

Effect of Return On Asset, Debt to Equity Ratio and Book Value Per Share on the Stock Price of Telecommunications sector companies contained in LQ45 with Price to Book Value as an Intervening Variable (2016-2021 Period)

Sariyati^a, Guyub Nuryanto^b, Stevanus Immanuel^c

sariyati@staff.gunadarma.ac.id^a, Guyub@staff.gunadarma.ac.id^b,
st.immanuel06@gmail.com^c

^{a,b,c} Gunadarma University, Jakarta, Indonesia

Abstract

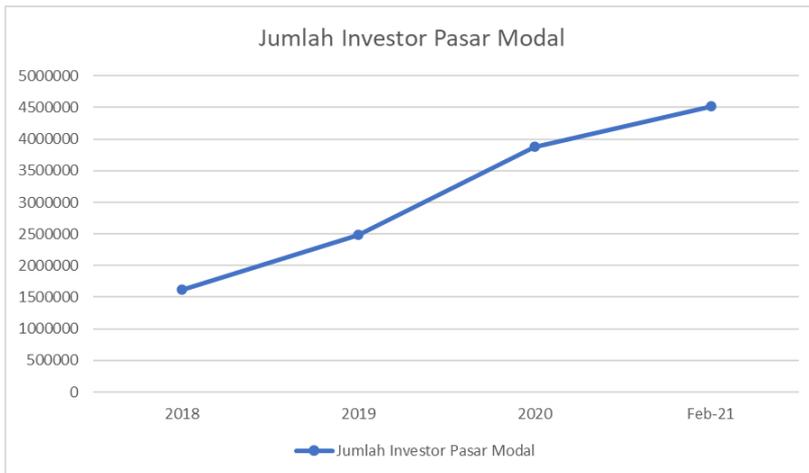
Investment is a form of investment either carried out individually or in groups with the aim of obtaining profits from these activities. One of the sectors of concern in 2016-2021 is the telecommunications sector. The telecommunications sector became an excellent choice in investing in this period. This is based on the fact that in the current telecommunications era is the fastest growing sector due to the very rapid development of communication media coupled with the Covid-19 pandemic in The year 2020-2021 resulted in many of the people only being able to communicate using electronic media that requires signals from telecommunications companies. Before the investors decide to invest the funds they have they will do a fundamental analysis. The method used in this study is quantitative data that shows the value of ROA, DER, BVPS, PBV and stock price obtained from the company's financial statements. The sampling technique used is the Nonprobability Sampling technique of saturated sampling type. Saturated sampling is one of the sampling techniques that uses all members of the population as a sample. This happens because the population is relatively small and less than 30 populations. Then the number of samples to be studied amounted to 24 samples from 4 issuers.

ROA, DER and BVPS have a significant influence on the PBV of Telecommunications sector companies contained in the LQ45 Period 2016-2021 and ROA and BVPS have a significant influence on the Stock Price of Telecommunications sector companies contained in the LQ45 Period 2016-2021 with PBV as the Intervening Variable. Meanwhile, DER has no influence on the Stock Price of Telecommunications sector companies contained in the LQ45 for the 2016-2021 Period with PBV as the Intervening Variable.

Keywords: ROA; DER; BVPS; PBV; Stock Price

1. Introduction

The development of the investment world today has made many people more aggressive in making investments. Investment is a form of investment either carried out individually or in groups with the aim of obtaining profits from these activities. Currently, the capital market, especially in the stock sector, has experienced a fairly rapid increase in the number of investors.



Figures1 Number of Capital Market Investors

From the picture above, it can be seen that from 2018 to 2021 the number of investors increased by 2,895,731 people. The increase in the number of investors has resulted in many sectors of the company being sought after by new and old investors. One of the sectors of concern in 2016-2021 is the telecommunications sector. The telecommunications sector became an excellent choice in investing in this period. This is based on the fact that in the current telecommunications era is the fastest growing sector due to the very rapid development of communication media coupled with the Covid-19 pandemic in The year 2020-2021 resulted in many of the people only being able to communicate using electronic media that requires signals from telecommunications companies. Before the investors decide to invest the funds they have they will do a fundamental analysis such as fundamental analysis. According to (Ariyani et al., 2018) Fundamental analysis is one of the ways in analyzing stock prices that focuses on the performance of a company that issues its shares in the capital market and analysis an economy that later in life affects the life of the company.

