

# **FACTORS AFFECT STOCK PRICES ON MANUFACTURING COMPANIES LISTED ON IDX BEFORE AND DURING COVID-19 PANDEMIC**

**Tia Talia Tirtadjaya<sup>1</sup>, Yanti Yanti<sup>1\*</sup>**

<sup>1</sup>Faculty of Economics and Business, Universitas Tarumanagara, Jakarta - Indonesia

\*Email: [yanti@fe.untar.ac.id](mailto:yanti@fe.untar.ac.id)

*Submitted: 19-12-2022, Revised: 28-02-2023, Accepted: 27-03-2023*

---

## **ABSTRACT**

*This research aims to empirically examines the effect of Earning Per Share, Return On Assets, Debt to Equity Ratio, Quick Ratio, Dividend Payout Ratio, and Dividend Yield on the stock prices of manufacturing companies listed on IDX before and during COVID-19 pandemic, also empirically examines the differences on stock prices of manufacturing companies listed on IDX before and during COVID-19 pandemic. This research using 52 samples of manufacturing companies that listed on IDX for the 2019-2020 period. The 2019 data represent conditions before COVID-19 pandemic and the 2020 data represent conditions during COVID-19 pandemic. The results of this research are Earning Per Share and Dividend Payout Ratio effects significantly positive towards stock prices either before or during COVID-19 pandemic.*

**Keywords:** *Stock Prices, Earning Per Share, Return on Assets, Debt to Equity Ratio, Quick Ratio, Dividend Payout Ratio, Dividend Yield*

## **1. INTRODUCTION**

The COVID-19 pandemic has had a major impact on the global economy, one of which is Indonesia. Not only business activities have changed, people's spending behavior has also changed with the existing social restrictions. People have become very careful in using their money which is also reflected in the investment decisions of investors on the stock exchange floor. The economic crashed that affect investors' investment decisions make the Jakarta Composite Index (JCI) trend down significantly. Pratama [1] explained that throughout 2020 the JCI reached its lowest level on March 24, 2020, which was worth 3,937 or dropped sharply to minus 37.5% when compared to the closing of the previous period in 2019. The sharp decline in stock prices caused investment portfolios and trading investors suffered significant losses.

The collapse of the JCI due to the unstable economic conditions is not the first time this has happened. Research conducted by Susilawati [2] which examines stock prices for the years 1999-2003 with independent variables Return On Assets, Net Profit Margin, Operating Profit Margin, Price Earning Ratio, and Price Book Value, informs that the economic and monetary crisis that began in 1997 and its peak in 1998 had an impact on the JCI collapse. The company's financial ratios have been shaken and have an impact on investor confidence in investing in a company. The research conducted is in line with research on corporate financial efficiency in the research of Machfoedz [3] and Rofiqoh [4], both studies show a very significant impact between the monetary crisis and the company's financial ratios. In addition, the global crisis in 2008 as a result of the economic crisis in the United States also caused the JCI to fall. Research related to the 2008 crisis conducted by Putra, Rismadi & Lahindah [5] shows that there is a significant impact between the company's financial ratios in the conditions of the global crisis and stock prices. The study also shows that there are

differences in stock price movements before and after the crisis. Related to financial ratios, Kinasih [6] has also investigated the differences in the performance of banking companies before and after the 2008 global crisis by examining changes in the company's financial ratios in the form of ROA and Operating Costs of Operating Income (BOPO). Nugroho & Ramli [7] also researched that the 2008-2010 global economic crisis had an impact on stock prices.

Regarding to economic conditions and the capital market, which are full of uncertainty, it is important for investors to carry out risk management on their investments. When the capital market is very uncertain, such as during the COVID-19 pandemic, investors must be smart in looking at macroeconomic conditions and the company's financial health through fundamental analysis, one of which is ratio analysis. The crashed of JCI caused by COVID-19 pandemic makes this research attractive and different from previous researches. This research showed how the pandemic can affect the financial ratio and also investor's investment decision.

## **2. LITERATURE REVIEW**

### ***Signalling Theory***

*Signaling theory* or signal theory was founded by Spence [8] which states that companies that provide signals about the quality they have in the capital market are companies with good quality because they are able to distinguish themselves from bad companies. According to Godfrey (2010) in Hasanah & Lekok [9], signal theory is a theory that explains how companies provide signals to users of financial statements. Which means Signaling theory related to financial ratio and stock prices fluctuation.

### ***Bird-in-the-Hand Theory***

According to Gitman & Zutter [10], bird-in-the-hand theory believes that investors prefer current dividends rather than expecting future dividends or capital gains. Gordon (1963) and Lintner (1956) in Gitman & Zutter [10] state that measuring a company's current dividend will reduce the risk of uncertainty when an investor invests in a company. In connection with the current dividend which provides certainty compared to expecting capital gains with a high level of uncertainty. This is because to obtain capital gains requires a much longer time for an investor to gain profits with the fact that stock prices will continue to fluctuate.

