THE EFFECTS OF NPF, ROA, ROE, DER, AND NPM TO THE STOCK PRICES OF FINANCING COMPANIES IN IDX ON 2017-2021

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Abstract: The Effects of NPF, ROA, ROE, DER, and NPM to the Stock Prices of Financing Companies in IDX on 2017-2021. This research aims to know the effects of NPF, ROA, ROE, DER, and NPM partially and simultaneously on the stock prices on financing companies listed on the Indonesia Stock Exchange in 2017-2021. This research uses quantitative methods with secondary data from each company's financial statement. The sampling technique in this study uses a purposive sampling technique and can obtain six finance companies with an observation period of five years (2017-2021). The result shows that (1) NPF has a positive but insignificant effect on stock prices, (2) ROA has a positive and significant effect on stock prices, (3) ROE has a negative but insignificant effect on stock prices, (4) DER has a positive but insignificant effect on stock prices, (5) NPM has a negative but insignificant effect, (6) NPF, ROA. ROE. DER, and NPM simultaneously affects Stock Prices.

Keywords: Non-Performing Financing (NPF), Return on Assets (ROA), Return on Equity (ROE), Debt to Equity Ratio (DER), Net Profit Margin (NPM), Stock Prices.

Abstrak: Pengaruh NPF, ROA, ROE, DER dan NPM terhadap Harga Saham Perusahaan Pembiayaan di BEI Periode 2017-2021. *Penelitian ini bertujuan untuk mengetahui bagaimana pengaruh NPF, ROA, ROE, DER, dan NPM secara parsial dan simultan terhadap Harga Saham perusahaan pembiayaan yang terdaftar di Bursa Efek Indonesia pada periode 2017-2021. Penelitian ini menggunakan teknik purposive sampling dan diperoleh 6 perusahaan pembiayaan dengan periode selama lima tahun (2017-2021). Hasil penelitian menunjukkan bahwa (1) NPF berpengaruh positif namun tidak signifikan terhadap harga saham, (2) ROA berpengaruh positif dan signifikan terhadap harga saham, (3) ROE berpengaruh negatif namun tidak signifikan terhadap harga saham, (4) DER berpengaruh positif namun tidak signifikan terhadap harga saham, (5) NPM berpengaruh negatif namun tidak signifikan terhadap harga saham, (6) NPF, ROA, ROE, DER, dan NPM secara simultan berpengaruh terhadap Harga Saham.*

Kata kunci*: Non-Performing Financing (NPF), Return on Assets (ROA), Return on Equity (ROE), Debt to Equity Ratio (DER), Net Profit Margin (NPM), Harga Saham.*

INTRODUCTION

Many companies are competing to develop their business to become significant. Developing a business requires much capital, and funding problems still constrain many companies. The capital market is one alternative to overcoming funding problems or obtaining additional capital for companies. The capital market is an appropriate means for companies or other institutions to assist with funding through issuing shares or bonds (Mustofa & Cahyono, 2014).

Investors will choose to invest in companies that can provide a rate of return on the funds they have invested in the form of dividends and capital gains. All investors expect as much profit as possible from their investment results, but not all investors can get these benefits. Sometimes investors also experience losses. Investors must be able to analyze how the company's stock moves by looking at market conditions and the company's performance.

Company performance is inseparable from the company's operational activities. The company's health condition can be reflected in the company's financial statements. Various reasons influence the decision of investors to invest their capital into the company, one of the reasons is the company's performance. High company performance tends to increase the company's share price in the capital market. When the company's share price rises, the welfare of shareholders will also increase so that many investors are willing to buy the company's shares so that it has an impact on company value (Nuradawiyah & Susilawati, 2020).

Financial institutions are growing in Indonesia. This situation can be seen in the number of leasing companies in Indonesia. The more financial institutions sectors, there will be an opportunity for the market for financial institutions to grow. The market growth will increase competition for these companies to continue to develop their business. Funding is an important factor for companies in facing competition. Sources of funding are divided into two, sources of funding from outside the company and from within the company. External sources of funding are obtained through debt, while internal funding sources can be in the form retained earnings or share capital (Amelia & Sunarsi, 2020).