In this study, fundamental analysis was carried out using ratios such as Return On Assets (ROA) and Debt to Equity Ratio (DER). According to (Sondakh et al., 2019) Return On Assets (ROA) is the ability of a business unit to obtain a return on a number of assets owned by the business unit. Return on Asset (ROA) is commonly used to see an idea of the extent to which the ability of assets owned by the company can generate profits. Of all the profitability and rentability ratios this ratio is the most important ratio among others. According to (Bulutoding et al., 2018) Debt to Equity Ratio (DER) is the ability of a company to fulfill all its obligations, which is indicated by how much part of its own capital is used to repay debts.

Book Value Per Share (BVPS) is a ratio that describes the ratio between total capital (equity) and the number of shares. The higher the book value of a company, the higher the expectation of the stock market value. This BVPS is a consideration for investors to make stock buying and selling transactions, so shareholders must also consider the book value per share (BVS) to measure the value of the stakeholder's equity of each share.

2. Literature Review

In this study, there are ratios that are used as assessments such as ROA (Return On Asset), DER (Debt to Equity Ratio), BVPS (Book Value Per Share), and company value as measured based on PBV (Price to Book Value). In connection with the analysis carried out, namely ROA, DER and BVPS on the Stock Price of Telecommunications sector companies contained in LQ45 with Price to Book Value as an Intervening Variable (2016-2021 Period) there is a study (Nirmolo & Widjajanti, 2018) with the title "Analysis of Factors Affecting Stock Price With Company Value as an Intervening Variable" by conducting multiple linear regression tests shows that the DER (Debt to Equity Ratio) variables have a positive effect on PBV (company value), DPR (Dividend Payout Ratio) and EPS (Earning Per Share) do not affect PBV (company value), DER (Debt to Equity Ratio) does not affect stock prices, DPR (Dividend Payout Ratio) negatively affects the stock price, EPS (Earning Per Share) and PBV (company value) have a positive effect on the stock price.

In addition, there is a study (Erick, 2021) with the title "The Effect of Return On Asset (Roa), Debt To Equity Ratio (Der), And Earning Per Share (Eps) On The Share Price Of Mining Companies (Coal Industry Sector) Listed On The Indonesia Stock Exchange (Bei) In 2016-2018" by conducting multiple linear regression tests showing that partially EPS (Earning Per Share) has an influence on stock prices while ROA (Return On Asset) and DER (Debt to Equity Ratio) has no bearing on the Stock Price. Simultaneously the three variables have a significant influence on the stock price.

Research (Alex et al., 2022) with the title "The Effect of Earning Per Share, ROE, DER dan BVS on Stock Prices in Government Banks Listed on the Indonesia Stock Exchange" by conducting panel data regression techniques shows that Earnings per share (EPS) has no effect on stock prices, Return on Asset (ROE) affects stock prices with a positive influence direction, Debt to Equity (DER) affects stock prices in a negative direction and Book Value Equity (BVS) affects stock prices in a negative direction.

