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**" EXPLORING GREEN ECONOMY STRATEGIES  
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## Vol. 2 No. 1 (2023): Prosiding Seminar International dan Call Paper STIE Widya Wiwaha



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## **ANALYSIS OF THE INFLUENCE OF ROA, ROE, AND NPM ON STOCK PRICES IN THE BANKING FINANCIAL SECTOR IN 2019-2022**

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### ***ABSTRACT***

This research was conducted to determine the effect of Return On Assets, Return On Equity and Net Profit Margins on stock prices in banking sector companies in 2019-2022. Profitability is the net result of various management policies and decisions. This ratio provides an overview of the level of effectiveness of company management. Profitability is often used to measure the efficiency of the use of capital in a company by comparing profits and capital used in operations. (Sawir: 2009). The population in this study are 7 banking sector companies in 2019-2022. The sampling technique uses a purposive sampling technique so that 7 companies in the banking sector are obtained. The research method used in this study is a quantitative research method. Data analysis techniques were carried out using classical assumption tests which included normality tests, linearity tests, multicollinearity tests, heteroscedasticity tests and autocorrelation tests. While hypothesis testing is done by multiple regression analysis. The results of this study are ROA, ROE and NPM partially have a significant effect on stock prices of banking sector company shares in 2019-2022 with a significant value of each ROA of  $0.005 > 0.05$ , ROE of  $0.00 > 0.05$  and NPM of  $0.001 > 0.05$ . Meanwhile, ROA, ROE and NPM simultaneously have a significant effect on the stock prices of banking sector companies in 2019-2022 with a significant value of  $0.00 > 0.05$ .

**Keyword:** *Return On Assets (ROA), Return On Equity (ROE), Net Profit Margins (NPM), and Stock Prices*

### **INTRODUCTION**

The financial banking sector is a vital part of a country's economy, providing financial resources and services to various sectors. Its performance is a significant concern for investors and stakeholders. Key indicators for measuring banking performance include Return on Assets (ROA), Return on Equity (ROE),

and Net Profit Margin (NPM). ROA reflects the efficient use of banking assets in generating profits, ROE reflects the profitability obtained by capital owners, and NPM measures the net profit generated from banking operating income.

External factors, such as market conditions, interest rates, monetary policy, and macroeconomic factors, also influence the share price of banking companies. This study aims to analyze the effect of ROA, ROE, and NPM on stock prices in the banking financial sector from 2019-2022. The analysis method will be regression analysis, using historical data from banking companies' financial statements and stock price data.

The results of this study can provide valuable insights for investors, decision-makers, and other stakeholders in interpreting the effect of ROA, ROE, and NPM on stock prices in the banking financial sector. It can also serve as a reference for further research on the factors influencing stock prices in the financial sector.

Based on the background of the problems described above, the researcher can formulate the following problems:

1. Does Return On Assets (ROA) partially affect the share price in the banking financial sector in 2019-2022?
2. Does Return On Equity (ROE) partially affect the share price in the banking financial sector in 2019-2022?
3. Does Net Profit Margin (NPM) have a partial effect on stock prices in the banking financial sector in 2019-2022?

Do Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) simultaneously affect the share price in the banking financial sector in 2019-2022?

Based on the formulation of the problem that has been described above, the objectives of the researcher to be achieved, namely:

1. To test and analyse the effect of Return On Assets (ROA) partially on share prices in the banking financial sector in 2019-2022.
2. To test and analyse the effect of Return On Equity (ROE) partially on stock prices in the banking financial sector in 2019-2022.
3. To test and analyse the effect of Net Profit Margin (NPM) partially on stock prices in the banking financial sector in 2019-2022.
4. To test and analyse the effect of Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) simultaneously on stock prices in the banking financial sector in 2019-2022.

## **LITERATURE REVIEW**

### **Stock**

Shares represent the ownership stake of an individual or organisation, such as a business organisation, in a company or limited liability company. Therefore, the act of possessing shares implies that an individual, a collective, or an entity possesses ownership of the corresponding corporation. Hence, it is vital to acknowledge that shareholders possess the entitlement to participate in the General Meeting of Shareholders (GMS) and assert their stake in the company's earnings through dividends, which are typically disbursed annually as a component of the company's profits.

