies listed on the Indonesia Stock Exchange in 2018-2022. Sampling using the purposive sampling technique amounted to 27 companies. Sample criteria: manufacturing companies that publish financial reports for 2018-2022 and are included in the main board of the Indonesian stock exchange. The independent variable is the stock price with the abnormal return indicator (X). The dependent variables are profitability ratios with indicators ROA (Y1), ROE (Y2), and NPM (Y3), liquidity ratios with indicators CuR (Y4), QR (Y5), and CaR (Y6), activity ratios with indicators TATO (Y7), ITO (Y8), and WCT (Y9), and market value ratios with indicators DY (Y10), PBVR (Y11), and PER (Y12). Data analysis in this study uses descriptive statistical analysis. The classic assumption test uses a multicollinearity test, autocorrelation test, and heteroscedasticity test—evidence analysis to test the truth of the hypothesis with multiple linear regression analysis.

4. RESULTS AND DISCUSSION

4.1.1 Descriptive Statistical Analysis

Table 1. Descriptive Statistical Analysis

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
ROA	135	-0.2	1.22	0.093	0.12559
ROE	135	-0.62	1.45	0.1641	0.25146
NPM	135	-0.26	0.38	0.0875	0.07633
CuR	135	0.61	13.87	2.9194	2.53101
QR	135	-2.67	9.43	2.0693	2.00081
CaR	135	0.01	6.89	1.0412	1.39634
TATO	135	0.32	6.45	1.1916	0.85968
ITO	135	0.01	22.09	6.0547	3.48133
WCT	135	-107.74	571.5	11.3838	62.71222
PBVR	135	0.16	56.79	3.2808	6.94416
PER	135	-2.23	295.45	22.3863	30.59318
DY	135	0	0.09	0.0279	0.02102
AR	135	-0.54	1.43	0.0377	0.32909
Valid N (listwise)	135				

4.1.2 Classical Assumption Test

1. Multicollinearity Test

The VIF value shows that the variables ROA, ROE, NPM, CuR, QR, CaR, TATO, ITO, WCT, PBVR, PER, and DY are more minor than ten. The tolerance value is more significant than 0.10, so the data in this study are declared not to have multicollinearity symptoms between the independent variables, namely ROA, ROE, NPM, CuR, QR, CaR, TATO, ITO, WCT, PBVR, PER, and DY.

2. Autocorrelation Test

The study results show no autocorrelation between each independent factor (X) and the dependent variable (Y). There is no problem with autocorrelation in this study.

3. Heteroscedasticity Test

There are no signs of heteroscedasticity because the variables ROA, ROE, NPM, CuR, QR, CaR, ITO, WCT, PBVR, and PER are more significant than 0.05. Even though the Sig. Factors of TATO and DY are below 0.05; these two factors indicate the occurrence of heteroscedasticity side effects.

4.1.3 Multiple Linear Regression Analysis

Multiple linear regression analysis was used in this study. Multiple analysis testing in this study used four regression equations. First, multiple linear regression analysis tests the effect of ROA, ROE, NPM, CuR, QR, CaR, TATO, ITO, WCT, PBVR, PER, and DY on AR. Second, multiple linear regression analysis tests the effect of ROA, CuR, TATO, and DY on AR. Third, multiple linear regression analysis tests the impact of ROE, QR, ITO, and PBVR on AR. Finally, multiple linear regression analysis tests the effects of NPM, CR, WCT, and PER on AR. The following are the results of multiple linear regression analysis:

Table 2 Multiple Linear Regression Analysis

No	Variable	Model 1	Model 2	Model 3	Model 4
1	ROA	Negatively Significant	Not Significant		
2	ROE	Not Significant		Not Significant	
3	NPM	Positively Significant			Not Significant
4	CuR	Not Significant	Not Significant		
5	QR	Not Significant		Not Significant	
6	CaR	Not Significant			Not Significant
7	TATO	Positively Significant	Positively Significant		
8	ITO	Not Significant		Not Significant	
9	WCT	Not Significant			Not Significant
10	DY	Negatively Significant	Negatively Significant		
11	PBVR	Not Significant		Not Significant	
12	PER	Not Significant			Not Significant

4.2.1 Effect of Profitability on Stock Price

Model 1 research found a negative relationship between ROA and stock price, with a regression coefficient -0.819. ROA has a significance level of 0.034, indicating that the result rejects H0. The significance level of ROA is 0.034 <0.05, and the value of ROA has a significant effect on stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. In this study, H1a is recognized with negative significance for the value. This indicates that stock prices are much lower when ROA is higher, and vice versa when ROA is lower. Model 2 research shows different results, with a significant value of 0.161, so ROA does not affect stock prices. The research findings of Model 1 are comparable to the research of Ilmiyono (2019), which confirms that ROA has a significant impact on stock prices. In addition, the research findings of Agnatia and Amalia (2018) also have a significant impact on stock prices. Meanwhile, the results of model 2 research are the same as those of Amalya (2018), Purnamawati et al. (2017), Nurlia & Juwari (2019), and Utami & Darmawan (2018), which confirm that ROA does not affect stock prices.