Table 1. Average Stock Price Finance Companies 2013-2017

Year	Average Share Price from 16 financing companies
2021	1,080
2020	1,047
2019	1,114
2018	1,243
2017	876

Source: finance.yahoo.com

Based on the data above, it shows that the average share price of 14 finance companies that listed on the Indonesia Stock Exchange namely ADMF, BBLD, BFIN, BPFI, CFIN, DEFI, HDFA, IBFN, IMJS, MFIN, TIFA, TRUS, VRNA, and WOMF increased from 2017 to 2019 and decreased in 2020. The increase in stock prices indicates that the finance company has performed well in that period. This situation can be driven by several factors, such as an increase in company profits, company policies, or other things. Meanwhile, the fall of stock prices was also driven by several factors, such as declining company performance or ongoing external factors, such as the micro and macroeconomic conditions of a country, inflation, or the impact of the pandemic that hit the world in 2020 to 2021 (Shiyammurti et al., 2020).

One of the performance factors that can affect the movement of the stock price of a finance company is Non-Performing Financing (NPF). The NPF ratio shows the quality of financing issued by the company. A high NPF level indicates that the quality of a finance company's receivables is getting worse because the company is unable to collect these receivables.

Another factor that can affect the stock price of a finance company is the Return on Assets (ROA). A high level of ROA illustrates the company's adequate performance and will impact shareholders increasingly benefiting from the level of dividends they receive. This situation will encourage investors to keep investing and will motivate new investors to invest so that it will have an impact on increasing the company's stock price (Kumaidi & Asandimitra, 2017).

The company's ROE level can also influence the share price of a finance company. A high ROE describes a condition where the owner of the company's capital is getting stronger, and this can encourage investors' motivation to maintain or increase the company's shares so that this will have an impact on increasing the company's stock price (Kumaidi & Asandimitra, 2017).

In addition to these three factors, the Debt Equity Ratio (DER) can also influence the company's stock price. A high DER level will have an impact on the company's dividends. The high debt burden causes the company's profits to be used to pay debts, so the company's dividends will decrease (Firdaus & Helty, 2021). Companies with high DER levels tend to be avoided by investors because they have a higher level of risk and have an impact on the company's stock return.

The next factor affecting stock prices is the Net Profit Margin (NPM). The higher the NPM value, the higher the efficiency of the company. The NPM ratio is a profitability ratio that can be used to determine the level of profitability owned by the company.

Profitability is a crucial aspect of the company. Without profit, the company will find it difficult to get capital from outside, so increasing company profits becomes an obligation for companies to prosper for the owners and management of the company (Khoir et al., 2013).

Based on the explanation above, the authors are interested in researching further how the influence of Non-Performing Financing (NPF), Return on Assets (ROA), Return on Equity (ROE), Debt to Equity Ratio (DER), and the Net Profit Margin (NPM) to the Share Price of the Financing Company.

LITERATURE REVIEW

Agency theory explains that agency relationships arise when one or more people (principals) hire another person (agent) to provide a service and then delegate decision-making authority to the agent (Jensen & Meckling, 1976). The company is a set of contracts between company managers and shareholders.

Signaling theory explains how the agent should convey success signals to the principal owner. Signaling theory was first proposed by Spence (1973). Signaling theory explains that the owner of the information (management) gives a signal or signal in the form of information that reflects the condition of a company that is beneficial to the recipient (the owner of the company). The signal is in the form of information that explains management's efforts to realize the owner's wishes. This information is an important indicator for investors or company owners in making investment decisions. Information submitted by management and received by company owners will be analyzed first and divided into positive or negative categories (Jogiyanto, 2010).

According to Fama, an efficient market is a condition where all prices can be obtained openly and quickly without obstacles. The capital market can be efficient if the securities prices genuinely reflect the available information (Choriliyah, et. al. 2016). Market forms are grouped into three, namely (1) weak form of the efficient market hypothesis, (2) semi strong form of the efficient market hypothesis, (3) strong form of the efficient market hypothesis (Nasution, 2017).

