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Effect of Earnings Per Share (EPS), Price to Earnings Ratio (PER), Market to Book Ratio (MBR), Debt to Equity Ratio (DER), Interest Rate and Market Value Added (MVA) on stock prices at commercial banks registered in 2016-2019 Indonesia Stock Exchange

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Abstract

This research was conducted by using the object of research, 7 banks listed on the Indonesia Stock Exchange. The independent variable in this study is earnings per share (EPS), price earnings ratio (per), market to book ratio (MBR), debt to equity ratio (DER), interest rate (int) and Market Value Added (MVA). While the dependent variable in this study is the stock price (market price). The results of this study are earnings per share (EPS), price earnings ratio (per), and the Market to Book Ratio (MBR) have a positive effect on stock prices. While the Debt to Equity Ratio (DER), Interest Rate (INT), and Market Value Added (MVA) have a negative effect on stock prices. Earnings Per Share (EPS), Price Earnings Ratio (PER), Market to Book Ratio (MBR), Debt to Equity Ratio (DER), Interest Rate (INT), and Market Value Added (MVA) together influence and significantly against stock prices.

Keyword: company ratio and stock price

I. INTRODUCTION

The capital market is a means of funding for companies and other institutions (e.g. the government) and as a means for investing activities. According to [1], investment is a commitment to a number of funds or other resources that are carried out at this time with the aim of obtaining a number of benefits in the future. While fundamental analysis is a stock analysis technique that

studies the basic financial and economic facts of the company as a step in assessing the company's stock price [2].

In conducting fundamental analysis, investors will look at several measures of financial ratios as considerations for making investment decisions, such as Earning per Share (EPS) and Price to Earnings Ratio (PER) as a measure of profitability, Market to Book Ratio (MBR) as a measure of market ratios, and the Debt-to-Equity Ratio (DER), which is a measure of the capital structure ratio. By using ratio analysis of financial statements, investors can understand the company's performance and make predictions on the company's stock price in the future. In addition, investors will also pay attention to relevant macro factors, including various indicators that generally and specifically affect the industry in which the company operates and interest rates.

The increasing value of EPS and PER gives a signal to investors that the company's performance will be better in the future, thereby increasing the demand for the company's shares. When the demand for company shares increases and the supply of company shares remains constant (no new shares are issued), the share price will also increase. This is supported by research [3], which proves that EPS and PER have a significant positive effect on stock prices.

The MBR ratio describes the market's assessment of the company's book value, where an increase in the MBR ratio will stimulate market demand for the company's shares so that the share price will increase. This is supported by the results of research [4] which proves that MBR has a significant positive effect on stock prices in the consumer goods industry.

The company's capital structure indicator can be seen from the DER, where an increasing DER indicates that the higher the company's financing from debt, the higher the interest expense and the less likely the company to get a loan to expand. A high DER has a negative effect on investors' views which results in a decrease in stock demand and leads to a decline in the company's stock price. Research [5] on the Pakistani cement industry shows that DER has a significant negative effect on stock prices.

The prevailing interest rate is announced by Bank Indonesia (BI) as the regulatory bank. The interest rate will affect the public's decision to purchase property, which in turn will determine the company's profit and the company's share price. The value of the company's profit will be considered by investors who determine stock demand and ultimately affect the company's stock price. Research [6] conducted in 15 developed and developing countries for the research period from 1988 to 2003, and proved that in 14 of the 15 countries studied, there was a significant effect between interest rates and stock prices.

This study was conducted to determine the effect of Earning per Share (EPS), Price to Earnings Ratio (PER), Market to Book Ratio (MBR), Debt to Equity Ratio (DER), interest rate

(interest rate), and Market Value Added (MVA) on stock prices in 7 banking companies during the period January 2016 – June 2021.

II. LITERATURE REVIEW

According to [1] the stock price is a letter of proof that ownership of the assets of the company that issues shares. Stock is one type of security that is quite popular to be traded in the capital market. Shares are in the form of a piece of paper that explains that the owner of the paper is the owner of the company that issued the securities. According to [7], based on ownership rights, shares are divided into two, namely ordinary shares and preferred shares.

According to [8], the stock price is the price that occurs on the stock market at a certain time determined by market participants, namely the demand and supply of the relevant shares on the stock exchange. Stock prices always change every day. The price of a share is determined by market participants based on the demand and supply of the shares concerned in the capital market.