The share price serves as a metric for evaluating the effectiveness of firm management. The attainment of financial gains will bring contentment for logical investors. A sufficiently elevated stock price

confers advantages to the organisation in the form of increased capital profits and a favourable corporate reputation, hence facilitating the acquisition of external money by management. The stock price refers to the value assigned to a stock within the capital market at a specific point in time. This valuation is established by market participants and is influenced by the interplay of supply and demand for the shares in question inside the capital market.

Alwi posits that the movement or fluctuation of stock prices is subject to the effect of several causes. One example pertains to the disclosure of the organization's financial statements, encompassing profit projections prior to and subsequent to the conclusion of the fiscal year. These statements include metrics such as Earnings Per Share (EPS), Dividend Per Share (DER), Net Profit Margin (NPM), Return on Assets (ROA), Return on Equity (ROE), and various others.

### **Agency theory**

Agency theory, which underlies the practice of disclosing annual reports by companies to shareholders, assumes that shareholders have limited information regarding company performance. Agents, like managers, have more information, creating information asymmetry. Conflicts of interest between shareholders as principals and managers as agents arise due to the separation of control and ownership functions. This conflict is related to how excess cash flow is managed by managers and can be minimized with monitoring mechanisms, even though it will result in monitoring costs. The relationship between profitability and agency theory indicates that good company performance, which produces high profits and profitability, will have a positive impact on share prices and company value, resulting in positive sentiment for shareholders.

### **Research Model**

Profitability ratio is a measure of a company's ability to generate profits and its level of management effectiveness. It is determined by the ratios Return On Assets (ROA), Return On Equity (ROE), and Net Profit Margin (NPM). ROA represents the net profit from company assets, ROE reflects management effectiveness based on sales and investment returns, and NPM reflects the net profit from company sales. An increase in profitability ratio increases investor attractiveness, leading to increased demand for shares and a rise in share prices. This study examines the effect of ROA, ROE, and NPM on stock prices, focusing on how these independent variables affect the dependent variable, stock price. The study aims to understand how these factors affect the stock price and its impact on the company's profitability.

Based on the picture above, it can be explained that the share price of banking financial sector companies is influenced by Return On Assets (ROA). If the higher the Return On Assets (ROA) value in a company indicates that the ability of a company to achieve profit from the use of assets that can be managed properly, resulting in the share price of a company to increase. The share price is also influenced by Return on Equity (ROE). If the higher the Return on Equity (ROE) value in a company indicates that the ability to create a large profit, the company can utilise equity well, resulting in the share price in a company also rising. In addition, the share price is also influenced by Net Profit Margin (NPM). If the higher the Net Profit Margin (NPM) value in a company, it shows the ability to generate profits on good net income, resulting in the share price in a company increasing. Likewise, the value of ROA, ROE and NPM can have an impact on stock prices.

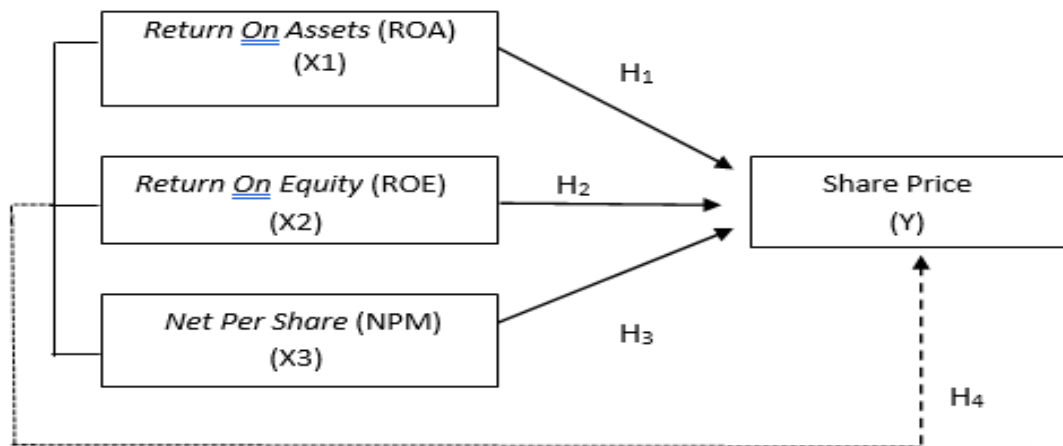


Figure 2.1 Framework of Thinking

Description:

- = Partial Influence
- - - - -> = Simultaneous Influence

## Hypothesis

### Impact of ROA to Stock Price

According to Hery (2015) Return On Assets (ROA) or return on assets is a ratio that shows the return on the use of the company's assets in creating net income. In other words, this ratio is used to measure how much net profit will be generated from each rupiah of funds embedded in total assets. The higher this ratio, the better the productivity of assets in obtaining net profit and will increase the attractiveness of the company to investors. This increase in the attractiveness of the company will affect the share price of a company.

According to Yuliana and Rini Tri Hastuti (2020), ROA has a positive effect on stock prices. Due to the company's expertise in achieving large profits from the use of assets that can be managed properly, resulting in the share price of a company to increase. Thus, based on the description above, the following hypothesis can be proposed:

Ha1: Return On Assets (ROA) has a significant effect on the share price of banking financial sector companies in 2019-2022.

### Impact of ROE to Stock Price

According to Hery (2015) Return on Equity (ROE) or return on equity is a ratio that shows the return on the use of company equity in creating net income. In general, company performance can also affect stock prices. One way to assess the performance of a company is to use the financial ratio Return On Equity (ROE). So the higher the Return On Equity (ROE) value, the higher the share price of a company. Vice versa, if the lower the value. Return On Equity (ROE), the lower the share price of a company.

According to tests conducted by Wulandari and Badjra (2019), it states that ROE has a positive effect on stock prices. Based on this, it shows that in creating a large profit, the company can make good use of equity, which comes from investors. Therefore, if there is an increase in the value of Return On Equity, it can also affect the increase in stock price. Thus, based on the description above, the following hypothesis can be proposed:

Ha2: Return On Equity (ROE) has a significant effect on the share price of banking financial sector companies in 2019-2022.

### **Impact of NPM to Stock Price**

According to Kasmir Net Profit Margin (NPM) is a measure of a company's profit by comparing earnings after interest and taxes (net income) compared to sales. The higher the Net Profit Margin value, it shows that the company is more productive, so that it will increase the confidence of investors in the company and the demand for shares will also increase. If the demand for shares increases, the share price will also tend to increase.

According to tests conducted by Watung and Ilat (2016), it states that NPM has a positive effect on stock prices. This shows that the company's share price increases if the company manages to earn high profits. Thus, based on the description above, the following hypothesis can be proposed:

Ha3: Net Profit Margin (NPM) has a significant effect on the share price of banking financial sector companies in 2019-2022.

### **Impact of ROA, ROE, and NPM to Stock Price**

Return On Assets (ROA) is a ratio that shows the return on the use of the company's assets in creating net income. Return On Equity (ROE) is a ratio that shows the rate of return obtained by the company from the capital that has been issued by a company. While Net Profit Margin (NPM) is a ratio that shows the level of net profit (after deducting costs) obtained from the business or shows the extent to which the company manages its business. The relationship between Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) to stock prices is that the higher the value of Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM), the share price of a company will also increase. And vice versa. Thus, based on the description above, the following hypothesis can be proposed:

Ha4: Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) have a significant effect on the share price of banking financial sector companies in 2019-2022.

## **RESEARCH METHOD**

This study uses a quantitative approach, focusing on the effect of ROA, ROE, and NPM on stock prices in the banking financial sector in 2019-2022. The researchers used panel data from quarterly financial reports belonging to seven banking companies from the last four years, aiming to obtain more accurate data and easier to see fluctuations in the last three months. The study used purposive sampling technique to obtain a sample of 112 samples from each of these companies, obtaining a total of 7 banking companies from the 2019-2020 period. The study aims to test predetermined hypotheses and provide a more accurate understanding of stock price fluctuations in the banking financial sector.

The data underwent processing and analysis using conventional statistical tests and regression analysis techniques. Various classical analysis tests were conducted, encompassing normality testing, linearity tests, heteroscedasticity tests, autocorrelation assessments, and tests for multicollinearity. Regression analysis was conducted utilising statistical tests such as the T test, F test, and determinant test.