3. Methodology

3.1. Model Framework

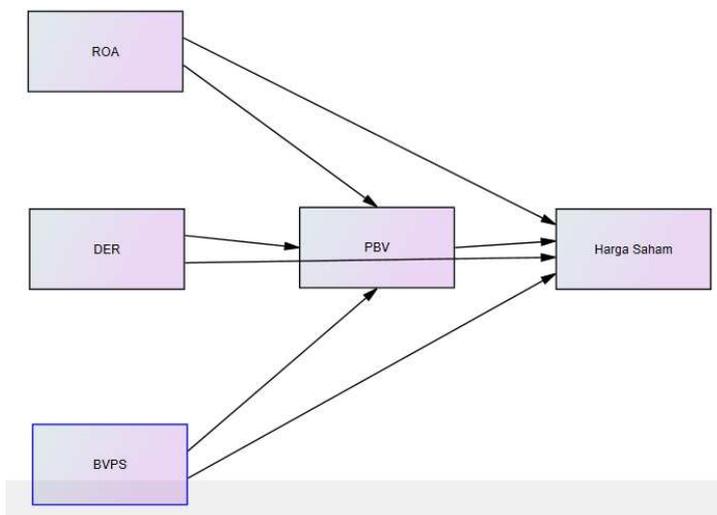


Figure 2. Model Framework

3.2. Data Collection Techniques

The data source used is secondary data relating to telecommunications Stock Prices recorded in LQ45. The data is sourced from the site, (IPOT Ultima, n.d.) and ([Http://www.idx.co.id](http://www.idx.co.id), n.d.) , coupled with journals as well as other research related to this research.

3.3. Population and Sample

The population in this study is telecommunications sector companies listed in LQ45 for the period 2016 – 2021. So that 24 samples were obtained from 4 issuers.

3.4. Sampling Techniques

Sampling is the process of selecting and determining the type and calculating the size of the sample to be studied. In this study, the technique used was the Nonprobability Sampling technique of saturated sampling type. Saturated sampling is one of the sampling techniques that uses all members of the population as a sample. This happens because the population is relatively small and less than 30 populations. Then the number of samples to be studied amounted to 24 samples from 4 issuers.

3.5. Data Analysis Techniques

3.5.1. Descriptive Statistics

According to (Sugiyono, 2013) descriptive statistical analysis is statistics used to analyze data by describing or describing the data collected, without the intention of drawing conclusions or generalizations that are generally accepted.

3.5.2. Test Classical Assumptions

The classical assumption test is used to view or test a model that is considered feasible or not used in research. (Sugiyono, 2013). One of the tests carried out is the normality test.

3.5.2.1. Normality Test

The normality test is to test whether the residual values that have been standardized on the normal distributed regression model or not. The residual value is said to be normally distributed if the standardized residual value is mostly close to its average value.

To find out the normal distributed data, the Kolmogorov – Smirnov statistical test (K-S test) can be carried out. Here is the hypothesis of the K-S Test (Ghozali, 2006).

1. Normal distributed data, if the significant value > 0.05
2. Abnormally distributed data, if the significant value < 0.05

3.6. Multiple Linear Regression Test

According to (Ghozali, 2013) Multiple linear regression is a regression model involving more than one independent variable. Multiple linear regression analysis is performed to determine the direction and how much influence the independent variable has on the dependent variable. The Regression Equation in this study is:

$$Y^1 = \alpha + \beta x^1 + \beta x^2 + \beta x^3 + e$$

and

$$Y^2 = \alpha + \beta x^1 + \beta x^2 + \beta x^3 + \beta y^1 + e$$

Information:

Y^1 = PBV (Price to Book Value)

Y^2 = Stock Price

x^1 = ROA (Return On Asset)

x^2 = DER (Debt to Equity Ratio)

x^3 = BVPS (Book Value Per Share)

α = Constants

β = Regression Coefficient Value

e = Error (Disruptive Variable)

3.7. t-test (Partial)

The t-test is performed to determine whether each independent variable has a significant influence on the dependent variable. The terms of the t (Partial) Test are: (Ghozali, 2013).

1. Independent variables affect the dependent variable, if the significance value < 0.05
2. Independent variables have no effect on dependent variables, if the significance value > 0.05

3.8. Test F (Simultaneous)

The F test is performed to test whether the entire independent variable can explain the effect significantly on the dependent variable. The conditions that must be met in the F (Simultaneous) test are: (Ghozali, 2013).

1. Independent variables together affect the dependent variable, if the significance value < 0.05 .
2. Independent variables together have no effect on the dependent variable, if the significance value > 0.05 .

3.9. Determinant Coefficient Test (R^2)

A coefficient of determination test (R^2) was performed to help determine the magnitude of the percentage of variation in an independent variable affecting the dependent variable. If the result of the calculation (R^2) is greater or closer to 1, then the independent variable has a strong effect on the dependent variable.