According to OJK, a financing institution is a business entity that carries out financing activities by providing funds or capital goods, including financing companies, venture capital companies, and infrastructure financing companies. Financial institutions in Indonesia are a system with two subsystems: Bank Financial Institutions and Non-Bank Financial Institutions. Finance companies include business entities outside banks or other non-bank financial institutions that can provide loans to customers for business capital or other purposes.

Stock is securities that signify ownership of the company. According to Darmadji & Fakhruddin in Putra et al., (2013) stock is a sign of participation or ownership of a person or entity in a company or limited liability company. The stock price is the price that occurs on the stock market at a certain time determined by market participants by the demand and supply of the relevant stocks in the capital market (Jogiyanto, 2008).

Non-performing financing (NPF) is one of the performance appraisal instruments used to measure non-performing financing or loans. Non-performing financing is volatile or subject to change. The NPF ratio is measured by comparing non-performing loans that have been categorized by the company with the total amount of credit granted by the company (Otoritas Jasa Keuangan, 2020). The higher the NPF ratio, the worse the loan quality, which causes the number of funding non-performing to be greater, which will endanger financing companies. Finance companies must keep the NPF value below 5% (Murniati, 2022).

H1: There is a negative and significant effect of NPF on stock prices.

According to Bambang Riyanto (2001), ROA is the ability of capital invested in overall assets to generate net profits. ROA can provide a better measure of the company's financial performance because it shows the effectiveness of management in using assets to earn income (Kasmir, 2008). Return on Assets (ROA) is a profitability ratio showing the company's ability to generate asset returns. The higher the ROA value of the company, the higher the possibility for the company to increase growth and generate profits (Arista in Gunadi & Kesuma, 2015). The greater the company's profit, the more interested investors are in investing in the company so that the value of ROA can affect the rise and fall of a company's stock price.

H2: There is a positive and significant effect of ROA on stock prices.

Fahmi (2011) states that ROE, also called return on equity, can be used to assess the extent to which a company uses its resources to provide a return on equity. The ROE ratio can reflect the company's performance by showing data on net income with a specific model. The level of ROE has a positive relationship with stock prices because a high ROE value indicates a high return that investors will receive, so it affects stock prices (Rinati, 2012).

H3: There is a positive and significant effect of ROE on stock prices.

According to Kasmir, (Nur'aidawati, 2018) Debt to Equity Ratio (DER) is the ratio of debt to equity. This ratio can show how the value of a company's debt compared to equity. The higher the DER ratio, the higher possibilities the company must solve the company's debt and obligations, both short-term and long-term debt (Firdaus & Helty, 2021). The increasing value of DER indicates an increase in the value of the company's debt. Investors will tend to avoid companies with high DER levels so that this will have an impact on decreasing the company's stock price.

H4: There is a negative and significant effect of DER on stock prices.

According to Harjito & Martono (2018), NPM is the sales profit after calculating all expenses and income taxes. NPM can provide information to investors about how much the company's ability to manage costs to obtain a net profit. NPM can also assess the level of success of the operational activities that the company has carried out. The company's net profit is one of the references for investors in deciding whether to invest in the company or not. The NPM level has a directly proportional relationship with stock prices.

H5: There is a positive and significant effect of NPM on stock prices.

RESEARCH METHOD

Research Type and Design

This research is quantitative analysis using an associative approach. The reason this study uses the associative method is that this study aims to find out how the influence of the independent variable on the dependent variable.

Place and Time of Research

This research was conducted from May until August 2022 by analysing the financial statements published by several finance companies on the Indonesia Stock Exchange in 2017, 2018, 2019, 2020, and 2021. The data sources obtained from the official website of the Indonesia Stock Exchange (IDX) or official website of each financial institution company that was used as the research sample.