### ***Stock Price***

Stock prices are prices formed as a result of interactions between buyers and sellers in the stock market. With the hope of future profits due to high stock prices can describe the high value of the company. [11] Stock prices are formed by demand and supply transactions in the capital market. In the capital market transaction, there are investor expectations that are influenced by the good or bad performance of a company. The better the company's performance, the more attractive investors will be. The higher the investor's interest in a stock, the higher the share price [12].

### ***The Effect of Earning Per Share on Stock Price***

The high of EPS value indicates the company's success in providing prosperity to shareholders. The company gives a signal that the rate of return from each company's shares

is quite good in line with the expectations of shareholders. The more investors who invest in a company will increase the stock price of a company [13]. It can be said that EPS is one of the fundamental factors that is most often seen by investors as a basis for making investment decisions, so that it influences stock price movements [14]. EPS has a significantly positive influence on stock prices. The movement of increasing EPS will be followed by high stock prices [15]

In line with the signaling theory, that is, when a company's EPS value is high, it indicates a positive signal for investors that the company can provide a fairly good rate of return for each company's shares. Thus, a high EPS value can increase share prices from increased investor demand for a share in the capital market.

### ***The Effect of Return On Assets on Stock Price***

ROA shows how much the rate of return on assets owned and utilized by the company is to make a profit. With ROA, the company gives a signal how well the company uses its resources to gain profit. The greater the ROA ratio, the better the company is in utilizing all of its assets [16]. The high value of a company's ROA gives investors expectations of profit and a company's safety signal, so that more and more investors buy shares of a company which then drags the stock price higher [14]. The effect of company ROA on stock prices is in line with signaling theory where companies with high ROA values indicate the company's efficiency in managing its assets to turn a profit. Thus, it can attract investors which has an impact on increasing stock prices.

### ***The Effect of Debt-to-Equity Ratio on Stock Price***

DER has a negative impact on company performance because high debt loads will reduce company profits which will result in lower share prices [14]. Investors will see how much the company is able to take advantage of its debt, if it is successful, the company will give a positive signal to investors and the stock price will rise. However, if the company fails to manage debt which is reflected in the higher DER value, it will give a negative signal to investors [17]. In line with the signaling theory, when the company's DER value is high, it indicates a negative signal for investors that the company cannot manage its debts properly and will instead erode the company's profits. Thus, a high DER value can reduce share prices in the capital market.

### ***The Effect of Quick Ratio on Stock Price***

Quick Ratio (QR) can measure a company's ability to meet current debt by utilizing current assets outside of inventory. The QR value is a company signal that the company will be able to survive even in a deteriorating financial situation. The higher the QR value, the better the company's financial position. These conditions will attract investors and drive the value of shares to be higher [18]. A high QR indicates a good state of the company by utilizing current assets that are stronger and easier to disburse, which means that the company's liquidity is very good. High liquidity attracts investors and can increase stock prices [19]. Thus, it can attract investors which has an impact on increasing stock prices.

### ***The Effect of Dividend Payout Ratio on Stock Price***

DPR describes how much profit is allocated to investors who hold company shares. Investors are far more attracted to companies that pay high dividends while at the same time recording high profit values. This condition is because investors receive a signal that the company is healthy and generous towards its shareholders [20]. Investor response to the DPR is in line with the Bird-in-the-hand Theory where an investor prefers dividend income in the present. Especially if the dividend certainty is accompanied by a high corporate profit value. Thus, a high DPR value can increase share prices from increased investor demand for a share in the capital market.

### ***The Effect of Dividend Yield on Stock Price***

DY reflects the size of the total dividend return by adding to the appreciation of stock prices in the capital market. Investors tend to prefer investing in stocks that pay dividends regularly [21]. The company's ability to guarantee the distribution of returns in the form of dividends affects the increase in the company's stock price. The high value of dividend distribution is one of the considerations for investors for long-term investments [22]. In line with the Bird-in-the-hand theory, investors are more interested in receiving dividends in the present than waiting for capital gains in the future, which exposed to fluctuations in stock prices for investment purposes. The certainty of receiving dividends, which is reflected in the DY value, tends to lower share prices after the resale of shares by investors after the recording of shareholders officially receiving dividends in a financial period. Thus, DY has a significant positive impact on stock prices.

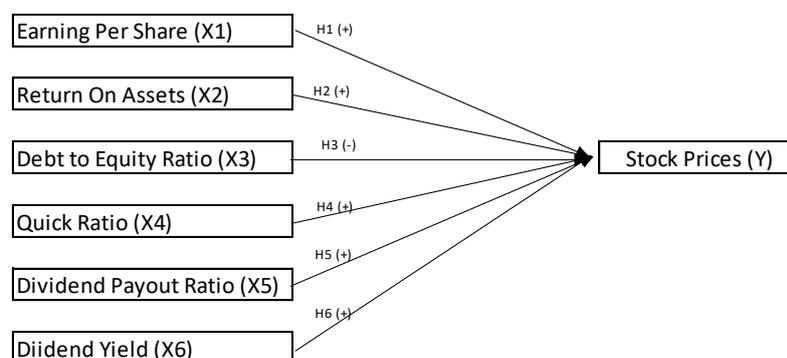
### ***The Difference in Stock Prices Before and During the Pandemic***

The COVID-19 pandemic had an extraordinary impact on the manufacturing industry where company operations could not run optimally which affected company profits. This condition also resulted in a significant decline in the JCI. The decline in the JCI indicated that share prices in all sectors also experienced a decline. Therefore, it is assumed that the COVID-19 pandemic will have an impact on stock prices.