4. Result and Analysis

4.1. Descriptive Statistics

Table 1 Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
ROA	24	-5.72	12.15	5.6833	4.56695
DER	24	.70	13.54	2.9146	2.85744
BVPS	24	157.47	2023.85	994.1754	638.47276
PBV	24	1.15	13.89	4.1513	2.81083
Stock Price	24	690	6425	2990.21	1437.786
Valid N (listwise)	24				

Based on table 1, it is known that the average value (Mean) for the ROA variable is 5.6833%, DER is 2.9146, BVPS is 994.1754, for PBV with a value of 4.1513x and Stock Price is Rp. 2990,21.

4.2. Test Classical Assumptions

4.2.1. Normality Test

Table 2 Normality Test against PBV

		Unstandardized Predicted Value
N		24
Normal Parameters ^{a,b}	Mean	4.1512500
	Std. Deviation	2.66938803
Most Extreme Differences	Absolute	.168
	Positive	.168
	Negative	-.083
Test Statistics		.168
Asymp. Sig. (2-tailed)		.079 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Based on table 2 it can be known that the significance value with the Kolmogorov-smirnov test is 0.079, this value is greater than the basic significance level by 0.05. Then it can be concluded that the research data on PBV are normally distributed.

Table 3 Normality Test of Stock Prices

		Unstandardized Predicted Value
N		24
Normal Parameters ^{a,b}	Mean	2990.2083333
	Std. Deviation	1286.8322372
Most Extreme Differences	Absolute	.133
	Positive	.133
	Negative	-.133
Test Statistics		.133
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.

Based on table 3 it can be known that the significance value with the Kolmogorov-smirnov test is 0.200, this value is greater than the basic significance level by 0.05. So it can be concluded that the research data on the Stock Price is distributed normally.

4.3. Multiple Linear Regression Test

Regression Equation 1

$$Y^1 = \alpha + \beta x^1 + \beta x^2 + \beta x^3 + e$$

Table 4 Multiple Linear Regression Tests against PBV

Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.392	.787		1.769	.092
	ROA	.230	.052	.374	4.410	.000
	DER	.791	.081	.804	9.711	.000
	BVPS	-.001	.000	-.195	-2.161	.043

a. Dependent Variable: PBV

Based on table 4, the regression equation of the variables ROA, DER and BVPS to PBV is obtained as follows:

$$Y^1 = 1.392 + 0.230 x^1 + 0.791 x^2 - 0.001 x^3$$

Based on the results of the regression equation above, the following conclusions can be drawn:

1. The positive value for the constant number (a) is 1.392. This means that in the absence of free variables, ROA, DER and BVPS, PBV variables will increase by 1,392.
2. The positive value of the regression coefficient for the variable ROA (x^1) is 0.230. A positive value indicates that there is a correlation between ROA and PBV. This means that every increase in ROA by one unit will increase the PBV by 0.230 units, assuming other variables are constant.
3. The positive value of the regression coefficient for the variable DER (x^2) is 0.791. A positive value indicates that there is a correlation between DER and PBV. This means that any increase in DER by one unit will increase the PBV by 0.791 units, assuming other variables are constant.
4. The negative value of the regression coefficient for the variable BVPS (x^3) is -0.001. A negative value indicates that there is a negative correlation between BVPS and PBV. This means that every increase in BVPS by one unit will reduce the PBV by 0.001 units, assuming other variables are constant.

Regression Equation 2

$$Y^2 = \alpha + \beta x^1 + \beta x^2 + \beta x^3 + \beta y^1 + e$$

Table 5 Multiple Linear Regression Tests to Stock Prices

Type	Unstandardized Coefficients		Standardized	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-2371.196	632.525		-3.749	.001
	ROA	159.182	54.848	.506	2.902	.009
	DER	23.471	145.448	.047	.161	.874
	BVPS	2.505	.330	1.112	7.585	.000
	PBV	457.263	167.116	.894	2.736	.013

a. Dependent Variable: Stock Price

Based on table 5, the regression equation of the variables ROA, DER, BVPS and PBV to the Stock Price is obtained as follows:

$$Y^2 = -2371,196 + 159,182 x^1 + 23,471 x^2 + 2,505 x^3 + 457,263 y^1$$

Based on the results of the regression equation above, the following conclusions can be drawn:

1. The negative value for the constant number (a) is -2371.196. This means that in the absence of free variables, ROA, DER, BVPS and PBV variables the Stock Price will decrease by 2371,196.
2. The positive value of the regression coefficient for the variable ROA (x^1) is 159.182. A positive value indicates that there is a correlation between ROA and Stock Price. This means that any increase in ROA by one unit will increase the Stock Price by 159,182 units, assuming other variables are constant.
3. The positive value of the regression coefficient for the DER variable (x^2) is 23.471. A positive value indicates that there is a correlation between DER and the Stock Price. This means that any increase in DER by one unit will increase the Stock Price by 23,471 units, assuming other variables are constant.
4. The positive value of the regression coefficient for the variable BVPS (x^3) is 2.505. A positive value indicates that there is a correlation between BVPS and the Stock Price. This means that every increase in BVPS by one unit will increase the Stock Price by 2,505 units, assuming other variables are constant.
5. The positive value of the regression coefficient for the PBV variable (y^1) is 457.263. A positive value indicates that there is a correlation between PBV and Stock Price. This means that every increase in PBV by one unit will increase the Stock Price by 457,263 units, assuming other variables are constant.

4.4. t-test (Partial)

Table 6 t (Partial) tests against PBV

Type	Unstandardized Coefficients		Standardized	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.392	.787		1.769	.092
	ROA	.230	.052	.374	4.410	.000
	DER	.791	.081	.804	9.711	.000
	BVPS	-.001	.000	-.195	-2.161	.043

a. Dependent Variable: PBV

Using a confidence level of 95%, $\alpha = 5\%$, $t_{table} = \alpha/2$ then $t_{table} = 0.05/2 = \mathbf{0.025}$ and $df (n - k - 1)$ or $24 - 3 - 1 = \mathbf{20}$ (n is the number of samples and k is the sum of independent variables), the result is obtained for T_{table} of 2.0860. With test criteria as follows:

H^0 is accepted and H^1 is rejected, if $t_{count} < t_{table}$

H^0 is rejected and H^1 is accepted, if $t_{count} > t_{table}$

Based on table 6, the results of the t(partial) test of ROA, DER and BVPS variables against PBV were obtained as follows:

1. Partial effect of ROA (Return On Asset) on PBV (Price to Book Value)

The significance value of the ROA of 0.000 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the ROA (Return On Asset) variable partially affects the PBV (Price to Book Value). These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0860) < t count (4.410). Thus, the ROA (Return On Asset) variable partially positively affects PBV (Price to Book Value).

2. Partial effect of DER (Debt to Equity Ratio) on PBV (Price to Book Value)

The significance value of the DER of 0.000 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the DER (Debt to Equity Ratio) variable partially affects the PBV (Price to Book Value). These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0860) < t count (9.711). Thus, the DER (Debt to Equity Ratio) variable partially positively affects PBV (Price to Book Value).

3. Partial effect of Book Value Per Share (BVPS) on PBV (Price to Book Value)

The significance value of BVPS of 0.043 is smaller than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the Book Value Per Share (BVPS) variable partially affects PBV (Price to Book Value). These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0860) < t count (-2.161). Thus, the Book Value Per Share (BVPS) variable partially negatively affects the PBV (Price to Book Value).

Table 7 t (Partial) Test of Stock Prices

Type	Unstandardized Coefficients		Standardized	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-2371.196	632.525		-3.749	.001
	ROA	159.182	54.848	.506	2.902	.009
	DER	23.471	145.448	.047	.161	.874
	BVPS	2.505	.330	1.112	7.585	.000
	PBV	457.263	167.116	.894	2.736	.013

a. Dependent Variable: Stock Price

Using a confidence level of 95%, $\alpha = 5\%$, t table = $\alpha/2$ then t table = $0.05/2 = \mathbf{0.025}$ and df (n - k - 1) or 24 - 4 - 1 = **19** (n is the number of samples and k is the sum of independent variables), the result is obtained for T_{table} of 2.0930. With test criteria as follows:

H^0 is accepted and H^1 is rejected, if $t_{count} < t_{table}$

H^0 is rejected and H^1 is accepted, if $t_{count} > t_{table}$

Based on table 7, the results of the t (partial) test of the variables ROA, DER, BVPS and PBV were obtained on the Stock Price as follows:

1. Partial effect of ROA (Return On Asset) on Stock Price

The significance value of the ROA of 0.009 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the variable ROA (Return On Asset) partially affects the Stock Price. These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0930) < t count (2.902). Thus, the variable ROA (Return On Asset) partially has a positive effect on the Stock Price.

