

ICRACOS CONFERENCE <icracos@unesa.ac.id>

Sat, Oct 9, 2021,
10:34 AM

to eniwuryani@unesa.ac.id

Universitas Negeri Surabaya proudly present

2021 the 3rd International Conference On Research and Academic Community Services (ICRACOS)

Theme:

“Sustainable Innovation in Research and Community Services for Better Quality of Life towards Society 5”

Saturday, October 9th, 2021
07.15-17.00 WIB

[Keynote Speakers]

- Prof. Auzuir R. De Alexandria, Ph.D, Instituto Federal de Educação, Ciência e Tecnologia do Ceará, Brasil
- Prof. Koh Koon Teck, Ph. D, PESS-NIE Nanyang Technological University Singapore
- Prof. Takeshi Fukusako, Ph. D, Kumamoto University, Japan
- Prof. Subir Kumar Sarkar, Jadavpur University, Kolkata, India

Join us tomorrow morning

Link youtube: <https://youtu.be/MzjnPIXw5cE>

Link zoom:

<https://zoom.us/j/98409224024?pwd=SWRSbW5IMUZKRjIWRDdSYXFyblB6dz09>

Meeting ID: 984 0922 4024

Passcode: icracos

<https://icracos.lppm.unesa.ac.id>

email: icracos@unesa.ac.i

ICRACOS CONFERENCE icracos@unesa.ac.id

Sat, Oct 9, 2021,
11:37 AM

to : eniwuryani@unesa.ac.id

Dear Author

Here in the attachment file is the Program book that contains the author's abstract. We are sorry the program book is still incomplete because there are some authors who are late in sending data.

All of the authors should attend in the parallel room although the presentation is delivered by video recording. We will not include the article to the publisher if the author do not attend the conference

Thank you very much

Mon, Oct 25, 2021,
2:25 PM

ICRACOS CONFERENCE <icracos@unesa.ac.id>

To: eniwuryani@unesa.ac.id

Dear Author,

Here in the attachment file is the certificate ICRACOS 2021

We apologize for the delay in sending the certificate

Thank you for the participation

Best regards

ICRACOS 2021

Reviewer A:

1. Describe in detail the research methods related to data collection and data analysis
 2. Correct the citations and bibliography according to the template
 3. Conclusions explained the synergy with the research objectives
-

Reviewer B:

1. Explain the phenomenon of this research topic in reality in the field
2. Explain in detail the discussion of this research
3. Explain the results of simultaneous and partial testing research

Revision Reviewer A:

THE EFFECT OF FINANCIAL PERFORMANCE AND BANK SIZE ON BANKING STOCK PRICES

Eni Wuryani^{1*}, Susi Handayani², Mariana³

1,2,3 Universitas Negeri Surabaya

**Corresponding author. Email: eniwuryani@unesa.ac.id*

ABSTRACT

Banking as the main sector in the economy with an intermediary function. This study aims to determine the effect of financial performance and bank size on the stock price of banking banks in 2019-2020. The financial performance to be studied includes the profitability variable, liquidity variable and capital adequacy variable. The dependent variable is stock price. Research data in the form of secondary data, data of 86 data, obtained from 43 financial statements of banks in Indonesia for 2 years. Measurement of independent variables using ROA, LDR, CAR and bank size. The research method used is a quantitative approach. This study uses regression analysis. The results showed that the variables of capital adequacy and bank size had an effect on banking stock prices. While the profitability and liquidity variables have no effect on stock prices.

Keywords: Profitability, Liquidity, Capital, Adequacy, Bank Size, Stock Price

INTRODUCTION

During the pandemic, the banking sector and capital market conditions in Indonesia were affected. The Composite Stock Price Index in Indonesia fell sharply and touched its lowest level at Rp.3,911.71. Financial performance in this study will use profitability, liquidity and capital adequacy. Profitability will use Return on assets (ROA) as a measuring tool in research. Liquidity will use the Loan to Deposit Ratio (LDR) as a measuring tool in the study. Capital adequacy will use the Capital Adequacy Ratio (CAR) as a measuring tool in the study. Capital adequacy is a financial performance that assesses a bank's ability to guarantee its activities with sufficient capital. The ratio to determine capital adequacy used in this study is the Capital Adequacy Ratio (CAR). Banks that have good capital adequacy will increase investor confidence to invest so that stock prices increase

Liquidity is a bank's ability to meet its short-term obligations. Liquidity can be measured by bank liquidity ratios, such as; Quick ratio, Banking Ratio/Loan to Deposit Ratio (LDR) and Loan to Assets Ratio. A good bank's ability to pay its debts gives confidence to the public which causes stock prices to increase. The size of the bank in this study is seen based on the size of the total assets owned by the bank. Assets are an important component of a bank. A bank with a larger asset size is more profitable than a bank with a small asset size, because a larger bank has a higher level of efficiency.