Research Population and Sample

This research uses a population of finance companies listed on the Indonesia Stock Exchange during the research period 2017-2021. The sampling technique used in this research is non-probability sampling with a purposive sampling technique. There are several considerations or criteria set out in this study as follows:

1. Financing Company listed on the Indonesia Stock Exchange during 2017-2021.
2. Financing Companies that have completed financial statement data on the Indonesia Stock Exchange or published on the official website of each company in the 2017-2021 period.

Data Collection Technique

The technique used in this research data collection is in the form of documentation. Researchers use secondary data types in the form of time series data with an annual scale taken from the annual report, annual financial report, or summary of the financial statements of each finance company for a period from 2017-2021.

Data Analysis Technique

a. Descriptive Statistical Analysis

This data analysis method will use the help of the software program. The output of the descriptive statistical analysis of this study will display the data seen from the average value, standard deviation, variance, maximum, minimum, which are shown in tabular form.

b. Classical Assumption Test

The regression model assumption test is used to determine that the regression equation obtained has estimation accuracy, has no bias, and is consistent. The classical assumption includes testing for data normality, multicollinearity, heteroscedasticity, and autocorrelation

c. Multiple Linear Regression Analysis

This research will use the multiple linear regression analysis techniques to test the effect of the independent variables on the dependent variable.

d. Hypothesis Test

The hypothesis to be tested in this study will prove whether there is a significant effect of the independent variables (NPF, ROA, ROE, DER, NPM) on the dependent variable (Stock Price) either partially or simultaneously.

RESULT AND DISCUSSION

Research Result

Data Description

Table 2. Sampling Procedure

Information	Number of Companies
Population finance companies IDX (2017-2021)	16
Companies that do not meet the criteria	(3)
Outlier data	(7)
Sample research	6
Total observation data 5 years	30

Based on the criteria above, six companies meet the criteria and research needs for five years with 30 data (n = 30).

This is a list of companies that are sampled in the study.

Table 3. Sample list of financing companies.

Company	Code
Buana Finance Tbk	BBLD
Clipan Finance Indonesia Tbk	CFIN
Indomobil Multi Jasa Tbk	IMJS
Mandala Multifinance Tbk	MFIN
KDB Tifa Finance Tbk	TIFA
Wahana Ottomitra Multiartha Tbk	WOMF

Source: idx.co.id

Descriptive Statistical Analysis

Table 4. Descriptive Statistics Test Result

Var	N	Min	Max	Mean	Std Dev.
NPF	30	0.89	4.69	2.04	1.029
ROA	30	-0.47	10.3	2.96	2.819
ROE	30	-3.10	18.9	7.53	6.365
DER	30	0.28	6.40	2.72	1.970
NPM	30	-2.70	27.2	10.38	7.865
Stock Price	30	149	1285	498	341.9

Source: Secondary Data Processed

Based on table above, for the NPF it shows that the minimum value is 0.89, the maximum value is 4.69, average value is 2.04 and standard deviation is 1.029. The ROA minimum value is -0.47, maximum value is 10.3, average value is 10.35, and standard deviation is 2.819. The ROE minimum value is -3.10, maximum value 18.95, average value is 7.53, and standard deviation is 6.365. The DER minimum value is 0.28, maximum value 6.40, average value is 2.72, and standard deviation 1.970. The NPM minimum value is -2.70, maximum value 27.26, average value is 10.38, and standard deviation 7.865. The Stock Price minimum value is 149, maximum value 1285, average value is 498, and standard deviation 341.9.

Normality Test Result

Table 5. Normality Test Result

Variable	Sig.	Asym. Sig (2-tailed)
Unstandarized Residual	0.05	0.06

Source: Secondary Data Processed

Based on the table above, the results of the Kolmogorov-Smirnov normality test indicate that the Asymp value. Sig (2 tailed) 0.06 > 0.05 so that it can be concluded that the data are normally distributed.