## **3. RESEARCH MODEL AND HYPOTHESES DEVELOPMENT**

### ***Theoretical Framework***

The research model of regression model in this study as presented in Figure 1:



**Figure 1.** The Research Model

The research model test of difference model in this study as presented in Figure 2:



**Figure 2.** The Research Model

Based on the previous explanation, the hypotheses developed are as follows:

- H1: EPS has a positive and significant effect on stock prices before and during COVID-19 pandemic.
- H2: ROA has a positive and significant effect on stock prices before and during COVID-19 pandemic.
- H3: DER has a negative and significant effect on stock prices before and during COVID-19 pandemic.
- H4: QR has a positive and significant effect on stock prices before and during COVID-19 pandemic.
- H5: DPR has a positive and significant influence on stock prices before and during COVID-19 pandemic.
- H6: DY has a positive and significant effect on stock prices before and during COVID-19 pandemic.
- H7: There is a difference in the average value of the stock price before and during the COVID-19 pandemic

### **Research Methodology**

The methodology of this research is for quantitative research with secondary data obtained from the Indonesia Stock Exchange in the 2019-2020 period. In this research, the sampling method used is purposive sampling technique. The sample selection criteria applied in this study are as follows: (1) Manufacturing Companies that are consecutively listed on the IDX during the 2019-2020 period; (2) Companies that present financial statements ending on December 31; (3) Companies that earn successively during the 2019-2020 period; (4) Companies that distribute dividends consecutively during the 2019-2020 period. Data processing in this study using SPSS software. Following are the operationalization of research variables as presented in Table 1:

**Table 1.** Operationalization of Research Variables

Variable	Measures	Adopted From
Earning Per Share	$EPS = \frac{\text{Earnings available for common stockholders}}{\text{Number of Shares of Common Stock Outstanding}}$	Gitman & Zutter (2015)
Return On Assets	$ROA = \frac{\text{Earnings Available for Common Stockholders}}{\text{Total Assets}}$	Gitman & Zutter (2015)
Debt to Equity Ratio	$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$	Suparningsih & Chaeriah (2020)
Quick Ratio	$QR = \frac{\text{Current Assets - Inventory}}{\text{Current Liabilities}}$	Gitman & Zutter (2015)
Dividend Payout Ratio	$DPR = \frac{\text{Total Dividend}}{\text{Net Income}}$	Angelina & Salim (2021)
Dividend Yield	$DY = \frac{\text{Dividend Per Share}}{\text{Share Price}}$	Novius (2017)

## 5. RESULTS

**Table 2.** Descriptive Statistics: Before COVID-19 Pandemic

Descriptive Statistics							
	N	Range	Minimum	Maximum	Mean	Std. Deviation	Variance
EPS	52	1476.7391	.0043	1476.7434	172.793333	276.9966621	76727.151
ROA	52	.3526	.0054	.3580	.088213	.0716477	.005
DER	52	2.8076	.1019	2.9095	.739685	.6573871	.432
QR	52	15.3953	.4124	15.8077	2.317202	2.4232309	5.872
DPR	52	1.7379	.0284	1.7663	.423300	.3221121	.104
DY	52	.1466	.0021	.1487	.037415	.0297336	.001
Harga Saham	52	10141.5	58.5	10200.0	2233.923	2731.0781	7458787.582
Valid N (listwise)	52						

The results of descriptive statistical testing on the dependent variable in the form of stock prices with data processing using SPSS version 26, before pandemic period, it was found that stock prices had a range of 10141.5. The minimum and maximum value respectively of the stock prices respectively are 58.5 and 10200. The average value (mean) of the stock price is 2233.923. The standard deviation value of 2731.0781 and the variance of 7458787.582 are used to measure the level of variability. The maximum value of EPS is 1476.7391 and the minimum value of EPS is 0.0043. The mean value of EPS is 172.793333 and the standard deviation of EPS is 276.9966621. The standard deviation value is away from the mean value, this indicates a high data variation. The maximum value of ROA is 0.3528 and the minimum value of ROA is 0.0054. The mean value of ROA is 0.088213 and the standard deviation value of ROA is 0.0716477. The maximum value of DER is 2.9095 and the minimum value of DER is 0.1019. The mean value of DER is 0.739685 and the standard deviation of DER is 0.6573871. The maximum value of QR is 15.8077 and the minimum value of QR is 0.4124. The mean value of QR is 2.317202 and the standard deviation of QR is 2.4232309. The maximum value from the DPR is 1.7663 and the minimum value from the DPR is 0.0284. The mean value of the DPR is 0.423300 and the standard deviation value of the DPR is 0.3221121. The maximum value of Dividend Yield (DY) is 0.1487 and the minimum value of DY is 0.0021. The mean value of DY is 0.037415 and the standard deviation of DY is 0.0297336.