## **RESULT AND DISCUSSION**

This study examines the impact of ROA, ROE, and NPM on stock prices in banking sector companies. Researchers used purposive sampling to select a sample of seven banking sector companies

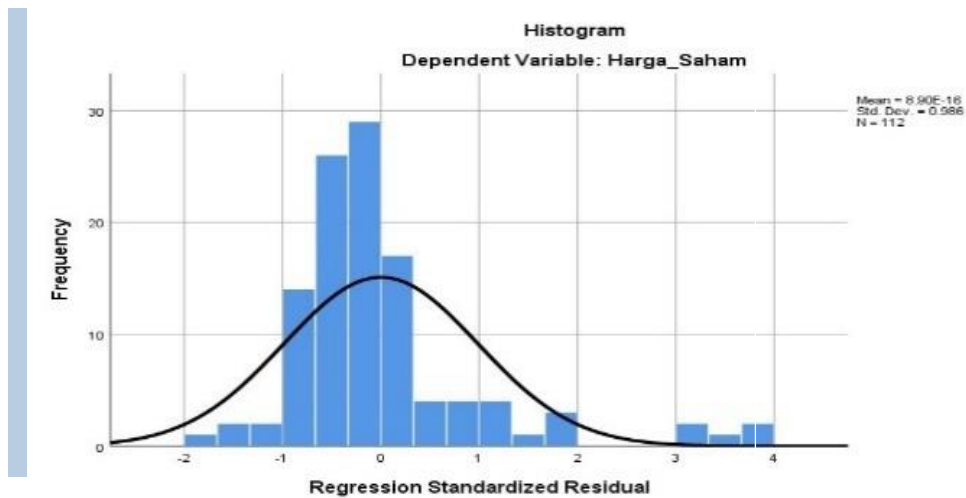
from 2019-2022, which published complete quarterly financial reports. The study aimed to analyze the effect of these factors on stock prices, focusing on the data from the 2019-2022 financial reporting period.

**Banking Company Sample Table**

No	Kode Perusahaan	Nama Perusahaan
1.	BBCA	PT. Bank Central Asia Tbk.
2.	BBHI	PT. Allo Bank Indonesia Tbk.
3.	BBNI	PT. Bank Negara Indonesia Tbk.
4.	BBRI	PT. Bank Rakyat Indonesia Tbk.
5.	BMRI	PT. Bank Mandiri Tbk.
6.	BRIS	PT. Bank Syariah Indonesia Tbk.
7.	MEGA	PT. Bank Mega Indonesia

**1.1 Uji Asumsi Klasik**

**Uji Normalitas**



In the histogram above, it can be explained that the results of the normality test line curve upwards like forming a mountain. If the line forms a mountain and looks perfect with symmetrical legs, it can be concluded that the data in the study is normally distributed. So it can be concluded that the data is normally distributed.

**Uji Autokorelasi**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.517 <sup>a</sup>	.267	.247	9187.015	.424

- a. Predictors: (Constant), NPM, ROE, ROA
- b. Dependent Variable: Stock Price

In this table it can be explained that the results of the autocorrelation test in the model summary table obtained a DW value = 0.424,. Then look for the DU and DL values at the value of n = 112 and k = 7.



Obtained the value of  $DU = 1.58087$  and  $DL = 1.80596$ . So that the value of  $DU \leq DW \leq (4-DU) \Rightarrow 1.58087 \leq 1.80596 \leq (4-1,58087= 2,41913)$ . So, it can be concluded that the data in this study there is no autocorrelation problem.

