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THE EFFECT OF CR AND NPM ON STOCK PRICES OF FOOD AND BEVERAGE SUB-SECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE

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ABSTRACT
The research objective is to test and analyze the effect of the current ratio (CR) on stock prices of food and beverages companies. Test and analyze the effect of net profit margin (NPM) on stock prices of food and beverages companies. To know the joint effect of CR, NPM variables on stock prices of food and beverages companies. This type of research can be said to be a causal-comparative research, which is a type of research with problem characteristics in the form of a cause and effect between 2 or more variables. The data analysis method used multiple linear regression analysis with the classical assumption test first. Based on the explanation and research results above, the following conclusions can be drawn: 1. Current ratio (CR) has no significant effect on the stock prices of food and beverages companies listed on the Indonesia Stock Exchange for the 2015-2018 period. 2. Net profit margin (NPM) has no significant effect on the stock prices of food and beverages companies listed on the Indonesia Stock Exchange for the 2015-2018 period **.**

Keywords: Current Ratio, Net Profit Margin, Stock Price

INTRODUCTION

The capital market is an effective means of accelerating the accumulation of funds for development financing through a mechanism for collecting funds from the public and channeling them to productive sectors. With the development of the capital market, investment alternatives are available for investors.

Now, people are no longer limited to "real assets" and savings in the banking system, but can invest their funds in the capital market, either in the form of shares, bonds, or other securities (financial assets).

In Indonesia today, the capital market plays a crucial role in economic activity. It is a key driver of economic progress, serving as a source of funding for companies, alongside banks. The existence of the capital market makes it easier for companies to obtain funding, thereby increasing economic activity across various sectors .

A company's fundamental factors that can explain the strengths and weaknesses of its financial performance include financial ratios. Through financial ratios, we can make meaningful comparisons in two ways. First, we can compare a company's financial ratios over time to observe current trends. Second, we can compare a company's financial ratios with those of other companies. other companies that are still move in relatively small industry The same with period certain .

The ratios used in study This covering ratio profitability , solvency and market ratios . functional and frequent profitability used For predict price share or stock returns is Net Profit Margin (NPM). Net Profit Margin (NPM) is comparison between income clean with income operation . This NPM functioning For measure level change profit clean to sale clean . Net Profit Margin (NPM) is ratio financial measures ability company in generate net income from activity operational main company . Net Profit Margin (NPM) functions For measure level change profit clean to sale clean .

According to (Rahmadewi & Abundanti, 2018) Based on results analysis found that CR is simultaneous influential significant to price shares . In partial CR effect negative to price share matter This show that investors do not considering CR, as decision For buy share .

According to (Setiyawan & Pardiman, 2014) Research results show that the Current Ratio has an effect positive and significant to Price Stock Current Ratio, Inventory Turnover, Time Interest Earned and Return On Equity simultaneous influential significant to Price Share . The height current ratio value can increase investor interest in follow invest with buy share from company said , then matter This cause price its shares will rise. This is show that the current ratio has an effect positive to price shares . (Rani, Nyoman, & Diantini, nd2015) .

Investors need Precise and accurate information about performance something company . For know Good the bad performance something company can done with method analysis to report finance company said . In study This tool analysis used For research price share is ratio financial ratio finance is something tool analysis used by the company For evaluate performance finance based on comparative data each post in the period certain . Performance ratio finance is one of the fundamental factors used as reference by an investor who will implant share .

Objective Study Is For Testing and analyzing influence *current ratio* (CR) to price share food and beverage companies . Testing and analyzing influence *net profit margin* (NPM) against price share food and beverage companies . For know influence in a way together CR, NPM variables against price share food and beverage company .

LITERATURE REVIEW

Share prices are a very important factor for capital market players, because stock price fluctuations will affect investor profits and image company. If the share price increases, investors will gain profits either from the difference in share price increases or dividends to be received. (Wirajaya, 2017) .

Price differentiated shares into 3 (three), namely :

a. Nominal Price The listed price in certificate shares determined by the issuer For evaluate every sheet shares issued . The size nominal price gives meaning important share Because minimum dividend usually set based on nominal value .

b. Initial Price Price This is price at the time price share the listed on the stock exchange . Price shares on the primary market usually determined by the guarantor emissions (underwriter) and issuer . With thus will known How many price share issuer That will for sale to public usually For determine price prime .

c. Market Price If price prime is price sell from agreement emission to investors, then market price is price sell from one investor to other investors. Price This happen after share the listed on the stock exchange. Transactions here No Again involving issuer from guarantor emission price this is what is called prices in the secondary market and prices this is the truth Correct represent price company the publisher , because in transactions on the secondary market , small very happen negotiation investor price with company publisher . (Azmi, Andini, & Raharjo, 2016) .