**Table 3.** Descriptive Statistics: During COVID-19 Pandemic

Descriptive Statistics							
	N	Range	Minimum	Maximum	Mean	Std. Deviation	Variance
EPS	52	1377.3054	.0042	1377.3096	138.898094	251.3980690	63200.989
ROA	52	.3486	.0002	.3488	.073673	.0671506	.005
DER	52	3.2492	.0941	3.3433	.775896	.6976741	.487
QR	52	174.8854	.4765	175.3619	5.549506	24.0821623	579.951
DPR	52	1.4333	.0154	1.4487	.410648	.2891046	.084
DY	52	.1009	.0006	.1015	.028685	.0229443	.001
Harga Saham	52	13634.0	66.0	13700.0	2934.971	3669.2188	13463166.877
Valid N (listwise)	52						

Meanwhile, for the period during the COVID-19 pandemic, the minimum and maximum value of the stock prices respectively are 66 and 13700. The average value (mean) of the stock price is 2934.971. The standard deviation value of 3669.2188 and the variance of 13463166.877 are used to measure the level of variability. The maximum value of EPS is 1377.3096 and the minimum value of EPS is 0.0042. The mean value of EPS is 138.898094 and the standard deviation of EPS is 251.3980690. The maximum value of ROA is 0.3488 and the minimum value of ROA is 0.0002. The mean value of ROA is 0.073673 and the standard deviation of ROA is 0.0671506. The maximum value of DER is 3.3433 and the minimum value of DER is 0.0941. The mean value of DER is 0.775896 and the standard deviation value of DER is 0.6976741. The maximum value of QR is 175.3619 and the minimum value of QR is 0.4765. The mean value of QR is 5.549506 and the standard deviation of QR is 24.0821623. The maximum value from the DPR is 1.4487 and the minimum value from the DPR is 0.0154. The mean value of the DPR is 0.410648 and the standard deviation value of the DPR is 0.2891046. The maximum value of Dividend Yield (DY) is 0.1015 and the minimum value of DY is 0.0006. The mean value of DY is 0.028169 and the standard deviation of DY is 0.0229443.

Due to this research using multiple regression test, the classical assumption test used is normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test.

The following are data testing results before and during the COVID-19 period.

### Normality Test

**Table 4.** Normality Test: Before COVID-19 Pandemic

One-Sample Kolmogorov-Smirnov Test		
Unstandardized Residual		
N		52
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	1580.82216295
Most Extreme Differences	Absolute	.246
	Positive	.246
	Negative	-.125
Test Statistic		.246
Asymp. Sig. (2-tailed)		.000 <sup>c</sup>

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

**Table 5.** Normality Test: During COVID-19 Pandemic

One-Sample Kolmogorov-Smirnov Test		
Unstandardized Residual		
N		52
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2796.17286842
Most Extreme Differences	Absolute	.254
	Positive	.254
	Negative	-.150
Test Statistic		.254
Asymp. Sig. (2-tailed)		.000 <sup>c</sup>

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Based on the results of the normality test before and during pandemic period, the asymp. Sig. (2-tailed) is 0,000 before pandemic and 0,000 during pandemic. The normality result means both before and during pandemic data not normally distributed.

### Multicollinearity Test

**Table 6.** Multicollinearity Test: Before COVID-19 Pandemic

Model		Coefficients <sup>a</sup>				Collinearity Statistics		
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	208.430	646.275		.323	.749		
	EPS	7.937	.952	.805	8.337	.000	.799	1.252
	ROA	-314.355	3957.429	-.008	-.079	.937	.691	1.448
	DER	953.745	467.537	.230	2.040	.047	.588	1.701
	QR	55.747	113.088	.049	.493	.624	.739	1.352
	DPR	3010.756	994.510	.355	3.027	.004	.541	1.848
	DY	-	12313.715	-.415	-3.098	.003	.414	2.414
		38148.277						

a. Dependent Variable: Harga Saham

**Table 7.** Multicollinearity Test: During COVID-19 Pandemic

Model		Coefficients <sup>a</sup>				Collinearity Statistics		
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	1246.396	988.620		1.261	.214		
	EPS	8.960	1.705	.614	5.254	.000	.945	1.058
	ROA	-6090.197	6927.881	-.111	-.879	.384	.803	1.246
	DER	772.447	614.521	.147	1.257	.215	.945	1.058
	QR	-9.242	17.807	-.061	-.519	.606	.945	1.058
	DPR	4702.129	1965.893	.370	2.392	.021	.538	1.859
	DY	-	23191.913	-.346	-2.385	.021	.614	1.630
		55301.393						

a. Dependent Variable: Harga Saham

Based on the result of multicollinearity testing before and during the pandemic period, the tolerance value is more than 0.10 and the Variance Inflation Factor (VIF) value shows that all independent variables have a VIF value of less than 10 which indicates there is no multicollinearity.

### Heteroscedasticity Test

Based on the results of heteroscedasticity with rank Spearman testing before and during the pandemic period, all variables have a probability value of > 0.5. It means that the two of regression models do not occur heteroscedasticity.