Table 6. Multicollinearity Test Result

Variable	Tolerance	VIF
NPF	0.820	1.219
ROA	0.111	9.026
ROE	0.184	5.433
DER	0.330	3.3034
NPM	0.209	4.790

Source: Secondary Data Processed

Based on the table above, there are no independent variable with a tolerance value < 0.10 and with a VIF value > 10. So, it can be concluded that the regression model of this study does not occur multicollinearity.

Table 7. Autocorrelation Test Result

Model	Durbin-Watson
1	2.061

Source: Secondary Data Processed

Based on the table above, Durbin-Watson value is 2.061. Compared with the dU and 4-dU values which n = 30 and k = 5, so the dU value obtained was 1.8326. The decision was taken based on dU < d < 4-dU or with a value of 1.8326 < 2.061 < 2.1674 with the conclusion that the regression model was free from autocorrelation.

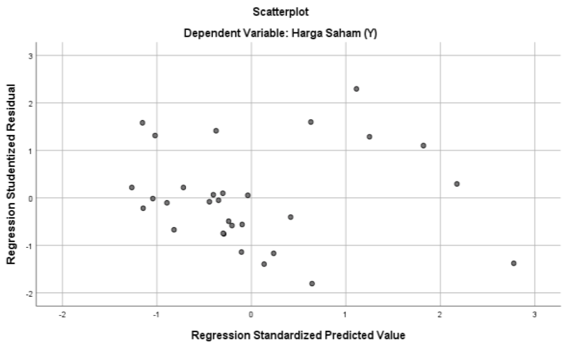

Figure 1. Heteroscedasticity Test Result

Based on the picture of the heteroscedasticity test results, the points on the scatterplot appear to spread randomly below the number 0 and above the number 0. This pattern indicates that there is no symptom of heteroscedasticity in the regression model.

Multiple Test Result

Hypothesis testing is done by multivariable regression with the following equation:

Share price = α + β1NPF + β2ROA + β3ROE + β4DER + β5NPM + *e*.

Hypothesis Test Result

a. T Test Result

Table 8. T Test Result

Variable	T	Sig.
NPF	2.030	0.054
ROA	3.051	0.005
ROE	-1.786	0.087
DER	0.661	0.515
NPM	-0.537	0.596

Source: Secondary Data Processed

1. Non-Performing Financing

   The NPF variable has a t value of 2.030 with a significance value of 0.054. The significance value of 0.054 is higher than 0.05, so the first hypothesis, which states that there is a negative effect of the Non-Performing Financing on Stock Price, is rejected.

2. Return on Asset

   The ROA variable has a t value of 3.051 with a significance value of 0.005. The significance value of 0.005 is smaller than 0.05, so the second hypothesis, which states that there is a positive effect of the Return on Asset on Stock Price, is accepted.

3. Return on Equity

   The ROE variable has a t value of -1.786 with a significance value of 0.087. The significance value of 0.087 is higher than 0.05, so the third hypothesis, which states that there is a positive effect of the Return on Equity on Stock Price, is rejected.

4. Debt to Equity Ratio

   The DER variable has a t value of 0.661 with a significance value of 0.515. The significance value of 0.515 is higher than 0.05, so the fourth hypothesis, which states that there is a negative effect of the Debt-to-Equity Ratio on Stock Price, is rejected.

5. Net Profit Margin

   The NPM variable has a t value of -0.537 with a significance value of 0.596. The significance value of 0.596 is higher than 0.05, so the fifth hypothesis, which states that there is a positive effect of the Net Profit Margin on Stock Price, is rejected.

b. F Test Result

Table 9. T Test Result

Model	**F**	**Sig.**
Regression	4.142	0.007

Source: Secondary Data Processed

Based on the test results, the F-count result is 4.142 with a significance of 0.007, indicating a value that is smaller than the 0.05 significance level. So, it can be concluded that the sixth hypothesis is accepted, where NPF, ROA, ROE, DER, and NPM together affect stock prices.

c. Coefficient of Determination

Table 10. Adjusted R^2 Test Result

R	**R Square**	**Adjusted R Square**
0.681	0.463	0.351

Source: Secondary Data Processed

Based on the table of determination coefficient test results, it is found that the adjusted R square value is 0.351. This result shows that NPF, ROA, ROE, DER, and NPM can affect the dependent variable of stock prices by 0.351 or 35.1%, while other variables outside the study variable influence the remaining 64.9%.