Factors that affect stock prices are fundamental analysis (financial ratios) and macroeconomic conditions. According to [9], financial ratios are grouped into five parts, namely liquidity ratios, activity ratios, profitability ratios, leverage ratios and market ratios. According to [10] macroeconomic factors that affect stock prices are the inflation rate, interest rates for Bank Indonesia Certificates (SBI) and the exchange rate (the exchange rate of the rupiah against the United States dollar).

Effect of Earnings Per Share (EPS) on Stock Prices

EPS is the amount of profit generated by each outstanding share which is the main indicator of the company's profitability. Research [11] on 50 companies listed on the Philippine stock exchange, EPS has a significant positive effect on stock prices. Meanwhile, research [12] on manufacturing companies on the Indonesia Stock Exchange for the years 2008-2012 shows that earnings per share do not have a significant effect on stock prices. The difference in these findings attracted the authors to use EPS as an independent variable in this study.

Hypothesis 1: Earnings per share (EPS) (X1) partially has a significant positive effect on stock prices (Y).

Effect of Price to Earnings Ratio (PER) on Stock Prices

PER is a comparison of the market price for each share to earnings per share. This ratio describes the investor's measurement of the company's profit in the future. Research [3] concluded that PER has a significant positive effect on stock prices, while research [13] on food and beverages companies on the Indonesia Stock Exchange shows that PER has no significant effect on stock prices. Therefore, the authors chose PER as the independent variable in this study.

Hypothesis 2: Price to earnings ratio (X2) partially has a significant positive effect on stock prices (Y).

Effect of Market to Book Ratio (MBR) on Stock Prices

MBR is a comparison between the market price per share to the book value of shares, which shows the level of investor confidence in the company's performance in the future. Research [4] on consumer goods companies shows that MBR has a significant positive effect on stock prices, while research [14] on property companies on the Indonesia Stock Exchange in 2007 shows that MBR does not have a significant effect on stock prices. stock price. The difference in these findings attracted the authors to use MBR as an independent variable in this study.

Hypothesis 3: Market to book ratio (X3) partially has a significant positive effect on stock prices (Y).

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

DER is a comparison between total debt and total capital which describes the company's capital structure. DER also describes the level of leverage that exists in the company's capital structure. Research [5] on the Pakistani cement industry shows that DER has a significant negative effect on stock prices. In contrast, research [15] on automotive companies on the Indonesia Stock Exchange in 2010-2013 showed that DER had no significant effect on stock prices.

Hypothesis 4: Debt to equity ratio (X4) partially has a significant negative effect on stock prices (Y).

The Effect of Interest Rates on Stock Prices

The interest rate is a macro indicator that generally affects the economy as a whole. The value of interest rates will affect the behavior of economic actors such as banks, company owners, investors, consumers, and other economic actors in making business decisions. Research [6]

conducted a study in 15 developed and developing countries to see the effect of interest rates and stock prices from 1988 to 2003, and proved that there was a significant effect between interest rates and stock prices in 14 of the 15 countries tested. Meanwhile, research [16] on the Indonesia Stock Exchange shows that interest rates do not have a significant effect on stock prices.

Hypothesis 5: Interest rates (X5) partially have a significant negative effect on stock prices (Y).

Effect of Market Value Added (MVA) on Stock Prices

According to [17], Market Value Added (MVA) is the difference between the market value of the company's equity and the book value as shown on the balance sheet, with the market value calculated by multiplying the share price by the number of shares outstanding. According to [18] in [19] Market Value Added (MVA) is a performance measure to assess the success or failure of a business in creating wealth for its owners. According to [20], if the MVA is positive, it means that the company has succeeded in increasing the value of the capital invested by the funders. On the other hand, if the MVA is negative, the company does not succeed in increasing the value of the capital invested by the funders. MVA is used to predict future stock prices. The higher the MVA value, the better the management's performance in meeting investor expectations, so that more investors are willing to invest in the company. Thus, the more investors, the higher the company's stock price will be.

Hypothesis 6: Market Value Added (MVA) (X6) partially has a significant positive effect on stock prices (Y).

III. RESEARCH METHODS

The objects of this research are 7 banking companies, namely PT Bank Central Asia Tbk, Bank Mandiri (Persero) Tbk, Bank Rakyat Indonesia (Persero) Tbk, Bank Negara Indonesia (Persero) Tbk, PT Bank Danamon Tbk, PT OCBC NISP Tbk, and PT CIMB Niaga Tbk. during the period January 2016 – June 2021.