Ratio Current *Ratio* is ratio For measure ability company in pay obligation term short or immediate debt due at the time billed in a way overall (Kasmir, 2014:134) . Current ratio (CR) is ratio that measures ability company For fulfil obligation term in short with assets smooth.Ratio this is obtained with compare mark assets fluent with obligation fluent company . The more tall CR value means the more Good company capabilities For pay off obligation term in short . The more Good ability company For pay off his obligations means the more small risk liquidation experienced company in other words, the more small risks that must be borne by the holder share company . (Raharjo & Muid, 2013) .

Net Profit Margin (NPM) shows How many big percentage income net profit obtained from every sales (Harahap, 2010:304) .

METHODS

This type of research can be said to be causal-comparative research, namely the type of research

with problem characteristics in the form of cause and effect between 2 or more variables. (Dokman Marulitua Situmorang, Erlina, 2018) The data analysis method used multiple linear regression analysis, first conducting a classical assumption test. Hypothesis testing was carried out using partial significance tests (t-test) and simultaneous significance tests (F-test) and the coefficient of determination (R2).

Data collection in this study was conducted through a documentary study, which involved collecting secondary data from various sources, both personal and institutional. The documentary study also examined, classified, and analyzed secondary data in the form of records, financial reports, and other information related to the scope of this study.

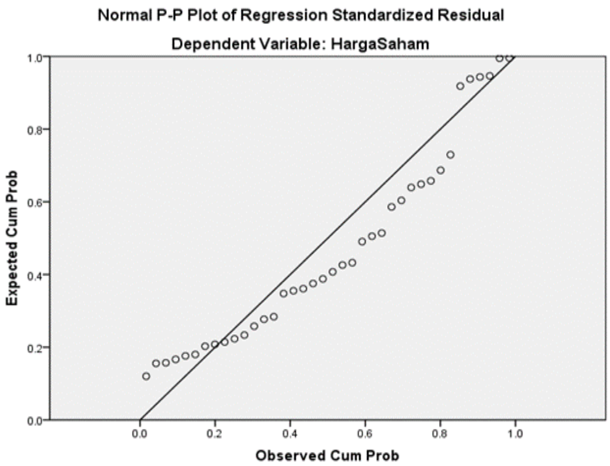
RESULTS AND DISCUSSION

The author tested normality in this study using analysis. normal probability plot graph. Normality testing in the SPSS 12.0 program for Windows is done by looking at the

Normal PP Plot of Regression graph output Standardized Residual. Basis for decision making in testing normality is as follows :

a. If the data is spread around the diagonal line and follows the direction of the diagonal line, then the regression model meets the normality assumption.

b. If the data is spread far from the diagonal line and/or does not follow the direction of the line diagonal, then the regression model does not meet the normality assumption. The results of the normality test in this study can be seen in the following graph:



Source : Secondary Data Processed , 2020

Figure 1
Normal Probability Plot Graph

From Figure 1, it shows that the data is spread around the diagonal line and follows the direction of the diagonal line. So, it can be concluded that the regression model meets the assumptions normality so that the data in study This normally distributed .

Multicollinearity test aim For test whether in equality regression found existence correlation between variables free .

Table 1
Multicollinearity Test Results

Model	Collinearity Statistics	
1 (Constant)	Tolerance	VIF
CR	.987	1 .013
NPM	.987	1,013

Source: Processed Secondary Data, 2020

Based on Table 1 , it shows that the variables current ratio , net profit margin , do not experience multicollinearity because all the variables studied has a tolerance value above 0.1 and a VIF below 10.

This test aims to determine whether there is a correlation between the confounding error in period t and the confounding error in period t-1 (previously) in a linear regression model. A good regression model is one that is free from autocorrelation.

Autocorrelation problems commonly occur in regressions involving time series data. There are several methods that can be used to detect this. problem in autocorrelation among them is with the Runs Test. Criteria taking his decision that is :

3. value Asymp . Sig. (2-tailed) > 0.05 indicates No existence autocorrelation .
4. value Asymp . Sig. (2-tailed) < 0.05 indicates existence autocorrelation .