Bank Size to Stock

Research related to bank size has been carried out by [4,5,6,7,8,9,10,11,12]. According to [12] company size has a positive effect on stock prices. The size of the bank (size) has an effect and is significant on the stock price (closing price). Because investors are more interested in stocks from banks that have a good image in the community, including stable asset values, high bank values, low debt values, and a positive image. from the public. According to [13] where the results found that bank size had a positive effect on stock prices. The logical relationship that can be stated is that the size of the bank in terms of the size of the total assets owned by the bank will be able to give a signal to investors and potential investors that the bank is in good condition, as well as making a good reputation, will automatically give a good signal to price increases stock.

H1 : The size of the bank affects the stock price of the bank

Profitability to stocks

According to [14] financial performance has an influence on stocks. ROA has a positive and significant effect on stock prices. According to [15], ROA will generate profits if the management of assets in the bank is efficient. [16] and [17] Accurate bank performance measurement can use ROA. ROA can be used to measure the annual average of assets. ROA is used as a measure of the performance of a banking bank, the higher the ROA value, the better the performance of the bank, especially financial. ROA is the ratio between profit before tax and total assets. According to [18] ROA is the ratio between operating/operating profit to total assets. The calculation of ROA uses operating income because if using net income, it is feared that there will be an effect of non-operating income (expenses) that are not derived from the core business. The ROA ratio is very important, considering that the profits obtained from asset users can reflect the level of efficiency of a bank. The higher the ROA value can attract investors to invest in the bank. [12] explains that profitability (ROA) has no effect on stock prices (closing price). Investors in buying shares do not only refer to bank profitability but there is a possibility that investors survey the company's image in the community.

H2 : Profitability has an effect on stock prices

Liquidity to shares

Research related to bank liquidity has been widely studied by [4,5, 19,20]. Short-term liabilities are bank capabilities that must be met, this can be measured by LDR (Loan to

Deposit Ratio)

LDR is obtained from the distribution of loans and third party funds. Third party funds include demand deposits, savings and time deposits. According to [1] LDR has a significant effect on stock prices. According to [2,3], LDR has no effect on stock prices..

H3 : Liquidity affects stock prices

Adequacy of Capital on stock prices

According to [16] financial performance has an influence on stocks. CAR and ROA have a positive and significant effect on stock prices while LDR has a negative and significant effect on stock prices. CAR reflects the bank's ability to cover the decline in assets due to losses on bank assets by using their own capital. Sufficient capital not only prevents the occurrence of bank failure, but operating losses and investment losses must be immediately covered with sufficient profits if the bank is to survive. CAR is the ratio of capital to Risk Weighted Assets (RWA). The minimum CAR for each bank in accordance with the standards set by the Bank for International Settlements (BIS) is 8%. Banking banks listed on the Indonesia Stock Exchange have included RWA in their financial statements. According to [2,3] has no effect on stock prices.

H4 : Capital adequacy affects stock prices

Research methods

This research is a type of quantitative research to analyze financial performance and stock prices. The criteria for determining the sample in this study are as follows: (1) IDX-listed banking banks in 2019 - 2020 and (2) Complete stock price information is available and can be accessed on the website <https://rti.co.id/>. The method used in the data collection technique is the documentation method.

The multiple regression model equation is:

$$Y_1 = a + bX_1 + bX_2 + bX_3 + bX_4 + bX_5 + e$$

Information:

a = Constant Variable

b = Coefficient of direction

X₁ = Bank Size

X₂ = ROA

X₃ = LDR

X₄ = CAR

Y₁ = Stock Price

e = error

Analysis Results

Normality test

The residual normality test in this study used the Kolmogorov – Smirnov (K-S) non-parametric statistical test. In TABLE 1 the value of Kolmogorov – Smirnov is 0.080 and significant at 0.200 means that the residual data is normally distributed.

TABLE 1 TEST OF NORMALITY

Information		Unstanfardized Residual
N		86
Normal Parameter	Mean	0,000
	Std. Deviation	0,485
	Absolute	0,80
	Positif	0,62
		-0,080
Test Statistic		0,080
Asymp. Sig. (2-tailed)		0,200

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

Autocorrelation Test

The autocorrelation test on the endogenous variable of stock prices shows the Durbin Watson (DW) value of 1.812. The value of the Durbin Watson (DW) table with the number of $n = 86$ and the independent variable 4 ($k = 4$) d_l of 1.5536 d_u of 1.7478. The condition that there is no autocorrelation either positive or negative is $d_l < DW < 4 - d_u$. The results of the autocorrelation test showed $1.5536 < 1.812 < 2.4464$. So it can be concluded that there is no autocorrelation either positive or negative.