2. Partial effect of DER (Debt to Equity Ratio) on Stock Price

The significance value of the DER of 0.874 is greater than the significance value of 0.05 which means that H^0 is accepted and H^1 is rejected. This states that the DER (Debt to Equity Ratio) variable partially has no effect on PBV (Price to Book Value). These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0930) > t count (0.161). Thus, the DER (Debt to Equity Ratio) variable partially has no effect on PBV (Price to Book Value).

3. Partial effect of Book Value Per Share (BVPS) on Stock Price

The significance value of BVPS of 0.000 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the Book Value Per Share (BVPS) variable partially affects the Stock Price. These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0930) < t count (7.585). Thus, the Book Value Per Share (BVPS) variable partially affects the positive effect on the Stock Price.

4. Partial effect of PBV (Price to Book Value) on Stock Price

The significance value of the PBV of 0.013 is smaller than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the PBV (Price to Book Value) variable partially affects the Stock Price. These results are also in line with using the comparison of the t test through the comparison of t count and t table. Table t values (2.0930) < t count (2.736). Thus, the PBV (Price to Book Value) variable partially affects the positive effect on the Stock Price.

4.5. Test F (Simultaneous)

Table 8 F (Simultaneous) Tests against PBV

Type	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	163.890	3	54.630	61.287	,000 ^b
	Residual	17.828	20	.891		
	Total	181.717	23			

a. Dependent Variable: PBV

b. Predictors: (Constant), BVPS, DER, ROA

Using a confidence level of 95%, $\alpha = 5\%$, df_1 (k) i.e. 3 (k is the sum of independent variables) and df_2 ($n - k$) or $24 - 3 = 21$ (n is the number of samples), the result was obtained for F_{table} of 3.07. With test criteria as follows:

H^0 is accepted and H^1 is rejected, if $F_{counts} < F_{table}$

H^0 is rejected and H^1 is accepted, if $F_{counts} > F_{table}$

Based on table 8, the results of the F (Simultaneous) test of the ROA, DER and BVPS variables together against PBV were obtained as follows:

The significance value of ROA, DER and BVPS of 0.000 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. This states that the ROA, DER and BVPS variables simultaneously affect PBV. These results are also in line with using the comparison of the F test through the comparison of F count and F table. Table F values (3.07) < t count (61,287). Thus, the ROA, DER and BVPS variables simultaneously have a positive effect on PBV.

Table 9 F (Simultaneous) Tests of Stock Prices

Type	Sum of Squares	Df	Mean Square	F	Sig.
1					
Regression	38086555.756	4	9521638.939	19.124	,000 ^b
Residual	9459718.203	19	497879.905		
Total	47546273.958	23			

a. Dependent Variable: Stock Price

b. Predictors: (Constant), PBV, ROA, BVPS, DER

Using a confidence level of 95%, $\alpha = 5\%$, df_1 (k) i.e. 4 (k is the sum of independent variables) and df_2 ($n - k$) or $24 - 4 = 20$ (n is the number of samples), the result was obtained for F of the F_{table} of 2.37. With test criteria as follows:

H^0 is accepted and H^1 is rejected, if $F_{counts} < F_{table}$

H^0 is rejected and H^1 is accepted, if $F_{counts} > F_{table}$

Based on table 9, the results of the F (Simultaneous) test of the variables ROA, DER, BVPS and PBV together on the Stock Price were obtained as follows:

The significance value of ROA, DER, BVPS and PBV of 0.000 is less than the significance value of 0.05 which means that H^1 is accepted and H^0 is rejected. It states that the variables ROA, DER, BVPS and PBV simultaneously affect the Stock Price. These results are also in line with using the comparison of the F test through the comparison of F count and F table. Table F values (2.37) < t count (19,124). Thus, the variables ROA, DER, BVPS and PBV simultaneously have a positive effect on the Stock Price.