Table 2
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		38
Normal Parameters[a,b]	Mean	.0000000
	Standard Deviation	246.61339116
Most Extreme Differences	Absolute	.148
	Positive	.148
	Negative	-.123
Kolmogorov-Smirnov Z		.915
Asymp. Sig. (2-tailed)		.373

a. Test distribution is Normal.

b. Calculated from data.

The research table shows the Asymp. Sig. (2-tailed) value of 0.373. Since the Asymp. Sig. (2-tailed) value is 0.884, which means it is greater than 0.05, it can be concluded that the research results are in accordance with the results, indicating no autocorrelation.

The data analysis technique used in this study was multiple regression analysis. Multiple regression analysis is a statistical technique that uses parameter coefficients to determine the influence of independent variables on dependent variables. Hypothesis testing, both partial and simultaneous, is conducted after the regression model is free from violations of classical assumptions. The goal is to ensure that the research results can be interpreted accurately and efficiently.

F test

The F statistical test basically shows whether all the independent variables are included in the model has a simultaneous influence on the variables dependent. Results.: The F statistical test basically shows whether all independent variables included in the model have a simultaneous influence on the dependent variable.

Table 3
F test results

ANOVA [b]

Model		F	Sig.
1	Regression	5,415	.009 [a]
	Residual		
	Total		

a. Predictors: (Constant), NPM, CR

b. Dependent Variable: Share Price

Source: Processed Secondary Data, 2020

Based on Table 3 , it can be seen that the calculated F is 5.415 with a significance level of the probability is 0.009, which is smaller than the significance level α = 5% or the level significant F test = 0.009 < 0.05 (level of significance). Thus, there is an influence significant between the independent variables (*current ratio, net profit margin*) together on stock prices. This indicates that the research model is worthy of being continued in the next analysis.

The coefficient of determination (R2) essentially measures the model's ability to explain variation in the dependent variable. The coefficient of determination ranges from 0 to 1. A small R2 value indicates that the independent variables' ability to explain variation in the dependent variable is very limited.

Table 4

Model Summary [b]

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.486 [a]	.236	.193	253.56161

a. Predictors: (Constant), NPM, CR

b. Dependent Variable: Share Price

Source: Processed Secondary Data, 2020

Based on Table 4, it is known that R square (R2) is 0.486 or 48.6 %, which means that the magnitude of the variation in stock price variables can be explained jointly by current ratio variable, net profit margin in the company food and beverages listed on the Indonesia Stock Exchange for the 2015-2018 period. Meanwhile, the remainder (100% - 48.6 %) = 5.1.4 % is influenced by other variables outside this research model.

The t-statistic test is used to determine whether each independent variable such as current ratio (CR), net profit margin (NPM) has influence on the dependent variable, namely stock prices.

Table 5
t-Test Results and Significance Level

Coefficients [a]

Model		Unstandardized Coefficients	t	Sig.
		B		
1	(Constant)	375,885	4,242	.000
	CR	-43,506	-2,078	.045
	NPM	-1207.178	-2,774	.009

a. Dependent Variable: Share Price

Source: Processed Secondary Data, 2020

Based on Table 5, the results of the t-value calculation along with the significance level are obtained. with the following explanation:

1) Current ratio (CR) variable with a calculated t value of -2.078 and a significance value of 0.045 . The significance value is <0.05, so it can be concluded that the current ratio (CR) variable no effect significant impact on stock prices.

2) Net profit margin (NPM) variable with a calculated t value of -2.774 and a significance value of 0.009 The significance value is > 0.05, so it can be concluded that the net profit margin (NPM) variable has no significant effect on stock prices.

Effect of Stock Prices on *Net Profit Margin* (NPM) Results of the third hypothesis test shows that *the Net Profit Margin* (NPM) has an influence not significant and positive impact on stock prices. This seen from the average NPM each the year increases are balanced with stock price increase. Because NPM has the highest influence on share prices so that ability companies to make profits are also high. The higher the sales level, the the more productive the company is

CONCLUSION

Based on the explanation and research results above, the following conclusions can be drawn: as follows. Current ratio (CR) has no effect significant impact on the share prices of food and beverage companies beverages listed on the Indonesia Stock Exchange for the 2015-2018 period. Net profit margin (NPM) has no significant effect on share prices. Food and beverage companies listed on the Indonesia Stock Exchange for the 2015-2018 period.

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