## Autocorrelation Test

**Table 8.** Run Test Before & During Pandemic

	Runs Test	
	2019	2020
	Unstandardized Residual	Unstandardized Residual
Test Value <sup>a</sup>	-373.70194	-872.61064
Cases < Test Value	26	26
Cases >= Test Value	26	26
Total Cases	52	52
Number of Runs	21	25
Z	-1.681	-0.56
Asymp. Sig. (2-tailed)	0.093	0.575

a. Median

Based on the results of autocorrelation testing with run test, there is no autocorrelation before and during pandemic data.

## F-Statistics Test

The results of the simultaneous significance test (F-test), the Prob value (F-Statistic) is 0.000000 which means that the independent variables in this study simultaneously affect the dependent variable.

**Table 9.** The Results of Hypotheses Testing (Before COVID-19 Pandemic Data in 2019)

Variable	Coefficient	Sig. Value	Results (Ha)
<i>Earnings per Share (EPS)</i>	7.937	0.000	Accepted
<i>Return On Assets (ROA)</i>	-314.355	0.937	Rejected
<i>Debt to Equity Ratio (DER)</i>	953.745	0.047	Rejected
<i>Quick Ratio (QR)</i>	55.747	0.624	Rejected
<i>Dividend Payout Ratio (DPR)</i>	3010.756	0.004	Accepted
<i>Dividend Yield (DY)</i>	-38148.277	0.004	Rejected

Table 9 is the results of hypotheses testing (During COVID-19 pandemic data in 2020)

**Table 10.** The Results of Hypotheses Testing (During COVID-19 Pandemic Data in 2020)

Variable	Coefficient	Sig. Value	Results (Ha)
<i>Earnings per Share (EPS)</i>	8.960	0.000	Accepted
<i>Return On Assets (ROA)</i>	-6090.197	0.384	Rejected
<i>Debt to Equity Ratio (DER)</i>	772.447	0.215	Rejected
<i>Quick Ratio (QR)</i>	-9.242	0.606	Rejected
<i>Dividend Payout Ratio (DPR)</i>	4702.129	0.021	Accepted
<i>Dividend Yield (DY)</i>	-55301.393	0.021	Rejected

## R<sup>2</sup> Adjusted Results

**Table 11.** R<sup>2</sup> Adjusted Results (Before COVID-19 pandemic data in 2019)

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.815 <sup>a</sup>	.665	<b>.620</b>	1682.9137	1.753

a. Predictors: (Constant), DY, QR, EPS, ROA, DER, DPR

b. Dependent Variable: Harga Saham

**Table 12.** R<sup>2</sup> Adjusted Results (During COVID-19 pandemic data in 2020)

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.648 <sup>a</sup>	.419	<b>.342</b>	2976.7533	1.805

a. Predictors: (Constant), DY, DER, ROA, EPS, QR, DPR

b. Dependent Variable: Harga Saham

From the coefficient of determination test and simultaneous significance test result before COVID-19 pandemic data in 2019, the adjusted R<sup>2</sup> value is 0.620 which means that the stock prices variable can be explained by EPS, ROA, DER, QR, DPR, and Dividend Yield by 62%, while the remaining 38% of the variation in the stock prices is influenced by other variables not included in this research. From the coefficient of determination test and simultaneous significance test result during COVID-19 pandemic data in 2020, the adjusted R<sup>2</sup> value is 0.342 which means that the stock prices variable can be explained by EPS, ROA, DER, QR, DPR, and Dividend Yield by 34.2%, while the remaining 65.8% of the variation in the stock prices is influenced by other variables not included in this research. The F-test (simultaneous test) conducted on the independent variables is used to determine whether the regression model is feasible or not. It can be seen that the prob (F-statistics) value of the test result is 0.0000 (< 0.05), which means that the regression model used is a good fit. The multiple linear regression is obtained as follow:

### Regression Equation Model by Using the Data Before Pandemic:

$$\text{Stock Prices} = 208.430 + 7937 \text{ EPS} - 314.355 \text{ ROA} + 953.745 \text{ DER} + 55.747 \text{ QR} + 3010.756 \text{ DPR} - 38,148.277 \text{ Dividend Yield} + \varepsilon$$

### Regression Equation Model by using the Data During Pandemic:

$$\text{Stock Prices} = 1246.396 + 8.960 \text{ EPS} - 6090.197 \text{ ROA} + 772.447 \text{ DER} - 9.242 \text{ QR} + 4702.129 \text{ DPR} - 55,301.393 \text{ Dividend Yield} + \varepsilon$$

**Table 13.** Test of Differences

Test Statistics <sup>a</sup>	
	During COVID-19 - Before COVID-19
Z	-.232 <sup>b</sup>
Asymp. Sig. (2-tailed)	.816

a. Wilcoxon Signed Ranks Test

b. Based on positive ranks.

Based on the results of the Wilcoxon marked rank test in Table 13, a significance value of 0.816 is greater than 0.05, which means that H<sub>0</sub> is accepted. Thus, it can be concluded that there was difference in the average stock price before COVID-19 and during the COVID-19 period.