TABLE 2 AUTOCOLLERATION TEST

Model	Std. Error of the Estimate	Durbin-Watson
1	0,49636	1,812

a. Predictors: (Constant), CAR, LDR, ROA, SIZE

b. Dependent Variable: Saham

Multicollinearity Test

The test results in Table 3 show that the tolerance value is more than 0.10 and the VIF is not greater than 10. Therefore, the test results of this model meet the assumptions of the recursive model. It can be concluded that this model does not have multicollinearity between independent variables in the regression model.

TABLE 3 MULTICOLONERITY TEST

Independent Variable	Tolerance	VIF
SIZE	0,615	1,625
ROA	0,817	1,224
LDR	0,908	1,101
CAR	0,712	1,404

Heteroscedasticity Test

The heteroscedasticity test used the Glacier test, by regressing the independent variable with the absolute residual value. Table 4 shows a significance value of more than 0.05, so it is concluded that there is no heteroscedasticity in the regression model. TABEL 4

TABLE 4 HETEROCEDASTICITY TEST

Variabel Independent	Tolerance	Significant
SIZE	-0,148	0,883
ROA	-1,712	0,091
LDR	-1,228	0,223
CAR	1,804	0,075

In Table 5, the determination test has an R2 value of 47.4% with a significance level of <0.05, this indicates the ability of the independent variable to predict the dependent variable of 47.4%

TABLE 5 DETERMINATION COEFFICIENT TEST

Model	R	R Square	Adjusted R Square
1	0,706	0,498	0,474

a. Predictors: (Constant), CAR, LDR, ROA, SIZE

Simultaneous Test (F Statistics Test)

Simultaneous test is used to determine the independent variables together (simultaneously) have an effect on the dependent variable. F test of influential terms with a significance level of < 0.005. Table 6 shows a significance value of 0.000, this shows that the variables CAR, LDR, ROA and SIZE together have an effect on stock prices.

TABLE 6 SIMULTANEOUS TEST

Model		Statistic F	Significant
1	Regression	20,120	0,000

a. Dependent Variable: PRICE

b. Predictors: (Constant), CAR, LDR, ROA, SIZE

Partial Test (Statistical Test t)

Partial test is used to determine the relationship of each independent variable individually to the dependent variable. The conditional t test has an effect with a significance level of < 0.005. Table 7 shows that SIZE has an effect on stock prices with a significance level of 0.000 and the direction of the relationship is positive, meaning that the larger the size of the bank, the higher the stock price. Stock price is not affected by ROA with a significance level of 0.127. Stock price is not affected by LDR with a significance level of 0.184. Stock prices are affected by CAR with a significance level of 0.000 and the direction of the relationship is positive. The bigger the CAR, the higher the stock price.

TABLE 7 PARTIAL TEST

Coefficients^a

Model	St.Co-efficient Beta	Statistik T	Significant
1	Constant	-4,781	0,000
	SIZE	7,706	0,000
	ROA	1,543	0,127
	LDR	-1,340	0,184
	CAR	4,574	0,000

a. Dependent Variable: PRICE

DISCUSSION

The size of the bank affects the stock price, the greater the assets owned by the bank the higher the stock price. The ability of banks to manage bank assets will provide confidence to investors so that stock prices will rise. This study supports the research of [13] that stock price is affected by bank size. Stock price is not affected by profitability, this is because the profits earned by the bank are not optimal and unstable. In 2000, many banking profits decreased compared to 2019.

Stock price is not affected by liquidity, this shows the ability of banks to pay off obligations does not affect market prices. The results of this study support [3]. Capital adequacy affects stock prices because the greater the capital from the bank, the more confidence it gives investors to buy shares, so the demand for shares is higher and stock prices are increasing. This study does not support the research of [2,3] that CAR has no effect on stock prices.

CONCLUSION

Bank size and bank capital adequacy affect stock prices. Assets and capital owned by banks attract investors to buy shares, so that the stock price will increase. Profitability and liquidity have no effect on stock prices. The profit earned by the bank due to instability and the bank's ability to making debt payments that are not optimal cannot affect stock prices.

ACKNOWLEDGMENTS

We thank you because this article is the result of policy research from the Faculty of Economics and Business with the Rector's Decree 840/UN38/HK/PM/ 2021.