Dependent Variable

The dependent variable in this study is the stock price. According to [8], the stock price is the price that occurs on the stock market at a certain time determined by market participants, namely the demand and supply of the relevant shares on the stock exchange.

Independent Variable

1. Earnings Per Share (EPS)

According to [21], stated that earnings per share (earnings per share) is a comparison between net profit after tax obtained by the issuer with the number of shares outstanding. EPS is measured using the formula:

$$EPS = \frac{\text{Net Income}}{\text{Outstanding Shares}}$$

2. Price To Earnings Ratio (PER)

Stock valuation with the PER model is more often used by investors than the dividend based method, because the PER model seems to be easier to use than the model based on dividends. PER is measured using the formula:

$$PER = \frac{\text{Market Price per Share}}{\text{EPS}}$$

3. Market To Book Ratio (MBR)

Market to Book Ratio is a reflection of investor appreciation or assessment of the book value of a company through stock prices. The market to book ratio derived from the balance sheet provides information about the net value of the company's resources. The higher the market to book ratio, the better the investor's assessment of the company's book value. Market to book ratio is a ratio that shows the comparison between the number of shares outstanding and the share price to liabilities [22]. MBR is measured using the following formula:

$$MBR = \frac{\text{Market Price per Share}}{\text{Book Value per Share}}$$

4. Debt to Equity Ratio (DER)

This ratio shows the composition or capital structure of the total loan (debt) to the total capital owned by the company. The higher the DER, the greater the composition of total debt (short term and long term) compared to the total equity, so that the company's burden on external parties (creditors) is greater. DER is calculated using the formula:

$$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$$

5. Interest Rates (INT)

In addition to international interest rates, the discount rate for Indonesian interest rates (SBI) is also an important factor in determining interest rates in Indonesia. The interest rate or interest rate is the ratio of returns on a number of investments as a form of reward given to investors.

6. Market Value Added (MVA)

According to [17], Market Value Added (MVA) is the difference between the market value of the company's equity and the book value as shown on the balance sheet, with the market value calculated by multiplying the share price by the number of shares outstanding. Market Value Added (MVA) is an effective investment instrument that represents a market assessment of the company's performance. If the market values the company more than the invested capital, it means that management has the ability to create added value for shareholders. To calculate MVA, [17] formulate it mathematically as follows:

MVA = (Number of shares outstanding x Share price) – Total equity of ordinary shares

IV. RESULTS AND DISCUSSION

Descriptive Statistical Analysis Results

	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
EPS	196	10.69	1159.00	317.2562	284.72343	81067.429	1.283	.174	.792	.346
PER	196	.01	112.80	11.2825	20.36805	414.857	2.838	.174	9.470	.346
MBR	196	.09	41841.09	4649.6978	11854.53572	140530017.247	2.253	.174	3.330	.346
DER	196	3.26	7.33	5.3445	.89658	.804	-.805	.174	-.162	.346
INT	196	.08	.12	.1008	.00767	.000	-.328	.174	.614	.346
MVA	196	-9771840	9841890	-319177.30	2534135.208	6421841253654.418	-.664	.174	5.142	.346
M_PRICE	196	80.00	33850.00	7462.5765	7974.64385	63594944.481	1.786	.174	2.638	.346
Valid N (listwise)	196									

Based on the table above shows that from January 2016 to December 20019 the following results were obtained:

1. The average EPS result is 317.2562, the highest achievement is 1.159, while the lowest achievement is 10.69. The standard deviation is 284.723. The results of the SPSS output display give a skewness value of 1.283 so it can be concluded that the EPS data is not normally distributed because the value is more than 1. While the kurtosis value is 0.892 so it can be concluded that the EPS data is normally distributed because it is less than 1.
2. The average PER is 11.285, the highest achievement is 112.80, while the lowest achievement is 0.01. The standard deviation is 20.368. The results of the SPSS output display give a skewness value of 2.838 so it can be concluded that the PER data is not normally distributed because the value is more than 1. While the kurtosis value is 9.470 so it can be concluded that the PER data is not normally distributed because it is more than 1.
3. The average MBR result is 4649.69, the highest achievement is 41841.09 while the lowest achievement is 0.09. The standard deviation is 11854.53. The results of the SPSS output display give a skewness value of 2.253 so it can be concluded that the MBR data is not normally distributed because the value is more than 1. While the kurtosis value is 3.330 so it can be concluded that the MBR data is not normally distributed because it is more than 1.
4. The average DER result is 5.3445, the highest achievement is 7.33 while the lowest achievement is 3.26. The standard deviation is 0.896. The results of the SPSS output display give a skewness value of -0.805 so it can be concluded that the DER data is normally distributed because the value is less than 1. While the kurtosis value is -0.162 so it can be concluded that the DER data is normally distributed because it is less than 1.
5. The average INT result is 0.1008 (10.08%), the highest achievement is 0.012 (12%) while the lowest achievement is 0.08 (8%). The standard deviation is 0.00767. The results of the SPSS output display give a skewness value of -0.328 so it can be concluded that the INT data is normally distributed because the value is less than 1. While the kurtosis value is 0.614 so it can be concluded that the INT data is normally distributed because it is less than 1.
6. The average MVA result is -319177.30, the highest achievement is 9841890, while the lowest achievement is -9771840. The standard deviation is 2534135,208. The results of the SPSS output display give a skewness value of -0.664 so it can be concluded that the MVA data is normally distributed because the value is less than 1. While the kurtosis

value is 5.1424 so it can be concluded that the MVA data is not normally distributed because it is more than 1.

7. The average M_Price result is 7462.5765, the highest achievement is 33850, while the lowest achievement is 80. The standard deviation is 0.896. The results of the SPSS output display give a skewness value of 1.786 so it can be concluded that the M_Price data is not normally distributed because the value is more than 1. While the kurtosis value is 2.638 so it can be concluded that the M_Price data is not normally distributed because it is more than 1.

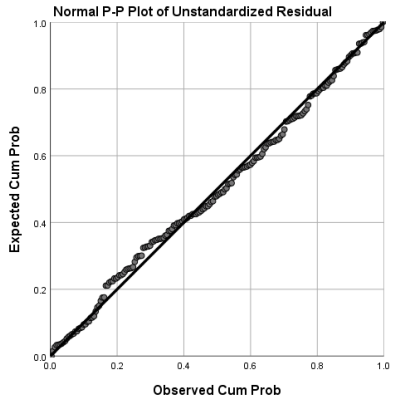
Causality Model Results

The causality model is a causal relationship/influence between variables, so to test the hypothesis, the analytical tool used is a path analysis model with the following steps:

a. Looking for the contribution of the variables EPS (X1), PER (X2), MBR (X3), DER (X4), INT (X5), MVA (X6), to M_PRICE (Y) with a multiple linear regression program (multiple linear regression), where the dependent column is entered Y and the independent column is entered X1, X2, until X6.

Data Normality Test Results

The normality test in this study uses the Normal P-P Plot of Regression Unstandardized Residual graph analysis.



One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		196
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.23816805

Most Extreme Differences	Absolute	.048
	Positive	.038
	Negative	-.048
Test Statistic		.048
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

From the Normal PP Plot of Regressions Unstandardized Residual graph above, it can be seen that the residuals are normally distributed with the normal probability plots graph, it can be seen that the points spread above and below the number 0 on the Y axis. Then the calculation results show sig from KS-Z = 0.200 > 0.05 so that Ho is accepted and the conclusion is the distribution of normal errors.

Multicollinearity Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.380	.504		6.704	.000		
	EPS	.690	.052	.593	13.277	.000	.612	1.633
	PER	.016	.014	.042	1.976	.003	.824	1.213
	MBR	.045	.014	.141	3.219	.002	.636	1.573
	DER	-1.454	.242	-.236	-6.001	.000	.789	1.268
	INT	-13.450	2.684	-.208	-5.012	.000	.708	1.413
	MVA	-.076	.020	-.262	-7.737	.000	.649	1.541

a. Dependent Variable: M_PRICE

The results of the above data processing can be concluded:

1. VIF for EPS= 1.633 < 10 no multicollinearity
2. VIF for PER = 1.213 < 10 no multicollinearity
3. VIF for MBR = 1.573 < 10 no multicollinearity
4. VIF for DER= 1,286 < 10 no multicollinearity
5. VIF for INT = 1.413 < 10 no multicollinearity
6. VIF for MVA = 1.541 < 10 no multicollinearity

Autocorrelation Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.877[a]	.769	.761	.24192	**1.917**

a. Predictors: (Constant), MVA, PER, DER, MBR, INT, EPS

b. Dependent Variable: M_PRICE

From the calculation results obtained by the Durbin Watson count is 1.917 and there is no autocorrelation in the area so that it can be concluded that the resulting model is free from autocorrelation problems.