## 6. DISCUSSION

Based on the results obtained and generated from this study, authors concluded several discussions. According to 2019 data represent before pandemic condition as follows. First, Earning Per Share has a positive significant effect on stock price. The significant and positive relationship between EPS and stock prices indicates that when the EPS value increases, the stock price will also increase. EPS shows the share of earnings for each share. So that the greater the EPS value, the greater the tendency for the distribution of profits to each shareholder [23]. The results of this study are also in line with Erick [17], Kartiko & Rachmi [24], Gupta & Rane [25], Sepindo, Suhendro, & Chomsatu [26], Vidiyastutik et al. [14], Yuliani, Saudi, & Sinaga [27], Agustinus & Firdausy [28], dan Nainggolan [29]. Second, Return on Assets has a positive significant effect on the stock price. A high ROA indicates a company has a great opportunity to increase its growth. This condition certainly attracts investors to invest in companies with high ROA values. This is in line with research conducted by Kartiko & Rachmi [24], Irawan & Suryati [30], Vidiyastutik et al [14]. Third, Debt to Equity Ratio has positive significant effect on the stock price. If a company has a good level of ability to pay debts accompanied by debt allocation which is mostly used for business expansion, the company assumed can still attract investors. Debt allocation for proper expansion by a company so that it can increase the company's profit by 2 times after debt can provide expectations of the company's greater capacity in the future expected by investors. This is in line with research conducted by Nining [31] dan Nainggolan [29]. Fourth, Quick Ratio does not significant effect on stock prices. Fifth, Dividend Payout Ratio has positive significant effect on the stock prices. Investors expect high and growth of company profit conditions accompanied by high dividend distribution. Maintaining a high DPR value will attract investors to invest in the long term. This is in line with research conducted by Ermiati, et al. [22], Silalahi & Manik [32], Husein & Kharisma [33], Fauza & Mustanda [13], Hunjra, et al [34]. Sixth, Dividend Yield has negative significant effect on the stock prices. High dividend payout results tend to reduce stock price volatility because it reduces investor doubts about the equity condition of a company. This evidence is in line with oleh Kam [35], Deboi & Sorensen [36], dan Kollar [20].

According to 2020 data represent during pandemic condition as follows. First, Earning Per Share has a positive significant effect on stock price. Second, Return on Assets does not significant effect on the stock price. Third, Debt to Equity Ratio does not significant effect on stock prices. Fourth, Quick Ratio does not significant effect on stock prices. Fifth, Dividend

Payout Ratio has positive significant effect on the stock prices. In the midst of unstable economic conditions during the COVID-19 pandemic, investors considered it increasingly risky to expect capital gains, especially since the overall stock price had fallen due to the pandemic. Thus, investors feel more secure investing in stocks that distribute dividends regularly, followed by an excellent history of corporate profits. Sixth, Dividend Yield has negative significant effect on the stock prices. High dividend payout results tend to reduce stock price volatility because it reduces investor doubts about the equity condition of a company.

Based on the result test of difference, the research shows that there is difference in the average stock prices before and during COVID-19 pandemic. The result shows that fluctuation of stock prices in capital market were higher due to COVID-19 pandemic, which makes the average of stock prices shows the difference before and during pandemic.

## **7. CONCLUSIONS**

Based on the results of the research that has been done, it can be concluded that financial ratios can give a signal to stock prices. The effect of financial ratios on stock prices can have differences, especially when conditions of capital market uncertainty increase such as with the COVID-19 pandemic.

## **8. LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH**

According to this research, there are some limitations that occurred as following:

1. The study was only conducted on manufacturing companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2020 period.
2. Only using independent variables consisting of Earning Per Share, Return On Assets, Debt to Equity Ratio, Quick Ratio, Dividend Payout Ratio, and Dividend Yield without any control variables
3. Test data before and during the COVID-19 pandemic did not pass the normality test.

Several suggestions can be provided for companies, investors, and researchers based on limitations describe before, which are as follows :

1. For the companies, based on the results of this study, Earning Per Share and Dividend Payout Ratio have a significant effect on stock prices, therefore it is expected that companies can pay attention to the value of Earning Per Share and Dividend Payout Ratio in order to remain in the optimal level or expected continues to increase, so that the welfare of shareholders can be guaranteed and investors are interested in investing in a company.
2. For investors, this research is expected to assist in making investment decisions by an investor in a company by considering the factors that affect stock prices. The COVID-19 pandemic is an external factor that affects the company's performance. However, the impact of the COVID-19 pandemic cannot be controlled by the company. Therefore, investors are expected to minimize the risk in investing during the pandemic by conducting financial planning before investing.
3. For further research, further research is expected to add other independent variables and/or control variables, such as interest rate policy, inflation, rupiah exchange rate, and others along with increasing the research period. This aims to see the influence and differences of the variables studied before, during or after COVID-19 with a broader picture.

## **ACKNOWLEDGMENT**

This work was supported by The Institution of Research and Community-Engagement Services (LPPM) of Universitas Tarumanagara. The authors would like to thank to The Director of LPPM and also The Dean of Faculty of Economics and Business, Universitas Tarumanagara.