REFERENCES

- [1] Satria Indra., Iha Haryani Hatta. (2015). Pengaruh kinerja keuangan terhadap harga saham 10 bank terkemuka diindonesia. *Jurnal Akuntansi*/Volume XIX, No.02 Mei 2015: 179-191.
- [2] Fordian Dian, (2017) Pengaruh CAR, LDR, dan EPS terhadap Harga Saham (Studi pada Bank BUMN yang Listing di BEI Periode 2012 – 2016), *Jurnal Bisnis Darmajaya*, Vol.3 No.1, Januari 2017.
- [3] Masril. (2018). Pengaruh CAR dan LDR terhadap Harga Saham pada Perbankan di Bursa Efek Indonesia, *Jurnal Samudra Ekonomi dan Bisnis*, Volume 9, NO 2.
- [4] Abdullah, M. N., Parvez, K., Akther, S., & Ayreen, S. (2014). Bank specific, industry specific and macroeconomic determinants of commercial bank profitability: A case of Bangladesh. *World Journal of Social Sciences*, 4(3), 82–96. <https://doi.org/10.18488/journal.1006.2019.92.174.183>.
- [5] Farooq, M., Khan, S., Atique Siddiqui, A., Tariq Khan, M., & Kamran Khan, M. (2021). Determinants of profitability: A case of commercial banks in Pakistan. *Humanities & Social Sciences Reviews*, 9(2), 01–13. <https://doi.org/10.18510/hssr.2021.921>.
- [6] Gaber, A. (2018). Determinants of banking sector profitability: Empirical evidence from Palestine. *International Journal of Economics and Finance*, 9(7), 60–68.
- [7] Hashem, H. Y. (2016). Determinants of Egyptian banking sector profitability: Time-series analysis from 2004-2014. *International Journal of Business and Economic Sciences Applied Research*, 9(2), 73–78. <https://doi.org/10.5539/ijef.v9n7p60>.
- [8] Hoffmann, P. S. (2011). Determinants of the profitability of the US banking industry. *International Journal of Business and Social Science*, 2(22). http://www.ijbssnet.com/journals/Vol_2_No_22_December_2011/30.pdf.
- [9] Krishna Bimal, Shiu Lingam, Anjani Mala, Rajit S. (2021). Determinant of Bank Profitability: Empirical Evidence from a Pacific Small Island Developing State, *Humanities & Social Sciences Reviews*, Vol 9, No 3, 2021, pp 16-29 <https://doi.org/10.18510/hssr.2021.933>.
- [10] Kumar, V., Thrikawala, S., & Acharya, S. (2021). Financial inclusion and bank profitability: Evidence from a developed market. *Global Finance Journal*, 100609. <https://doi.org/https://doi.org/10.1016/j.gfj.2021.100609>.
- [11] Rahman, M. M., Hamid, M. K., & Khan, M. A. M. (2015). Determinants of bank profitability: Empirical evidence from Bangladesh. *International Journal of Business and Management*, 10(8). <https://doi.org/10.5539/ijbm.v10n8p135>
- [12] Wijaya, Rico (2017) Kinerja Keuangan dan Ukuran Perusahaan terhadap Harga Saham dengan Kebijakan Dividen sebagai Variabel Intervening, *Jurnal Keuangan dan Perbankan*, 21(3): 459–472, 2017 Nationally Accredited: No.040/P/2014 <http://jurnal.unmer.ac.id/index.php/jkdp>
- [13] Acheampong Prince, Evans Agalega, Albert Kwabena Shibu, (2014). The Effect of Financial Leverage and Market Size on Stock Returns on the Ghana Stock Exchange: Evidence from Selected Stocks in the Manufacturing Sector, *International Journal of Financial Research* Vol. 5, No. 1.