### 1.2 Multicollinearity Test

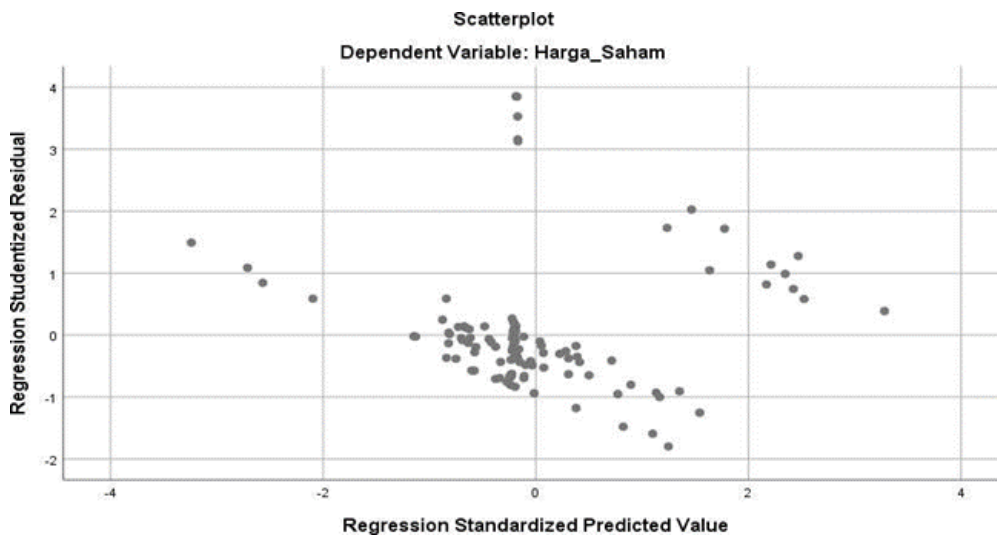
**Coefficients<sup>a</sup>**

Model	Collinearity Statistics	
	Tolerance	VIF
IROA	.046	21.753
ROE	.044	22.986
NPM	.406	2.462

a. Dependent Variable: Harga\_Saham

In the table above, it can be explained that the multicollinearity test results in the coefficients table obtained ROA data has a VIF value of 21.753 and a tolerance of 0.046. Then ROE has a VIF value of 22.986 and a tolerance of 0.044. And NPM has a VIF value of 2.462 and a tolerance of 0.406. All variables in this study have a VIF value  $< 10$  and a tolerance value  $> 0.1$  so it can be concluded that there is no multicollinearity.

### 1.3 Heteroscedasticity Test



From the scatterplot graph, it can be seen that the dots spread randomly and spread both above and below zero on the Y axis. both above and below zero on the Y axis. This means that regression does not have heteroscedasticity problems. So it can be concluded that the model in this study fulfils the requirements to be a good model.

### 1.4 Multiple Regression Analysis

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1(Constant)	7593.243	1283.073		5.918	.000
ROA	20787.095	3581.631	2.229	5.804	.005
ROE	-3181.605	574.369	-2.187	-5.539	.000
NPM	58.050	37.848	.198	1.534	.128

a. Dependent Variable: Harga\_Saham

Based on the results of multiple regression analysis in the table above, the following multiple regression model is obtained:

$$Y = 7,593,243 + 20,787,095X_1 + -3,181,605X_2 + 58,050X_3$$

Based on the regression equation obtained:

- The constant of 7,593,243 indicates that if the ROA, ROE and NPM variables are 0, then the share price of the share price in the financial sector will be 0. banking sector is 7,593,243 units assuming other factors are considered constant (*ceteris paribus*).
- The ROA Regression Coefficient of 20,787.095 indicates that if ROA increases by 1 unit, the stock price increases by 20,787.095 units. The coefficient is positive so that there is a unidirectional relationship between ROA and stock price. The higher the ROA value, the higher the share price in banking financial sector companies.
- The ROE Regression Coefficient of -3,181.605 indicates that if ROE decreases by 1 unit, the stock price will increase by -3,181.605 units. The coefficient is negative so that there is an unidirectional relationship between ROA and stock price. The higher the ROA value, the higher the share price in banking financial sector companies.
- The NPM Regression Coefficient of 58.050 indicates that if NPM increases by 1 unit, the stock price will increase by 58.050 units. The coefficient is positive so that there is a unidirectional relationship between NPM and stock price. The higher the NPM value, the higher the share price in banking financial sector companies.