Heteroscedasticity Test Results

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.277	.302		4.234	.000
	EPS	-.088	.031	-.246	-1.834	.315
	PER	.018	.009	.158	1.976	.436
	MBR	.006	.008	.057	.668	.505
	DER	-.155	.145	-.082	-1.072	.285
	INT	-3.608	1.606	-.181	-1.247	.126
	MVA	-.031	.012	-.213	-1.532	.512

a. Dependent Variable: ABRESID

From the results of data processing obtained:

1. Sig of t for EPS 0.315 > 0.05 Ho accepted (no heteroscedasticity)
2. Sig of t for PER 0.436 > 0.05 Ho is accepted (no heteroscedasticity)
3. Sig of t for MBR 0.505 > 0.05 Ho is accepted (no heteroscedasticity)
4. Sig of t for DER 0.285 > 0.05 Ho is accepted (no heteroscedasticity)
5. Sig of t for INT 0.126 > 0.05 Ho is accepted (no heteroscedasticity)
6. Sig of t for MVA 0.512 > 0.05 Ho is accepted (no heteroscedasticity)

From the calculation results it is stated that all variables are free from heteroscedasticity based on the significance value of P value > 0.05.

Goodness of Fit Model Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.877[a]	.769	.761	.24192	1.917

a. Predictors: (Constant), MVA, PER, DER, MBR, INT, EPS

b. Dependent Variable: M_PRICE

From the processing results obtained Adjusted R2 = 0.761 This means that the variation of the independent variable (MVA, PER, DER, MBR, INT, EPS) is able to explain the variation of the dependent variable (M_PRICE) of 76.1%. While the rest (100% - 76.1% = 23.9%) are variations from other independent variables that affect M_PRICE but are not included in the model. The goodness of fit model is characterized by the value of R^2 approaching 1 (the closer to 1 the better).

Simultaneous Test Results (F-test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.787	6	6.131	104.762	.000[b]
	Residual	11.061	189	.059		
	Total	47.848	195			

a. Dependent Variable: M_PRICE

b. Predictors: (Constant), MVA, PER, DER, MBR, INT, EPS

Sig of F = 0.000 < 0.05 Ho is rejected (Ha is accepted) so it can be concluded that together (simultaneously) MVA, PER, DER, MBR, INT, EPS have a significant effect on M_Price.

Individual Test Results (t-test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.380	.504		6.704	.000
	EPS (X1)	.690	.052	.593	13.277	.000
	PER (X2)	.016	.014	.042	1.976	.003
	MBR (X3)	.045	.014	.141	3.219	.002
	DER (X4)	-1.454	.242	-.236	-6.001	.000
	INT (X5)	-13.450	2.684	-.208	-5.012	.000
	MVA (X6)	-.076	.020	-.262	-7.737	.000

a. Dependent Variable: M_PRICE (Y)

In this study, the multiple regression equation formula is as follows:

Y= 0,593(X1) + 0,042 (X2) + 0.141 (X3) – 0,236 (X4) – 0208 (X5) – 0,262 (X6) + e

Based on the multiple linear regression equation above, it can be interpreted as follows:

1. The regression coefficient X1 (EPS) from the calculation can be explained that if there is an increase in the share price of Rp. 1,- it will result in an increase in the price of X1 (EPS) of 0.593 (X1), this means that if the value of EPS increases, it will have an impact on increasing stock market prices in the banking sector where this study was investigated (Bank Mandiri, BRI, BNI 1946 , BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.
2. The regression coefficient X2 (PER) from the calculation can be explained that if there is an increase in the share price of Rp. 1,- it will result in an increase in the price of X1 (PER) of 0.042(X2), this means that if the PER value increases, it will have an impact on the increase in stock market prices in the banking sector where this study was investigated (Bank Mandiri, BRI, BNI 1946 , BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.
3. The regression coefficient X3 (MBR) from the calculation can be explained that if there is an increase in the share price of Rp. 1,- it will result in an increase in the price of X3 (MBR) of 0.141 (X3), this means that if the value of the MBR increases, it will have an impact on the increase in stock market prices in the banking sector where this study was investigated (Bank Mandiri, BRI, BNI 1946 , BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.
4. The X4 regression coefficient (DER) from the calculation can be explained that if there is an increase in the share price of Rp. 1,- it will result in a decrease in the price of X4 (DER) of - 0.236 (X3), this means that if the DER value decreases, it will have an impact on the decline in stock market prices in the banking sector where this research is examined (Bank Mandiri, BRI, BNI 1946, BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.
5. The regression coefficient X5 (INT) from the calculation can be explained that if there is an increase in the stock price of Rp. 1,- it will result in a decrease in the price of X5 (INT) of - 0.208 (X5), this means that if the value of INT decreases, it will have an impact on the decline in stock market prices in the banking sector where this study was investigated (Bank Mandiri, BRI, BNI 1946, BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.
6. The regression coefficient X6 (MVA) from the calculation can be explained that if there is an increase in the share price of Rp. 1, it will result in a decrease in the price of X6 (MVA) of - 0.262 (X6), this means that if the MVA value decreases, it will have an impact on the decline in stock market prices in the banking sector where this study was investigated (Bank Mandiri, BRI, BNI 1946 , BCA, CIMB Niaga, Danamon and OCBC NISP) on the Indonesia Stock Exchange.

7. Multiple Regression Y= 0.593(X1) + 0.042 (X2) + 0.141 (X3) – 0.236 (X4) – 0208 (X5) – 0.262 (X6) + e, from the results of this calculation it can be concluded that; (a). There is an increase in the share price of Rp. 1,- it will result in an increase in the price of X1 (EPS) of 0.593(X1) ; (b). There is an increase in the share price of Rp. 1,- it will result in an increase in the price of X1 (PER) by 0.042(X2); (c). There is an increase in the share price of Rp. 1,- it will result in an increase in the price of X3 (MBR) of 0.141 (X3); (d). There is an increase in the share price of Rp. 1,- it will result in a decrease in the price of X4 (DER) by - 0.236 (X3); (e). There is an increase in the share price of Rp. 1,- it will result in a decrease in the price of X5 (INT) by - 0.208 (X5); (f). There is an increase in the share price of Rp. 1, it will result in a decrease in the price of X6 (MVA) by - 0.262 (X6).

V. CONCLUSIONS AND SUGGESTIONS

Based on the results of data analysis, hypothesis testing and discussions that have been carried out on banks that have been listed on the Indonesia Stock Exchange, then:

1. Earnings Per Share has a positive and significant effect on stock prices. Thus H1 which states Earning Per Share has a positive effect on stock prices proven.
2. Price Earnings Ratio has a positive and significant effect on stock prices. Thus, H2 which states that the Price Earnings Ratio has a positive effect on stock prices.
3. Market to Book Ratio has a positive and significant effect on stock prices. Thus H3 which states that the Market to Book Ratio has a positive effect on stock prices and is proven significant on stock prices.
4. Debt to Equity Ratio has a negative effect on stock prices. Thus H4 which states the Debt to Equity Ratio has a negative effect on stock prices and is proven significant on stock prices.
5. Interest Rate has a negative effect on stock prices. Thus H5 which states that Interest Rate has a negative effect on stock prices and is proven significant on stock prices.
6. Market Value Added has a negative effect on stock prices. Thus H6 which states that Market Value Added has a negative effect on stock prices and is proven significant on stock prices.
7. Earnings Per Share, Price Earnings Ratio, Market to Book Ratio, Debt to Equity Ratio, Interest Rate and Market Value Added together have an effect on stock prices and are proven significant on stock prices.

This study has limitations that can be taken into consideration for future researchers in order to get better results, while the shortcomings are as follows:

1. The variables used by researchers are only mostly from the financial ratios in companies listed on the Indonesia Stock Exchange
2. Researchers only conduct research on companies listed on the Indonesia Stock Exchange for a certain period (2016-2019)

The researcher suggests several things related to this research, which in this study still has many weaknesses in the research results and discussion, including:

1. In future research, the limitations contained in this study should be considered so that further research can have more optimal results.
2. In the next study using data from a longer period and timeframe and a wider scope than the index listed on the Indonesia Stock Exchange.
3. For investors, in addition to looking at fundamental analysis, pay attention to macroeconomic analysis and systematic risk to be taken into consideration in making accurate investment decisions.

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