- [14] Fahlevi, Rido Raiza ., Set Asmapane., Bramantika Oktavianti. (2018). Pengaruh kinerja keuangan terhadap harga saham pada perusahaan perbankan yang terdaftar di bursa efek indonesia, *Akuntabel* 15 (1), 2018 39-48 <http://journal.feb.unmul.ac.id/index.php/Akuntabel>.
- [15] Hassan, M. K., & Bashir, A.H. M. (2012). Determinants of Islamic banking profitability. In *Islamic Perspectives on Wealth Creation (Issue April 2014)*. <https://doi.org/10.3366/edinburgh/9780748621002.003.0008>
- [16] Khrawish, H. A. (2011). Determinants of commercial banks performance: evidence from Jordan. *International Research Journal of Finance and Economics*, 5(5), 19–45.
- [17] Krishna Bimal, Shiu Lingam, Anjani Mala, Rajit S. (2021). Determinant of Bank Profitability: Empirical Evidence from a Pacific Small Island Developing State, *Humanities & Social Sciences Reviews*, Vol 9, No 3, 2021, pp 16-29 <https://doi.org/10.18510/hssr.2021.933>.
- [18] Samsul, Sandro Heston., Sri Murni., Johan R. Tumiwa. (2016). Pengaruh Kinerja Keuangan Perbankan terhadap Harga Saham Yang ditawarkan di Bursa Efek Indonesia (Studi Kasus 10 Bank Dengan Aset Terbesar). *Jurnal Berkala Ilmiah Efisiensi* Volume 16 No. 02.
- [19] Godfrey, M. (2015). Liquidity and bank performance. *International Business & Economics Research Journal (IBER)*, 14(3), 453. <https://doi.org/10.19030/iber.v14i3.9218>.
- [20] Hakimi, A., & Zaghdoudi, K. (2017). Liquidity risk and bank performance: An empirical test for Tunisian banks. *Business and Economic Research*, 7(1), 46. <https://doi.org/10.5296/ber.v7i1.10524>

Revision Reviewer B:

THE EFFECT OF FINANCIAL PERFORMANCE AND BANK SIZE ON BANKING STOCK PRICES

Eni Wuryani^{1*}, Susi Handayani², Mariana³

1,2,3 Universitas Negeri Surabaya

**Corresponding author. Email: eniwuryani@unesa.ac.id*

ABSTRACT

Banking as the main sector in the economy with an intermediary function. This study aims to determine the effect of financial performance and bank size on the stock price of banking banks in 2019-2020. The financial performance to be studied includes the profitability variable, liquidity variable and capital adequacy variable. The dependent variable is stock price. Research data in the form of secondary data, data of 86 data, obtained from 43 financial statements of banks in Indonesia for 2 years. Measurement of independent variables using ROA, LDR, CAR and bank size. The research method used is a quantitative approach. This study uses regression analysis. The results showed that the variables of capital adequacy and bank size had an effect on banking stock prices. While the profitability and liquidity variables have no effect on stock prices.

Keywords: Profitability, Liquidity, Capital, Adequacy, Bank Size, Stock Price

INTRODUCTION

During the pandemic, the banking sector and capital market conditions in Indonesia were affected. The Composite Stock Price Index in Indonesia fell sharply and touched its lowest level at Rp.3,911.71. Financial performance in this study will use profitability, liquidity and capital adequacy. Profitability will use Return on assets (ROA) as a measuring tool in research. Liquidity will use the Loan to Deposit Ratio (LDR) as a measuring tool in the study. Capital adequacy will use the Capital Adequacy Ratio (CAR) as a measuring tool in the study. Capital adequacy is a financial performance that assesses a bank's ability to guarantee its activities with sufficient capital. The ratio to determine capital adequacy used in this study is the Capital Adequacy Ratio (CAR). Banks that have good capital adequacy will increase investor confidence to invest so that stock prices increase.

Liquidity is a bank's ability to meet its short-term obligations. Liquidity can be measured by bank liquidity ratios, such as; Quick ratio, Banking Ratio/Loan to Deposit Ratio (LDR) and Loan to Assets Ratio. A good bank's ability to pay its debts gives confidence to the public which causes stock prices to increase. The size of the bank in this study is seen based on the size of the total assets owned by the bank. Assets are an important component of a bank. A bank with a larger asset size is more profitable than a bank with a small asset size, because a larger bank has a higher level of efficiency.

Bank Size to Stock

Research related to bank size has been carried out by [4,5,6,7,8,9,10,11,12]. According to [12] company size has a positive effect on stock prices. The size of the bank (size) has an effect and is significant on the stock price (closing price). Because investors are more interested in stocks from banks that have a good image in the community, including stable asset values, high bank values, low debt values, and a positive image. from the public. According to [13] where the results found that bank size had a positive effect on stock prices. The logical relationship that can be stated is that the size of the bank in terms of the size of the total assets owned by the bank will be able to give a signal to investors and potential investors that the bank is in good condition, as well as making a good reputation, will automatically give a good signal to price increases stock.