4.6. Determinant Coefficient Test (R^2)

Table 10 Determinant Coefficient Test (R^2) against PBV

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.950 ^a	.902	.887	.94413

a. Predictors: (Constant), BVPS, DER, ROA

b. Dependent Variable: PBV

Based on the results of the determinant coefficient (R^2) presented in table 10, it is known that the variables ROA, DER and BVPS have an influence on the PBV variable of 0.902 (90.2%). The rest is affected by other variables.

Table 11 Test of Determinant Coefficient (R^2) to Stock Price

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.895 ^a	.801	.759	705.606

a. Predictors: (Constant), PBV, ROA, BVPS, DER

b. Dependent Variable: Stock Price

Based on the results of the determinant coefficient (R^2) presented in table 11, it is known that the variables ROA, DER, BVPS and PBV have an influence on the Stock Price variable of 0.801 (80.1%). The rest is affected by other variables.

4.7. Discussion

Effect of ROA (Return On Asset) on PBV (Price to Book Value)

The significance value of ROA of 0.000 is smaller than the significance value of 0.05, which means that the ROA (Return On Asset) variable partially affects PBV (Price to Book Value). This result is also in line with research (Nafisah et al., 2020) which states that if ROA has a positive effect on Company Value, then this shows that the better the company's financial performance, the higher the company's value. It can be said that if ROA has a significant influence, then in the management and use of ROA effectively and efficiently proven to be able to increase company value,

Effect of DER (Debt to Equity Ratio) on PBV (Price to Book Value)

The significance value of DER of 0.000 is smaller than the significance value of 0.05, which means that the DER (Debt to Equity Ratio) variable partially affects PBV (Price to Book Value). This result is also in line with research (Nirmolo & Widjajanti, 2018) which states that the value of DER is getting a greater amount of borrowed capital used in generating profits for the company. .

Effect between BVPS (Book Value Per Share) and PBV (Price to Book Value)

The significance value of BVPS of 0.043 is smaller than the significance value of 0.05, which means that the BVPS (Book Value Per Share) variable partially affects PBV (Price to Book Value). This result shows that the greater the value of BVPS in a company, the more a stock can be categorized as undervalued.

Effect of ROA (Return On Asset) on Stock Price

The significance value of ROA of 0.009 is smaller than the significance value of 0.05, which means that the ROA (Return On Asset) variable partially affects the Stock Price. This result is also in line with research (Bulutoding et al., 2018) which states that the greater the ROA in a company, the better the company's financial performance will be. A high ROA can also attract investors to invest because it is considered that the company is able to use its assets for business.

Effect of DER (Debt to Equity Ratio) on Stock Price

The significance value of the DER of 0.874 is greater than the significance value of 0.05, which means that the DER (Debt to Equity Ratio) variable partially has no effect on the Stock Price. This result is also in line with research (Nirmolo & Widjajanti, 2018) which states that the size of the DER value in the company has not been able to affect the high and low stock price.

Effect of BVPS (Book Value Per Share) on Stock Price

The significance value of BVPS of 0.000 is less than the significance value of 0.05, which means that the BVPS (Book Value Per Share) variable partially affects the Stock Price. This result is also in line with research (Alex et al., 2022) which shows that investors will be willing to pay a higher Stock Price if the safety capital guarantee or claim value of the company's net assets is higher. .

Effect of PBV (Price to Book Value) on Stock Price

The significance value of the PBV of 0.013 is less than the significance value of 0.05, which means that the PBV (Price to Book Value) variable partially affects the Stock Price. This result is also in line with research (Irfan & Kharisma, 2020) and (Lestari & Susetyo, 2020) which states that the greater the PBV achieved by the company, the more attractive investors continue to increase their shares to the company.