## **REFERENCES**

- [1] Pratama, A. (2020, August 10). okefinance. Retrieved from IHSG Ambles 18,3% akibat Virus Corona Sepanjang 2020: <https://economy.okezone.com/read/2020/08/10/278/2259684/ihsg-ambles-18-3-akibat-virus-corona-sepanjang-2020> (Accessed on March 12, 2022).
- [2] Susilawati, C. D. (2005). Pengaruh Rasio Keuangan Terhadap Harga Saham Pada Perusahaan Manufaktur. *Jurnal Ilmiah Akuntansi* 5(2), 57-75.
- [3] Machfoedz, M. (1999). Pengaruh Krisis Moneter Pada Efisiensi Perusahaan Publik di Bursa Efek Jakarta. *Jurnal Ekonomi dan Bisnis Indonesia* 14(1).
- [4] Rofiqoh, I. (2001). Pengaruh Krisis Moneter Terhadap Kinerja Perusahaan Publik di Bursa Efek Jakarta. *Jurnal Akuntansi dan Investasi* 2(2), 87-104.
- [5] Putra, A. P., Rismadi, B., & Lahindah, L. (2014). Financial Performance Analysis Before and After Global Crisis (Case Study in Indonesian Oil and Gas Sector for the Period of 2006-2011). *Review of Integral Business Economies Research Vol 3(1)*, 42-51.
- [6] Kinasih, A. D. (2011). Analisis Kinerja Keuangan Bank Sebelum dan Sesudah Krisis Global.
- [7] Nugroho, V., & Ramli, I. (2016). Krisis Ekonomi Krisis Politik Dunia dan IHSG. *Jurnal Ekonomi XXI(1)*, 61-75.
- [8] Spence, M. (1973). Job Market Signaling. *The Quarterly Journal of Economics*, 355-374.
- [9] Hasanah, A. N., & Lekok, W. (2019). Faktor-Faktor yang Mempengaruhi Nilai Perusahaan: Kebijakan Dividen sebagai Pemediiasi. *Jurnal Bisnis dan Akuntansi* , 165-178.
- [10] Gitman, L., & Zutter, C. (2015). *Principle of Managerial Finance*. England: Pearson.
- [11] Suparningsih, B., & Chaeriah, E. S. (2020). Pengaruh Price Earning Ratio, Debt to Equity Ratio, Inflasi, BI Rate, dan Kurs Dolar Terhadap Harga Saham Industri Kimia yang Listing di Bursa Efek Indonesia. *Jurnal Manajemen Bisnis Krisnadwipayana*, 124-143.
- [12] Muhonis, M. G., & Susanti, M. (2021). Pengaruh ROA, DER, SIZE, dan EPS Terhadap Harga Saham Perusahaan Manufaktur. *Jurnal Multiparadigma Akuntansi III(2)*, 703-711.

- [13] Fauza, M. S., & Mustanda, I. K. (2016). Pengaruh Profitabilitas, Earning Per Share (EPS), dan Dividend Payout Ratio (DPR) Terhadap Harga Saham. *E-Jurnal Manajemen Unud* 5(12), 8015-8045.
- [14] Vidiyastutik, E. D., Dhany, U. R., Priantono, S., & Rahayu, A. (2021). Pengaruh Earning Per Share, Return On Asset dan Debt to Equity Ratio Terhadap Harga Saham. *Ecobuss Jurnal Ilmiah Ilmu Ekonomi dan Bisnis* 9(1), 49-55.
- [15] Juliani, M., Sembiring, F. S., & Januardin. (2021). Pengaruh Return On Assets (ROA), Debt to Equity Ratio (DER), Earning Per Share (EPS), Terhadap Harga Saham yang Terdaftar di BEI Periode 2015-2019. *COSTING: Journal of Economic, Business and Accounting* 5(1), 600-605.
- [16] Ligocká, M., & Stavárek, D. (2019). The Relationship Between Financial Ratios and the Stock Prices of Selected European Food Companies Listed on Stock Exchanges. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 67(1), 299-307.
- [17] Erick, C. (2021). Pengaruh Return on Asset (ROA), Debt to Equity Ratio (DER), dan Earning per Share (EPS) terhadap harga saham perusahaan pertambangan batubara yang terdaftar di Bursa Efek Indonesia (BEI) untuk periode 2016 hingga 2018. *jurnal Manajemen Bisnis dan Kewirausahaan* 5(1), 88-93.
- [18] Baktiar, M., Asmirantho, E., & Azhar, Z. (2019). Pengaruh Debt to Equity Ratio (DER), Net Profit Margin (NPM), Return On Equity (ROE), Return On Asset (ROA), Quick Ratio (QR), dan Earning Per Share (EPS) terhadap Harga Saham Pada Perusahaan Sub Sektor Industri Kimia . *Jurnal Online Mahasiswa Bidang Manajemen* 4(2), 1-19.
- [19] Suryanengsih, T. D., & Kharisma, F. (2020). Pengaruh Current Ratio dan Quick Ratio Terhadap Harga Saham pada Perusahaan Goods yang Tercatat di BEI Periode Tahun 2013– 2017. *Borneo Student Research*, 1(3), 1564-1570.
- [20] Bustani, Kurniaty, & Widyanti, R. (2021). The Effect of Earning Per Share, Price to Book Value, Dividend Payout Ratio, and Net Profit Margin on the Stock Price in Indonesia Stock Exchange. *Jurnal Maksipreneur: Manajemen, Koperasi, dan Entrepreneurship*, 11(1), 1-18.
- [21] Aryanti, R. P. (2021). Pengaruh Dividend Yield, Retention Ratio, EPS, dan ROE Terhadap Harga Saham. *Jurnal Ilmiah Edunomika* 5(1), 235-245.
- [22] Ermiami, C., Amanah, D., Harahap, D. A., & Siregar, E. S. (2019). Pengaruh Kebijakan Dividen Terhadap Harga Saham Perusahaan Sub Sektor Otomotif dan Komponen yang Terdaftar di Bursa Efek Indonesia Periode 2008-2017. *Niagawan* 8(2), 131-139.
- [23] Janiman, & Mega. (2021). Pengaruh Earning Per Share (EPS), Return On Asset (ROA), dan Return On Equity (ROE) Terhadap Harga Saham. *Cerdika: Jurnal Ilmiah Indonesia*, 1(12), 1718-1732.
- [24] Kartiko, N. D., & Rachmi, I. F. (2021). Pengaruh Net Profit Margin, Return On Asset, Return On Equity, dan Earning Per Share Terhadap Harga Saham Di Masa Pandemi