Discussion

The Effect of Non-Performing Financing (NPF) on Stock Prices

The NPF t-test result is 2.030 smaller than the t-table with a value of 2.063 with a significance level greater than the set significance level of 0.054 > 0.05. This result indicates that the NPF variable has a positive and insignificant effect on the stock price of finance companies listed on IDX for the 2017-2021 period. So H1 in this study is rejected.

Banks with NPL values exceeding 5% will be declared as banks under intensive supervision. Investors also consider that if the NPL value in the banking sector does not exceed 5%, investors will still consider the bank to be in a healthy or normal condition, so this situation will not affect the fluctuations in the share price of the banking sub-sector. Same as NPF in finance companies where in this study, no finance company has an NPF value higher than 5%, so investors tend to think that the NPF in financing companies is still normal. Thus, fluctuations in NPF will not significantly affect the stock price movements of finance companies in 2017-2021.

The Effect of Return on Asset (ROA) on Stock Prices

The ROA t-test result is 3.051 greater than the t-table value of 2.063 with a significance level smaller than the set significance level of 0.005 < 0.05. This result indicates that the ROA variable has a positive and significant effect on the stock price of finance companies listed on IDX for the 2017-2021 period. So H2 in this study is accepted.

This result prove that the company's stock price will increase if the ROA value increases. The high profitability of the company will give a positive signal to investors so that investors have the confidence to invest in the company. The demand for company shares will increase, impacting the company's stock price. When the company's stock price increases, the value of the company will also increase.

The Effect of Return on Equity (ROE) on Stock Prices

The ROE t-test result is -1.786 smaller than the t-table with a value of 2.063 with a significance level greater than the set significance level of 0.087 > 0.05. This result indicates that the ROE variable has a negative and insignificant effect on the stock price of finance companies listed on IDX for the 2017-2021 period. So H3 in this study is rejected.

A high or low ROE value in this study does not affect the company's stock price. This result indicates that investors do not see a comparison of the total rate of return and the capital owned by the company. There are still other factors that influence the movement of the company's stock price, such as external factors in the form of inflation and national economic growth. The ROE level cannot describe the company's condition when inflation occurs because the amount of equity is not affected by inflation or slowing economic growth (Putra and Hasanuh, 2021).

The Effect of Debt-to-Equity Ratio (DER) on Stock Prices

The DER t-test result is 0.667 smaller than the t-table value of 2.063 with a significance level greater than the set significance level of 0.515 > 0.05. This result indicates that the DER variable has a positive and insignificant effect on the stock price of finance companies listed on IDX for the 2017-2021 period. So H4 in this study is rejected.

This condition shows that the size of the DER value will not affect the decision to invest in the shares of finance companies.

Investors will understand that average companies such as banks and finance companies have a high DER level because their operational activities mostly depend on customer debt and funds (Kumaidi & Asandimitra, 2017). Stock price fluctuations can also be influenced by several other factors, such as external factors, and not only by internal factors, such as ratios in the financial statements.

The Effect of Net Profit Margin (NPM) on Stock Prices

The NPM t-test result is -0.537 smaller than the t-table with a value of 2.063 with a significance level greater than the set significance level of 0.596 > 0.05. This result indicates that the NPM variable has a negative and insignificant effect on the stock price of finance companies listed on IDX for the 2017-2021 period. So H5 in this study is rejected.

In this study, it is concluded that in making investments, investors do not consider the value of NPM in financing companies in 2017-2021 to make decisions when investing in stocks. According to Egam et al. (2017), this can happen because most investors will usually only pay attention to sales figures or company revenues. Meanwhile, when the company's sales or revenues increase without being followed by an increase in net profit, it will reduce the value of the net profit margin.