Model 1 research found a negative relationship between ROE and stock prices, with a regression coefficient -0.424. ROE has a significance level of 0.090, indicating that these results accept H0. The same result is also found in model 3 research, with a significance level of 0.406. The significance level of ROE is more significant than 0.05, indicating that this value has no significant effect on stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. H1b is rejected with negative significance in this study. This means that an increase in ROE does not significantly affect the rise in stock price and vice versa; a decrease in ROE does not significantly affect the reduction in stock price. The results of this study are the same as those of Amalya (2018), Nurlia & Juwari (2019), Tumonggor et al. (2017), Agnatia & Amalia (2018), Utami & Darmawan (2018), and Aryanti (2021) which state that ROE partially has no significant effect on stock prices. Research conducted by Deviyanti & Safitri (2021) and Natalia et al. (2021) says that ROE partially has a significant impact on stock prices, and this statement contradicts the results of this study.

Model 1 research found a positive relationship between NPM and stock price, with a regression coefficient 1.979. The research findings show that NPM has a significance level of 0.006, which indicates that H0 is rejected. The significance level of ROA

is 0.006 <0.05, which significantly affects stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. In this study, H1c is accepted with positive significance. This means that the higher the NPM, the more significantly the stock price increases, and vice versa; the lower the NPM, the more seriously the stock price decreases. Model 4 research shows different results, with a significant value of 0.269, so NPM does not affect stock prices. The results of model 1 research are the same as those of Amalya (2018) and Ramadhani & Zannati (2018), which state that NPM partially has a significant effect on stock prices. Meanwhile, the results of model 4 research are the same as those of Purnamawati et al. (2017) and Agnatia & Amalia (2018), which state that NPM partially has no significant effect on stock prices.

4.2.2 Effect of Liquidity on Stock Price

In model 1 research, the relationship between CuR and the stock price has a negative regression coefficient of -0.203. CuR has a significance level of 0.425, indicating that the H0 result is accepted. Model 2 research also gives the same result, with a significance level of 0.333. If the significance level of CuR is more significant than 0.05, then the share price did not significantly affect the manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. H2a was rejected in this study with negative significance. This indicates that stock prices are unaffected by an increase in CuR or a decrease in CuR. This study's findings are similar to those of Suryaenengsih & Kharisma (2020) and Tumonggor et al. (2017), which confirm that CuR has no significant effect on stock prices. According to research by Nurlia & Juwari (2019), Ramadhani & Zannati (2018), and Widiana & Yustrianthe (2020), CuR has a significant effect on stock prices. However, this statement is in direct conflict with the findings of this study.

Model 1 research found a positive relationship between QR and stock price, with a regression coefficient 0.001. The results show that the results accept H0 because QR has a significance level of 0.992. Model 3 research also provides the same results, with a significant value of 0.359. When the significance level of QR is greater than 0.05, QR has no significant effect on stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. In this study, H2b is rejected with a positive significance value. This means that when QR goes up, the stock price also increases. Conversely, when QR goes down, the stock price goes down. The findings of this study contradict Suryaenengsih & Kharisma's (2020) statement that QR significantly affects stock prices.

Model 1 research found a positive relationship between CaR and stock price, with a regression coefficient 0.045. CaR has a significance level of 0.650, indicating that the H0 result is accepted. The result of model 4 research is also the same, with a significance level of 0.948. When the significance level of CaR is greater than 0.05, then CaR has no significant effect on stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. In this study, H2c is rejected with a positive significance value. This means that when CaR increases, the stock price also increases. Conversely, when the car goes down, the stock price goes down. The findings of this study contradict the opinions of Widiana & Yustrianthe (2020) and Nurkholifah & Kharisma (2020), which state that CaR partially has a significant effect on stock prices.

4.2.3 Effect of Activity on Stock Price

Model 1 research found a positive relationship between TATO and stock price, with a regression coefficient of 0.549. The results showed that TATO has a significance level of 0.000, which means H0 is rejected. The same effect is also shown in model 2 research, with a significant value of 0.029 and a positive coefficient value. When the significance level of TATO is less than 0.05, then TATO significantly affects stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. This study accepts H3a with positive significance. This shows that the stock price is significantly lower when TATO is lower, while the stock price is significantly higher when TATO is higher. The findings of this study contradict the statement of Natalia et al. (2021) that TATO partially has no significant effect on stock prices.

