ROA, ROE, and EPS on The Stock Prices in The Basic & Chemical Industry Sector Listed on The Jakarta Composite Indeks

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Abstract

This study aims to examine the effect of Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) on Stock Prices in Manufacturing Companies in the Basic & Chemical Industry Sector Listed on the Indonesia Stock Exchange (IDX) for the 2015-2015 period. 2019. The sample selection in this study used purposive sampling method. The method used in this study is panel data regression analysis using Eviews 10. The results of the research are: Return on Assets (ROA) and Earning Per Share (EPS) have a significant effect on stock prices. Meanwhile, Return On Equity (ROE) has no significant effect on stock prices. Based on the results of the F-Statistic test on the Fixed Effect estimation method, Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) together have a significant effect on stock prices in 25 companies in the basic industry sector. & Chemistry.

Keywords: *Return On Equity; Return On Aset; Earning Per Share; Stock Price*
JEL Classification: G21

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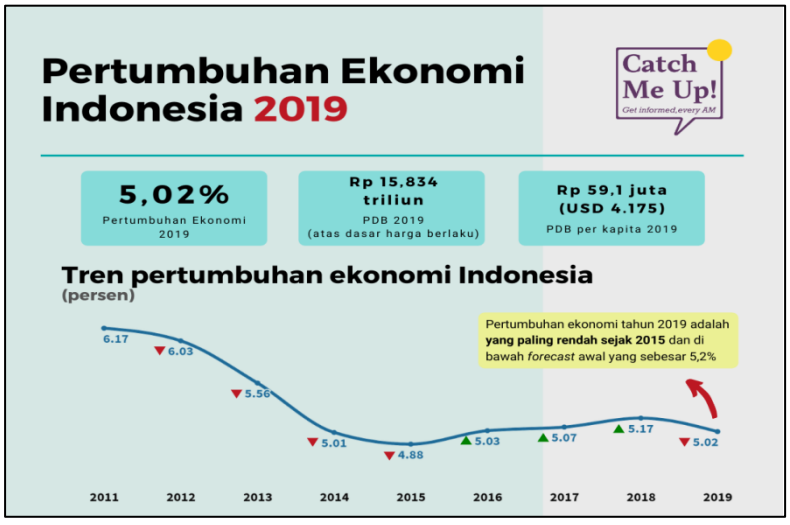
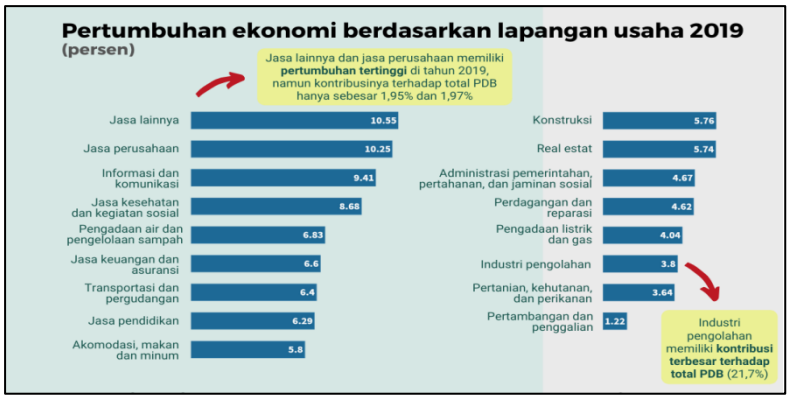
Introduction

Basic and Chemical Industry includes the conversion of raw organic and non-organic materials by chemical processes and product formation. The final product produced aims to increase the growth of domestic and international trade in supporting development in manufacturing, agriculture, infrastructure and real estate. Inspection of industrial products is to ensure the quantity and quality of industrial products before being sent or at the time of receipt by determining the calculation. The industrial products in question are cement, ceramics, glass, metal, porcelain, plastic, packaging, pulp and paper. Physical, chemical and microbiological tests are carried out on pharmaceutical, cosmetic and chemical products.