Goodness of Fit Test

Based on the F statistics test result in table 13, the results show that the calculated F value is 4.142 with a significance value of 0.007 < 0.05. This result proves that the variables of Non-Performing Financing, Return on Assets, Return on Equity, Debt to Equity Ratio, and Net Profit Margin have a simultaneous effect on stock prices in finance companies listed on the Indonesia Stock Exchange in 2017-2021.

The adjusted R^2 test result has a value of 0.351 or 35.1%. This value indicates that the variables of Non-Performing Financing, Return on Assets, Return on Equity, Debt to Equity Ratio, and Net Profit Margin can explain the stock price of 35.1%, while other variables outside the research variables explain the remaining 64.9%.

CONCLUSIONS AND SUGGESTION

Conclusions

1. The Non-Performing Financing has a positive and insignificant effect on stock prices in financing companies listed in the Indonesia Stock Exchange on 2017-2021. This can be shown in the results of the beta coefficient of 111.347 with a t-count of 2.030 and the significance value of 0.054 where 0.054 is greater than 0.05.
2. The Return on Asset has a positive and significant effect on stock prices in financing companies listed in the Indonesia Stock Exchange on 2017-2021.

This can be shown in the results of the beta coefficient of 166.323 with a t-count of 3.051 and the significance value of 0.005 where 0.005 is smaller than 0.05.

3. The Return on Equity has a negative and insignificant effect on stock prices in financing companies listed in the Indonesia Stock Exchange on 2017-2021. This can be shown in the results of the beta coefficient of -33.448 with a t-count of -1.786 and the significance value of 0.087 where 0.087 is greater than 0.05.
4. The Debt-to-Equity Ratio has a positive and insignificant effect on stock prices in financing companies listed in the Indonesia Stock Exchange on 2017-2021. This can be shown in the results of the beta coefficient of 29.867 with a t-count of 0.661 and the significance value of 0.515 where 0.515 is greater than 0.05.
5. The Net Profit Margin has a negative and insignificant effect on stock prices in financing companies listed in the Indonesia Stock Exchange on 2017-2021. This can be shown in the results of the beta coefficient of -7.647 with a t-count of -0.537. and the significance value of 0.596 where 0.596 is greater than 0.05.
6. The variables of Non-Performing Financing, Return on Assets, Return on Equity, Debt to Equity Ratio, and Net Profit Margin simultaneously affect the Stock Price of Financing Companies listed on the Indonesia Stock Exchange for the period 2017-2021. The value of the F test results is 4.142 and a significant value is smaller than the specified significant value of 0.007 < 0.05.
7. Adjusted R2 test result shows a value of 0.351 or 35.1%. This value indicates that the measures of Non-Performing Financing, Return on Assets, Return on Equity, Debt to Equity Ratio, and Net Profit Margin can explain the dependent variable, namely Stock Price of 35.1%, while other variables outside the study explain the remaining 64.9%.

Implication

1. This research objects are limited to companies in the financial institution sub-sector, so they are less representative of all sectors on the Indonesia Stock Exchange.
2. This study only uses the independent variables of Non-Performing Financing (NPF), Return on Asset (ROA), Return on Equity (ROE), Debt to Equity Ratio (DER), and Net Profit Margin (NPM) to find out how it affects the dependent variable (Stock Price). Many other factors can affect the stock price apart from the company's performance, such as the pandemics, country's economic conditions, socio-politics, currency exchange rates, and others.
3. This research only takes a period of five years, from 2017 to 2021, so there is a possibility that the data taken does not

reflect the condition of the company in the long term.

Suggestion

1. The companies should make maximum efforts to increase the company's value by increasing the price of the company's stock owned.
2. The companies should maintain the value of ROA because the level of ROA will affect the company's stock price.
3. Future researchers are expected to examine the effect of stock price on finance companies by replacing the independent variable to get more variated results and take research outside the same research period because there are problems such as a pandemic and a slowdown in economic growth, so this may affect the results of the study.
4. Investors should assess the company's performance by considering financial ratios carefully before investing so that the investments can produce the expected return.

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