### 1.5 T Test

#### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1(Constant)	7593.243	1283.073		5.918	.000
ROA	20787.095	3581.631	2.229	5.804	.005
ROE	-3181.605	574.369	-2.187	-5.539	.000
NPM	58.050	37.848	.198	1.534	.128

a. Dependent Variable: Harga\_Saham

- Impact of return on asset to stock price

In the table above in the coefficients table, the tcount value for the Return On Assets (ROA) variable is 5.804 with a sig of 0.005. At  $\alpha = 5\%$  (0.05). Then the degree of freedom value is obtained  $df = n - k$

=> 112 - 3 => 109 (where k is the independent variable). With a df value of 103, a table value of 2.690 is obtained. Because the t value of 5.804 > t table 2.690 or sig value 0.005 < 0.05, then H01 is rejected and Ha1 is accepted. So that Return On Assets (ROA) has a significant effect on the share price of companies in the banking financial sector 2019-2022.

b. Impact of return on equity to stock price

In the table above in the coefficients table, the tcount value for the Return On Equity (ROE) variable is -5.539 with a sig of 0.000. At  $\alpha = 5\%$  (0.05). Then the degree of freedom value is obtained  $df = n - k$  => 112 - 3 => 109 (where k is the number of independent variables). With a df value of 109, the t table value of 2.690 is obtained. Because the calculated t value of -5.539 < t table 2.690 or sig value 0.000 < 0.05, then H02 is rejected and Ha2 is accepted. So that Return On Equity (ROE) has a significant effect on the share price of companies in the banking financial sector in 2019-2022.

c. Impact of net profit margin to stock price

In table 4.8 above in the coefficients table, the tcount value for the Net Profit Margin (NPM) variable is 1.534 with a sig of 0.128. At  $\alpha = 5\%$  (0.05). Then the degree of freedom value is obtained  $df = n - k$  => 112 - 3 => 109 (where k is the number of independent variables). With a df value of 109, a table value of 2.690 is obtained. Because the calculated t value of 1.534 < t table 2.690 or sig value 0.128 > 0.05, then H03 is accepted and Ha3 is rejected. So that Net Profit Margin (NPM) has a significant effect on the share price of companies in the banking financial sector in 2019-2022.

**1.6 F test**

Based on the table below, the F test results in the anova table obtained an Fcount value of 13.146 with a sig value of 0.000 at the 5% (0.05) level with a degree of freedom (df1) of 3 and a degree of freedom (df2) of  $n - k - 1$  => 112 - 3 - 1 => 108 (where k is the number of independent variables), the Ftable value of 2.69 was obtained. Because the Fcount value of 13.146 > Ftable of 2.69 or sig value of 0.000 < 0.05, H04 is rejected and Ha4 is accepted. ROA, ROE and NPM together have a significant effect on the share price of companies in the banking financial sector in 2019-2022.

**Anova B**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1Regression	3328512730.381	3	1109504243.460	13.146	.000 <sup>a</sup>
Residual	9115334087.297	108	84401241.549		
Total	12443846817.679	111			

a. Predictors: (Constant), NPM, ROE, ROA

b. Dependent Variable: stock prices

**1.7 Determinan Test (R<sup>2</sup>)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.517 <sup>a</sup>	.267	.247	9187.015	.424

Based on the table above, the coefficient of determination in the summary table obtained an R2 value of 0.517 or 51.7%. So that the percentage contribution of the influence of ROA, ROE and NPM on stock prices is 51.7%. While the remaining 48.3% is influenced by other variables not included in this research model.

## **1.8 Discussion**

### **1.8.1 Impact of Return on Asset (ROA) to stock price**

The regression test results show a positive coefficient of 20,787.095 for the Return On Assets (ROA) variable, indicating a unidirectional relationship between ROA and share price in the banking financial sector. The t test results show a tcount value of 5.804 and a sig value of 0.005 < 0.05, rejecting H01 and accepting Ha1. This indicates that ROA significantly affects the share price of companies in the banking financial sector in 2019-2022. According to Gusti Erwanda and Ruzikna (2017), higher ROA values lead to higher investor interest, increasing demand for shares and subsequently, share price. This research aligns with Rini Tri Hastuti's (2020) research, which also found a positive relationship between ROA and stock prices. The study supports previous research by Rini Tri Hastuti (2020) on the impact of ROA on stock prices.