Covid-19 (Studi Empiris Pada Perusahaan Publik Sektor Pertambangan Di Bursa Efek Indonesia). *Jurnal Riset Bisnis dan Investasi* 7(2), 58-68.

- [25] Gupta, P., & Rane, N. (2021). Impact of Financial Ratios on Stock Price: Evidence from Indian Listed Banks on NSE . *Revista Geintec-Gestao Inovaco e Tecnologias* , 5132-5144.
- [26] Sepindo, Y., Suhendro, & Chomsatu, Y. (2021). The Effect of Liquidity Ratio, Profitability and Solvency on Stock Price in Construction and Building Companies Listed on Indonesia Stock Exchange Period 2014-2018. *Jurnal Ilmiah Akuntansi dan Manajemen* 17(1), 7-12.
- [27] Yuliani, R., Saudi, M. H., & Sinaga, O. (2021). The Fundamental Impact On Mining Share Price On Indonesia Stock Exchange . *Turkish Journal of Computer and Mathematics Education* , 805-810.
- [28] Agustinus, A., & Firdausy, C. M. (2020). Pengaruh Earning Per Share, Debt to Equity Ratio, dan Price Earning Ratio Terhadap Harga Saham Perusahaan Sektor Makanan dan Minuman yang Terdaftar di Bursa Efek Indonesia Periode 2013-2017. *Jurnal Manajemen Bisnis dan Kewirausahaan* 4(3), 01-05.
- [29] Nainggolan, A. (2019). pengaruh EPS, ROE, NPM, DER dan PER terhadap Harga Saham Pada Perusahaan Perbankan yang Terdaftar di Bursa Efek Indonesia Periode 2014-2017. *Jurnal Manajemen* 5(1), 61-70.
- [30] Irawan, T., & Suryati, E. (2021). The Influence of Profitability, Liquidity, Net Cash Flows, Dividend Policy, Firm Size to Stock Price (Empirical Study on Manufacturing Companies Listed on the Indonesia Stock Exchange Period 2015-2018). *International Journal of Business and Information Technology* 2(1), 52-63.
- [31] Nining, A. (2021). Pengaruh Debt to Equity Ratio (DER) Terhadap Harga Saham Pada Perusahaan Farmasi Di Bursa Efek Indonesia. *Pinis Journal of ART, Humanity & Social Studies*.
- [32] Silalahi, E., & Manik, E. S. (2019). Pengaruh Dividend Payout Ratio, Debt Ratio, dan Return On Assets Terhadap Harga Saham Pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia. *Jurnal Riset Akuntansi dan Keuangan*, 49-70.
- [33] Husein, M. Y., & Kharisma, F. (2020). Pengaruh Kebijakan Dividen Terhadap Harga Saham Pada Perusahaan Manufaktur di Bursa Efek Indonesia (BEI). *Borneo Student Research*, 1061-1067.
- [34] Hunjra, A. I., Chani, M. I., Hassan, S. U., Ijaz, M. S., & Mustafa, U. (2014). Impact of Dividend Policy, Earning per Share, Return on Equity, Profit after Tax on Stock Prices . *International Journal of Economics and Empirical Research* 2(3), 109-115.
- [35] Kam, W. T. (2022). The Impact of the Dividend Policy on the Price Volatilization of Common Stock—Evidence from the Stock Market of Hong Kong.

- [36] Deboi, O., & Sörensen , W. (2020). Stock price volatility and dividend yield: Evidence from Sweden. *Bachelor Thesis in Economics*.
- [37] Situs (Website) Resmi Bursa Efek Indonesia: [www.idx.co.id](http://www.idx.co.id)