The Minister of Industry of the Republic of Indonesia Agus Gumiwang Kartasasmita stated that the non-oil and gas manufacturing sector has always been the sector with the largest contribution to GDP (Gross Domestic Product). The processing industry, for example, during the 2015-2019 period contributed to growth in the range of 20 percent. The following is data that supports the expression stated by the Minister of Industry of the Republic of Indonesia Agus Gumiwang Kartasasmita, namely the Data on Indonesia's Economic Growth and Economic Growth Based on Business Fields in 2019 taken by the author from the Central Statistics Agency published on February 7, 2020:





Source : Badan Pusat Statistik Nasional

Figure 1
Indonesia's Economic Growth & Economic Growth by Business Field in 2019

The Central Statistics Agency (BPS) released data on Indonesia's economic growth throughout 2019 growing at 5.02%. Although still able to grow in the range of 5%, this realization slowed from economic growth in 2018 which was 5.17%. "Economic growth in 2019 was 5.02%, slower than in previous years, and close to the position in 2016 which grew 5.03%," said Head of BPS Suhariyanto, Wednesday (5/2/2020). The decline in exports of goods and services was the main factor causing lower national economic growth in 2019.

Then the Indonesia Stock Exchange noted, the Basic & Chemical Industry Sector has the potential to dominate the sectoral index performance on the Indonesia Stock Exchange (IDX) throughout 2019. Last year, 2018, the Basic Industry and Chemical sectors also rose the most with an increase of 24.01% among the 9 sectors on the IDX. Although in 2019 it decreased by 16.36%, the performance index is still the highest compared to other sectors. The Indonesia Stock Exchange (IDX) is the place where the process of buying and selling securities of companies listed on the exchange takes place. Stock exchanges provide an overview of stock prices, annual financial reports and other information to help investors who want to invest their funds in listed companies. The following are the Sectoral Indexes on the Indonesia Stock Exchange (IDX) in 2019:

Source: Riset Team CNBC Indonesia + Bursa Efek Indonesoa (BEI)

Figure 2
Sectoral Indices on the Indonesia Stock Exchange in 2019

The defense of the basic & chemical industry sector this year was due to an increase in stocks which included: PT Barito Pacific Tbk/ BRPT (+213.8%), PT Chandra Asri Petrochemical Tbk/TPIA (+77.64%), PT Indocement Tunggal Prakarsa Tbk/INTP (+7.05%), and PT Semen Indonesia Tbk/SMGR (+5.87%). When viewed by weight, the stocks that have the greatest influence on the basic & chemical industry sector are: PT Chandra Asri Petrochemical Tbk / TPIA (23.85%), PT Barito Pacific Tbk / BRPT (16.98%), PT Charoen Pokphand Indonesia Tbk/CPIN (14.03%), PT Indocement Tunggal Prakarsa Tbk/INTP (9.25%), and PT Semen Indonesia Tbk/SMGR/SMGR (9.19%).

The company's financial performance is a description of the financial condition of a company which is analyzed with financial analysis tools and is the easiest and cheapest analytical tool for investors/potential investors to get. One of the components related to the company's internal conditions is the company's performance which consists of Return On Assets (ROA), Return On Equity (ROE), Net Profit Margin (NPM), and Earning Per Share (EPS). These ratios are ratios that assess the level of company profitability. Profitability ratio is a ratio that measures the company's level of profit. However, what will be tested in this study is the effect of Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) on stock prices.

Ratio analysis is done by comparing the balance sheet and the company's profit and loss. In this study, one of the components related to the company's internal conditions is the company's performance which consists of Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS). Empirical data regarding the variables used in this study can be seen from table 1 as :

Table 1. Comparison of ROA, ROE, EPS and Stock Price Ratios in 25 Manufacturing Companies in Basic & Chemical Industries Listed on the Indonesia Stock Exchange (IDX)

No.	Companies	BEI Code	n	Stock Price	ROA	ROE	EPS (Rp)
1	PT. ARGHA KARYA PRIMA INDUSTRY, TBK	AKPI	2015	875	0.96%	2.50%	45
			2016	900	2.00%	4.68%	86
			2017	725	0.49%	1.18%	22
			2018	700	2.09%	5.21%	105
			2019	470	1.96%	4.37%	89
			Average	734	1.50%	3.59%	69.4
2	PT. ASAHIMAS	AMFG	2015	6550	7.99%	10.07%	786

