

ABSTRACT

In the past few years the movement of shares of banking companies in Indonesia has increased due to the growing awareness of the public about the importance of saving and investing. Higher stock prices indicate an increasing level of public and investor confidence in banking companies. The increase in stock prices also reflects an increase in the performance of banking companies. Therefore the researcher will examine the factors that influence stock prices in banking companies listed on the Indonesia Stock Exchange (IDX).

This study aims to examine some of the ratios found in financial statements to stock prices. The ratio used is return on equity as profitability, capital adequacy ratio as capital ratio, and loan to deposit ratio as liquidity ratios, to stock prices in banking companies listed on the Indonesia Stock Exchange (IDX).

The population of this research is banking companies listed on the Indonesia Stock Exchange (IDX). The sampling method uses purposive sampling with a total sample of 10 companies and a study period of 4 years so that the number of sample units is 40 data. The data analysis technique uses descriptive statistics and hypothesis testing using panel data regression analysis using the Eviews 9 application.

The test results obtained from this study simultaneously show that return on equity, capital adequacy ratio, and loan to deposit ratio significantly influence stock prices. Partially the capital adequacy ratio has a significant positive effect on stock prices. While return on equity and loan to deposit ratio do not have a significant effect on stock prices.

Based on the results of this study, it is expected that further researchers use other variables not found in this study. It is hoped that management can increase the value of its capital adequacy ratio by increasing its equity without over-pressing return on equity. It is also suggested that loan to deposit ratio that exceeds the maximum limit to anticipate risks that might occur. For investors, it is suggested to analyze financial statements as a whole, especially the capital adequacy ratio before deciding to invest.

Keywords: Capital Adequacy Ratio, Loan to Deposit Ratio, Return on Equity, Stock Price.