H1 : The size of the bank affects the stock price of the bank

Profitability to stocks

According to [14] financial performance has an influence on stocks. ROA has a positive and significant effect on stock prices. According to [15], ROA will generate profits if the management of assets in the bank is efficient. [16] and [17] Accurate bank performance measurement can use ROA. ROA can be used to measure the annual average of assets. ROA is used as a measure of the performance of a banking bank, the higher the ROA value, the better the performance of the bank, especially financial. ROA is the ratio between profit before tax and total assets. According to [18] ROA is the ratio between operating/operating profit to total assets. The calculation of ROA uses operating income because if using net income, it is feared that there will be an effect of non-operating income (expenses) that are not derived from the core business. The ROA ratio is very important, considering that the profits obtained from asset users can reflect the level of efficiency of a bank. The higher the ROA value can attract investors to invest in the bank. [12] explains that profitability (ROA) has no effect on stock prices (closing price). Investors in buying shares do not only refer to bank profitability but there is a possibility that investors survey the company's image in the community.

H2 : Profitability has an effect on stock prices

Liquidity to shares

Research related to bank liquidity has been widely studied by [4,5, 19,20]. Short-term liabilities are bank capabilities that must be met, this can be measured by LDR (Loan to

Deposit Ratio)

LDR is obtained from the distribution of loans and third party funds. Third party funds include demand deposits, savings and time deposits. According to [1] LDR has a significant effect on stock prices. According to [2,3], LDR has no effect on stock prices..

H3 : Liquidity affects stock prices

Adequacy of Capital on stock prices

According to [16] financial performance has an influence on stocks. CAR and ROA have a positive and significant effect on stock prices while LDR has a negative and significant effect on stock prices. CAR reflects the bank's ability to cover the decline in assets due to losses on bank assets by using their own capital. Sufficient capital not only prevents the occurrence of bank failure, but operating losses and investment losses must be immediately covered with sufficient profits if the bank is to survive. CAR is the ratio of capital to Risk Weighted Assets (RWA). The minimum CAR for each bank in accordance with the standards set by the Bank for International Settlements (BIS) is 8%. Banking banks listed on the Indonesia Stock Exchange have included RWA in their financial statements. According to [2,3] has no effect on stock prices.

H4 : Capital adequacy affects stock prices

Research methods

This research is a type of quantitative research to analyze financial performance and stock prices. The criteria for determining the sample in this study are as follows: (1) IDX-listed banking banks in 2019 - 2020 and (2) Complete stock price information is available and can be accessed on the website <https://rti.co.id/>. The method used in the data collection technique is the documentation method.

The multiple regression model equation is:

$$Y_1 = a + bX_1 + bX_2 + bX_3 + bX_4 + bX_5 + e$$

Information:

a = Constant Variable

b = Coefficient of direction

X₁ = Bank Size

X₂ = ROA

X₃ = LDR

X₄ = CAR

Y₁ = Stock Price

e = error

Analysis Results

Normality test

The residual normality test in this study used the Kolmogorov – Smirnov (K-S) non-parametric statistical test. In TABLE 1 the value of Kolmogorov – Smirnov is 0.080 and significant at 0.200 means that the residual data is normally distributed.

TABLE 1 TEST OF NORMALITY

Information		Unstanfardized Residual
N		86
Normal Parameter	Mean	0,000
	Std. Deviation	0,485
	Absolute	0,80
	Positif	0,62
		-0,080
Test Statistic		0,080
Asymp. Sig. (2-tailed)		0,200

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

Autocorrelation Test

The autocorrelation test on the endogenous variable of stock prices shows the Durbin Watson (DW) value of 1.812. The value of the Durbin Watson (DW) table with the number of $n = 86$ and the independent variable 4 ($k = 4$) d_l of 1.5536 d_u of 1.7478. The condition that there is no autocorrelation either positive or negative is $d_l < DW < 4 - d_u$. The results of the autocorrelation test showed $1.5536 < 1.812 < 2.4464$. So it can be concluded that there is no autocorrelation either positive or negative.

TABLE 2 AUTOCOLLERATION TEST

Model	Std. Error of the Estimate	Durbin-Watson
1	0,49636	1,812

a. Predictors: (Constant), CAR, LDR, ROA, SIZE

b. Dependent Variable: Saham

Multicollinearity Test

The test results in Table 3 show that the tolerance value is more than 0.10 and the VIF is not greater than 10. Therefore, the test results of this model meet the assumptions of the recursive model. It can be concluded that this model does not have multicollinearity between independent variables in the regression model.