### **1.8.2 Impact of Return on Equity (ROE) to stock price**

The regression test results show a negative correlation between Return On Equity (ROE) and stock price, with a negative value. However, higher ROE values result in higher share prices in banking financial sector companies. The t-test results confirm this, with a tcount value of -5.539 and a sig value of 0.000 < 0.05. This suggests that ROE significantly affects the share price of companies in the banking financial sector in 2019-2022. Gusti Erwanda and Ruzikna (2017) suggest that higher ROE values increase investor attractiveness, leading to increased demand for shares and increased share prices. This research aligns with Rinaldi Triawan's (2018) research, which also found a positive relationship between ROE and stock prices.

### **1.8.3 Impact of Net Profit Margin (NPM) to stock price**

The study found a positive unidirectional relationship between Net Profit Margin (NPM) and stock prices in the banking financial sector. The higher the NPM value, the higher the share price in these companies. The t test results confirmed this, with a tcount value of 1.534 and a sig value of 0.128 > 0.05. This suggests that NPM has a significant effect on the share price of companies in the banking financial sector in 2019-2022. This is in line with Gusti Erwanda and Ruzikna's (2017) theory, which suggests that higher net profit generated on company sales improves the company's financial image, attracting investors and increasing share price. This research is relevant to previous research by Neneng Tita Amalya (2018), which also found a significant effect of NPM on stock prices.

### **1.8.4 Impact of Return on Asset, Return on Equity, and Net Profit Margin to stock price**

The F test results for Return On Assets (ROA), Return On Equity (ROE), and Net Profit Margin (NPM) show that they have a significant effect on the share price of companies in the banking financial sector in 2019-2022. The profitability ratio, which includes ROA, ROE, and NPM, builds investor confidence in a company's profitability and increases interest in buying shares. This results in higher demand for shares and an increase in share prices, aligning with research by Noviana Kayaratta Ananda Putri (2018), which shows that ROA, ROE, and NPM simultaneously affect stock prices.

## **CONCLUSION**

Based on the explanation of the research results regarding the effect of ROA, ROE and NPM on the share price of banking sector companies in 2019-2022 which have been explained in the previous section, the researchers draw the following conclusions:

1. Return On Assets (ROA) has a significant and positive effect on the share price of banking sector companies in 2019-2022. This happens because the high value of Return On Assets (ROA) affects the low share price.
2. Return On Equity (ROE) has a significant and positive effect on stock prices in banking sector companies in 2019-2022. This happens because the high value of Return On Equity (ROE) affects the high share price.
3. Net Profit Margin (NPM) has a significant and positive effect on stock prices in banking sector companies in 2019-2022. This happens because the high value of Net Profit Margin (NPM) affects the high share price.
4. Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) affect the share price of banking sector companies in 2019-2022, with a percentage contribution of the influence of ROA, ROE and NPM on stock prices of 51.7%. Meanwhile, the remaining 48.3% is influenced by other variables that are not included in this research model.

## **LIMITATIONS**

1. Limitations of Independent Variables: This research only considers three independent variables, namely ROA, ROE, and NPM. Other variables that might have an influence on share prices of banking sector companies are not included in the model. Therefore, there are still other factors that can influence stock prices that have not been studied.
2. Data and Time Limitations: This study only uses data from 2019 to 2022. Significant changes in external factors, such as global economic events or regulatory changes, that could affect stock prices may not be represented in that period.
3. Sample Limitations: This research is limited to 7 banking sector companies only. The research results may not be widely generalized to the entire banking sector.

## **SUGGESTIONS**

Based on the conclusions above, the following suggestions can be given:

1. It is known to investors. Based on the results of this research, that together Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM) influence the share prices of banking sector companies in 2019-2022, with a percentage contribution The influence of ROA, ROE and NPM on share prices is 51.7%. Meanwhile, the remaining 48.3% is influenced by other variables not included in this research model. This can be used as a basis for decision making in investing, namely by looking at the ratio profitability of a company, especially Return On Assets (ROA), Return On Equity (ROE) and Net Profit Margin (NPM).
2. For companies, banking sector companies should maximize the level of company profitability, because this can increase the attractiveness of investors in investing. And this results in an increase in the share price of a company.
3. For future researchers, it is hoped that future researchers can add a longer time span, so as to get better research results. And it is hoped to add independent variables such as Gross Profit Margin, Return On

Investment, Earning Per Share and so on to see further the influence of profitability ratios on share prices, especially in banking sector companies.

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