5. Conclusion

Based on the results of the study, it can be concluded that:

1. ROA, DER and BVPS have a significant influence on PBVs in telecommunications sector companies contained in the LQ45 period 2016-2021. With DER as the variable that has the greatest influence.
2. ROA and BVPS have a significant influence on the Stock Price of Telecommunications sector companies contained in the LQ45 Period 2016-2021 with PBV as the Intervening Variable. The BVPS variable is the biggest influence on the Stock Price.
3. DER has no influence on the Stock Price of Telecommunications sector companies contained in the LQ45 Period 2016-2021 with PBV as the Intervening Variable.

Reference

- Alex, F. U., Princess, N. K., & Fitriana, N. (2022). The effect of earnings per share, roe, der and bvs on the Stock Price of government banks listed on the Indonesia Stock Exchange. *Competitive Journal*, 11(1), 65–71. <https://doi.org/10.52333/kompetitif.v11i1.904>
- Ariyani, L., Andini, R., & Santoso, E. B. (2018). Effect of EPS, CR, DER And PBV On Stock Price With Dividend Policy As An Intervening Variable (Study on Manufacturing Companies Listed on IDX 2011-2015). *Journal of Accounting*, 4(4), 1–20.
- Bulutoding, L., Parmitasari, R. D. A., & Dahlan, M. A. (2018). The Effect of Return On Asset (ROA) And Debt To Equity Ratio (DER) On Stock Price With Dividend Policy As An Intervening Variable (Empirical Study On Companies Listed In Jakarta Islamic Index (JII) Period 2010-2016). *Scientific Journal of Civilization Accounting*, IV(2), 1–14.
- Erick, C. (2021). The effect of Return on Asset (ROA), Debt to Equity Ratio (DER), and Earning per Share (EPS) on the Stock Price of Mining Companies (Coal Industry Sector) Listed on the Indonesia Stock Exchange (IDX) in 2016-2018. *Journal of Business Management And Entrepreneurship*, 5(1), 94. <https://doi.org/10.24912/jmbk.v5i1.10836>
- Ghozali, I. (2006). *Nonparametric Statistics*. Diponegoro University Publishing Agency.
- Ghozali, I. (2013). *Multivariate Analysis Application with IBM SPSS 21 Program Update PLS Regression*. Diponegoro University Publishing Agency.
- <http://www.idx.co.id>. (n.d.). No Title. <http://www.idx.co.id>
- IPOT Ultima. (n.d.). <https://www.indopremier.com/#ipot/home>
- Irfan, M., & Kharisma, F. (2020). Effect of Price to Book Value on Stock Price in Manufacturing Companies Listed on the IDX. *Borneo Student Research*, 1(2), 1104–1110.
- Lestari, A. P., & Susetyo, A. (2020). Effect of NPM, EPS, DER and PBV on Stock Price in IDX HIDIV20 Listed Companies With DPR as an Intervening Variable. *Scientific Journal of Management, Business and Accounting Students (JIMMBA)*, 2(2), 184–196. <https://doi.org/10.32639/jimmba.v2i2.461>
- Nafisah, N. I., Halim, A., & Sari, A. R. (2020). Effect of Return on Assets (Roa), Debt To Equity Ratio(Der), Current Ratio (Cr), Return On Equity (Roe), Price Earning Ratio (Per), Total Assets Turnover (Tattoo), and Earning Per Share (Eps) on the value of manufacturing companies listed in Bei. *Journal of Accounting Student Research*, 6(2), 1–17. <https://doi.org/10.21067/jrma.v6i2.4217>
- Nirmolo, D., & Widjajanti, K. (2018). Analysis of factors affecting the stock price with the value of the company

- as an intervening variable. *Journal of Economic and Business Research*, 11(1), 40.
<https://doi.org/10.26623/jreb.v11i1.1076>
- Sondakh, P., Saeran, I., & Samadi, R. (2019). THE EFFECT OF CAPITAL STRUCTURE (ROA, ROE AND DER) ON COMPANY VALUE (PBV) IN PROPERTY SECTOR COMPANIES LISTED ON THE IDX (Period 2013-2016). *EMBA Journal: Journal of Economic, Management, Business and Accounting Research*, 7(3), 3079–3088.
- Sugiyono, D. (2013). *Quantitative, Qualitative, and Action Research Methods*. Alfabeta CV.