TABLE 3 MULTICOLONERITY TEST

Independent Variable	Tolerance	VIF
SIZE	0,615	1,625
ROA	0,817	1,224
LDR	0,908	1,101
CAR	0,712	1,404

Heteroscedasticity Test

The heteroscedasticity test used the Glacier test, by regressing the independent variable with the absolute residual value. Table 4 shows a significance value of more than 0.05, so it is concluded that there is no heteroscedasticity in the regression model. TABEL 4

TABLE 4 HETEROCEDASTICITY TEST

Variabel Independent	Tolerance	Significant
SIZE	-0,148	0,883
ROA	-1,712	0,091
LDR	-1,228	0,223
CAR	1,804	0,075

In Table 5, the determination test has an R2 value of 47.4% with a significance level of <0.05, this indicates the ability of the independent variable to predict the dependent variable of 47.4%

TABLE 5 DETERMINATION COEFFICIENT TEST

Model	R	R Square	Adjusted R Square
1	0,706	0,498	0,474

a. Predictors: (Constant), CAR, LDR, ROA, SIZE

Simultaneous Test (F Statistics Test)

Simultaneous test is used to determine the independent variables together (simultaneously) have an effect on the dependent variable. F test of influential terms with a significance level of < 0.005. Table 6 shows a significance value of 0.000, this shows that the variables CAR, LDR, ROA and SIZE together have an effect on stock prices.

TABLE 6 SIMULTANEOUS TEST

Model		Statistic F	Significant
1	Regression	20,120	0,000

a. Dependent Variable: PRICE

b. Predictors: (Constant), CAR, LDR, ROA, SIZE

Partial Test (Statistical Test t)

Partial test is used to determine the relationship of each independent variable individually to the dependent variable. The conditional t test has an effect with a significance level of < 0.005. Table 7 shows that SIZE has an effect on stock prices with a significance level of 0.000 and the direction of the relationship is positive, meaning that the larger the size of the bank, the higher the stock price. Stock price is not affected by ROA with a significance level of 0.127. Stock price is not affected by LDR with a significance level of 0.184. Stock prices are affected by CAR with a significance level of 0.000 and the direction of the relationship is positive. The bigger the CAR, the higher the stock price.

TABLE 7 PARTIAL TEST

Coefficients^a

Model	St.Co-efficient Beta	Statistik T	Significant
1	Constant	-4,781	0,000
	SIZE	7,706	0,000
	ROA	1,543	0,127
	LDR	-1,340	0,184
	CAR	4,574	0,000

a. Dependent Variable: PRICE

DISCUSSION

The size of the bank affects the stock price, the greater the assets owned by the bank the higher the stock price. The ability of banks to manage bank assets will provide confidence to investors so that stock prices will rise. This study supports the research of [13] that stock price is affected by bank size. Stock price is not affected by profitability, this is because the profits earned by the bank are not optimal and unstable. In 2000, many banking profits decreased compared to 2019.

Stock price is not affected by liquidity, this shows the ability of banks to pay off obligations does not affect market prices. The results of this study support [3]. Capital adequacy affects stock prices because the greater the capital from the bank, the more confidence it gives investors to buy shares, so the demand for shares is higher and stock prices are increasing. This study does not support the research of [2,3] that CAR has no effect on stock prices.

CONCLUSION

Bank size and bank capital adequacy affect stock prices. Assets and capital owned by banks attract investors to buy shares, so that the stock price will increase. Profitability and liquidity have no effect on stock prices. The profit earned by the bank due to instability and the bank's ability to making debt payments that are not optimal cannot affect stock prices.

ACKNOWLEDGMENTS

We thank you because this article is the result of policy research from the Faculty of Economics and Business with the Rector's Decree 840/UN38/HK/PM/ 2021.