Model 1 research found a negative relationship between ITO and stock price, with a regression coefficient of -0.042. ITO in this study has a significance level of 0.739, indicating that H0 is accepted as the result. The result of model 3 research is the same, with a significance level of 0.338. When the significance level of ITO is more significant than 0.05, the stock price does not significantly affect the manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. H3b is rejected with negative significance in this study. This shows that stock prices are unaffected by an ITO increase or a decrease in ITO. This study's findings align with the results of Deviyanti and Safitri (2021), who found that ITO has no significant effect on stock prices.

Model 1 research found a positive relationship between WCT and stock price, with a regression coefficient of 0.007. WCT has a significance level of 0.833, indicating that the H0 result is accepted. The same result can be seen in model 4 research, with a significance level of 0.704. When the significance level of WCT is more significant than 0.05, the stock price did not significantly affect the manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. In this study, H3c is rejected with a positive significance value. This means that the stock price will increase when the WCT increases and vice versa when the WCT decreases. This study's findings contradict Setyardiani & Fuadati (2017) and Deviyanti & Safitri (2021), which confirm that TATO significantly affects stock prices.

4.2.4 Effect of Market Value on Stock Price

Model 1 research found a negative relationship between PBVR and stock price, with a regression coefficient of -0.086. The results show that PBVR has a significance level of 0.233, indicating that H0 is accepted as the result. The same result was found in model 3 research, with a significance level of 0.702. When the significance level of PBVR is more significant than 0.05, the stock price is not significantly affected in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. H4a is rejected in this study with negative significance. This means that stock prices are unaffected by an increase in PBVR or a decrease in PBVR. The findings of this study contradict Tannia and Suharti's (2020) statement that PBVR has a significant effect on stock prices.

Model 1 research found a positive relationship between PER and stock price, with a regression coefficient of 0.043. The results showed that PER has a significance level of 0.691, indicating that H0 is accepted. The same result was seen in model 4

research, with a significance level of 0.305. The significance level of PER is more significant than 0.05, indicating that this value has no significant effect on the share price of manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. This shows that the stock price will increase as the PER value increases and vice versa when it decreases. H4b was rejected with positive significance in this study. This study's findings align with the results of Tannia & Suharti (2020), who found that PER partially has no significant effect on stock prices. According to research by Natalia et al. (2021), PER has a significant partial impact on stock prices, which contradicts the findings of this study.

4.2.5 The Effect of Dividend Yield on Stock Price

In model 1 research, the relationship between DY and stock price has negative results, with a regression coefficient of -5.185. DY has a significance level 0.000, indicating that the H0 result is rejected. The same effect is also shown in model 2 research, with a significant value of 0.000 and a negative coefficient value. The significance level for DY is 0.000 <0.05, and this value significantly affected stock prices in manufacturing sector companies on the Indonesia Stock Exchange in 2018-2022. This shows that stock prices are significantly lower when the value of DY is higher, while the opposite applies when the value of DY is lower. This study accepts H5 with negative significance based on the significance value. The findings of this study are comparable to the results of Aryanti (2021), who found that DY has a significant effect on stock prices. According to Akuba & Hasmirati's (2021) research, DY partially has no significant impact on stock prices; this contradicts the research findings.

5. CONCLUSION

The following conclusions can be drawn based on the analysis results and discussion of the effect of profitability, liquidity, activity, and market value ratios on stock prices in the manufacturing industry sector listed on the Indonesia Stock Exchange in 2018 and 2022.

1. Profitability, as measured by ROA, has different conclusions. ROA significantly negatively affects stock prices when using the full model (model 1) but has no significant effect when using the short model (model 2). While ROE measures profitability, the conclusion is consistent between the complete model (model 1) and the short model (model 3). Namely, ROE has no significant effect on stock prices. And profitability measured by NPM produces different conclusions. When the full model (model 1) is used, NPM has a significant positive effect on stock prices; however, when the short model (model 2) is used, NPM has no significant effect.
2. Liquidity measured using CuR, QR, and CaR consistently concludes between the full model (model 1) and the short model (models 2, 3, and 4) that CuR, QR, and CaR have no significant effect on stock prices.
3. Activity measured by TATO has a consistent conclusion between the complete model (model 1) and the short model (model 2) that TATO significantly positively affects stock prices. While activities measured using ITO and WCT have consistent conclusions between the complete model (model 1) and short models (models 3 and 4), ITO and WCT have no significant effect on stock prices.
4. The market value ratio measured using DY consistently concludes between the full model (model 1) and the short model (model 2) that DY has a significantly negative effect on stock prices. While the market value ratio measured using PBVR and PER consistently concludes between the full model (model 1) and short models (models 3 and 4), PBVR and PER have no significant effect on stock prices.

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