REFERENCES

- [1] Satria Indra., Iha Haryani Hatta. (2015). Pengaruh kinerja keuangan terhadap harga saham 10 bank terkemuka diindonesia. *Jurnal Akuntansi*/Volume XIX, No.02 Mei 2015: 179-191.
- [2] Fordian Dian, (2017) Pengaruh CAR, LDR, dan EPS terhadap Harga Saham (Studi pada Bank BUMN yang Listing di BEI Periode 2012 – 2016), *Jurnal Bisnis Darmajaya*, Vol.3 No.1, Januari 2017.
- [3] Masril. (2018). Pengaruh CAR dan LDR terhadap Harga Saham pada Perbankan di Bursa Efek Indonesia, *Jurnal Samudra Ekonomi dan Bisnis*, Volume 9, NO 2.
- [4] Abdullah, M. N., Parvez, K., Akther, S., & Ayreen, S. (2014). Bank specific, industry specific and macroeconomic determinants of commercial bank profitability: A case of Bangladesh. *World Journal of Social Sciences*, 4(3), 82–96. <https://doi.org/10.18488/journal.1006.2019.92.174.183>.
- [5] Farooq, M., Khan, S., Atique Siddiqui, A., Tariq Khan, M., & Kamran Khan, M. (2021). Determinants of profitability: A case of commercial banks in Pakistan. *Humanities & Social Sciences Reviews*, 9(2), 01–13. <https://doi.org/10.18510/hssr.2021.921>.
- [6] Gaber, A. (2018). Determinants of banking sector profitability: Empirical evidence from Palestine. *International Journal of Economics and Finance*, 9(7), 60–68.
- [7] Hashem, H. Y. (2016). Determinants of Egyptian banking sector profitability: Time-series analysis from 2004-2014. *International Journal of Business and Economic Sciences Applied Research*, 9(2), 73–78. <https://doi.org/10.5539/ijef.v9n7p60>.
- [8] Hoffmann, P. S. (2011). Determinants of the profitability of the US banking industry. *International Journal of Business and Social Science*, 2(22). http://www.ijbssnet.com/journals/Vol_2_No_22_December_2011/30.pdf.
- [9] Krishna Bimal, Shiu Lingam, Anjani Mala, Rajit S. (2021). Determinant of Bank Profitability: Empirical Evidence from a Pacific Small Island Developing State, *Humanities & Social Sciences Reviews*, Vol 9, No 3, 2021, pp 16-29 <https://doi.org/10.18510/hssr.2021.933>.
- [10] Kumar, V., Thrikawala, S., & Acharya, S. (2021). Financial inclusion and bank profitability: Evidence from a developed market. *Global Finance Journal*, 100609. <https://doi.org/https://doi.org/10.1016/j.gfj.2021.100609>.
- [11] Rahman, M. M., Hamid, M. K., & Khan, M. A. M. (2015). Determinants of bank profitability: Empirical evidence from Bangladesh. *International Journal of Business and Management*, 10(8). <https://doi.org/10.5539/ijbm.v10n8p135>
- [12] Wijaya, Rico (2017) Kinerja Keuangan dan Ukuran Perusahaan terhadap Harga Saham dengan Kebijakan Dividen sebagai Variabel Intervening, *Jurnal Keuangan dan Perbankan*, 21(3): 459–472, 2017 Nationally Accredited: No.040/P/2014 <http://jurnal.unmer.ac.id/index.php/jkdp>
- [13] Acheampong Prince, Evans Agalega, Albert Kwabena Shibu, (2014). The Effect of Financial Leverage and Market Size on Stock Returns on the Ghana Stock Exchange: Evidence from Selected Stocks in the Manufacturing Sector, *International Journal of Financial Research* Vol. 5, No. 1.

- [14] Fahlevi, Rido Raiza ., Set Asmapane., Bramantika Oktavianti. (2018). Pengaruh kinerja keuangan terhadap harga saham pada perusahaan perbankan yang terdaftar di bursa efek indonesia, *Akuntabel* 15 (1), 2018 39-48 <http://journal.feb.unmul.ac.id/index.php/Akuntabel>.
- [15] Hassan, M. K., & Bashir, A.H. M. (2012). Determinants of Islamic banking profitability. In *Islamic Perspectives on Wealth Creation (Issue April 2014)*. <https://doi.org/10.3366/edinburgh/9780748621002.003.0008>
- [16] Khrawish, H. A. (2011). Determinants of commercial banks performance: evidence from Jordan. *International Research Journal of Finance and Economics*, 5(5), 19–45.
- [17] Krishna Bimal, Shiu Lingam, Anjani Mala, Rajit S. (2021). Determinant of Bank Profitability: Empirical Evidence from a Pacific Small Island Developing State, *Humanities & Social Sciences Reviews*, Vol 9, No 3, 2021, pp 16-29 <https://doi.org/10.18510/hssr.2021.933>.
- [18] Samsul, Sandro Heston., Sri Murni., Johan R. Tumiwa. (2016). Pengaruh Kinerja Keuangan Perbankan terhadap Harga Saham Yang ditawarkan di Bursa Efek Indonesia (Studi Kasus 10 Bank Dengan Aset Terbesar). *Jurnal Berkala Ilmiah Efisiensi* Volume 16 No. 02.
- [19] Godfrey, M. (2015). Liquidity and bank performance. *International Business & Economics Research Journal (IBER)*, 14(3), 453. <https://doi.org/10.19030/iber.v14i3.9218>.
- [20] Hakimi, A., & Zaghdoudi, K. (2017). Liquidity risk and bank performance: An empirical test for Tunisian banks. *Business and Economic Research*, 7(1), 46. <https://doi.org/10.5296/ber.v7i1.10524>