No.	Companies	BEI Code	n	Stock Price	ROA	ROE	EPS (Rp)
	FLAT GLASS, TBK		2016	6700	4.73%	7.24%	600
			2017	6025	0.62%	1.09%	89
			2018	3690	0.08%	0.18%	15
			2019	3430	-1.51%	-3.88%	-305
			Average	5279	2.38%	2.94%	237
3	PT. ASIAPLAST INDUSTRIES, TBK	APLI	2015	65	0.60%	0.84%	1.35
			2016	112	7.98%	10.19%	18.43
			2017	72	-0.33%	-0.59%	9.1
			2018	84	-4.67%	-11.51%	-17.21
			2019	179	2.29%	4.51%	7.06
			Average	102.4	1.17%	0.69%	3.746
4	PT. BARITO PACIFIK, TBK	BRPT	2015	130	0.23%	0.42%	9.83
			2016	1465	10.88%	19.32%	540.27
			2017	2260	7.68%	13.88%	269.6
			2018	2390	3.45%	8.98%	186.95
			2019	1510	1.91%	4.99%	21
			Average	1551	4.83%	9.52%	205.53
5	PT. BERLINA ,TBK	BRNA	2015	740	-0.39%	-0.86%	-17
			2016	1100	0.61%	1.23%	15
			2017	1240	-9.07%	-20.90%	-176
			2018	1125	-0.96%	-2.11%	-34
			2019	1100	-7.21%	-17.10%	-163
			Average	1061	-3.40%	-7.95%	-75
6	PT. CHAMPION PACIFIC INDONESIA ,TBK	IGAR	2015	224	13.39%	16.56%	31.07
			2016	520	15.77%	18.54%	48.12
			2017	378	14.11%	16.38%	53.5
			2018	384	7.83%	9.25%	34.77
			2019	340	9.85%	11.33%	44.86
			Average	369.2	12.19%	14.41%	42.464
7	PT. EKADHARMA INTERNATIONAL ,TBK	EKAD	2015	390	12.07%	16.11%	67
			2016	622	12.91%	15.32%	126
			2017	670	9.56%	11.50%	108
			2018	852	8.68%	10.22%	103
			2019	1017	7.99%	9.08%	106
			Average	710.2	10.24%	12.45%	102
8	PT. FAJAR SURYA WISESA ,TBK	FASW	2015	1040	-4.42%	-12.63%	-124.7
			2016	4100	9.06%	24.63%	313.98
			2017	5400	6.36%	18.12%	240.47
			2018	7775	12.82%	32.77%	567.16
			2019	7700	9.01%	20.65%	390.99

No.	Companies	BEI Code	n	Stock Price	ROA	ROE	EPS (Rp)
			Average	5203	6.57%	16.71%	277.58
9	PT. HOLCIM INDONESIA,TBK	SMCB	2015	1062	1.15%	2.36%	23
			2016	900	-1.44%	-3.53%	-37
			2017	821	-3.86%	-10.53%	-99
			2018	1885	-4.44%	-12.90%	-108
			2019	1180	2.55%	7.15%	65
			Average	1169.6	-1.21%	-3.49%	-31.2
10	PT. INDAH KIAT PULP & PAPER,TBK	INKP	2015	955	3.16%	8.49%	40.7
			2016	955	2.95%	7.19%	37.06
			2017	5400	5.41%	12.84%	75.54
			2018	11550	6.72%	15.60%	107.51
			2019	7700	3.23%	6.85%	50.17
			Average	5312	4.29%	10.19%	62.196
11	PT. INDOCEMENT TUNGGAL PRAKASA,TBK	INTP	2015	22325	15.76%	18.25%	1183
			2016	15400	12.84%	14.81%	1051
			2017	21950	6.44%	7.57%	505
			2018	18450	4.12%	4.93%	311
			2019	19025	6.62%	7.95%	498
			Average	19430	9.16%	10.70%	709.6
12	PT. INTANWIJAYA INTERNATIONAL,TBK	INCI	2015	305	10.00%	11.01%	94
			2016	306	3.71%	4.11%	55
			2017	408	5.45%	6.17%	91
			2018	575	4.26%	5.21%	85
			2019	418	3.41%	4.06%	70
			Average	402.4	5.37%	6.11%	79
13	PT. INTIKERAMIK ALAMASRI INDUSTRI,TBK	IKAI	2015	114	-27.92%	-157.73%	-139
			2016	71	-54.85%	235.02%	-183
			2017	73	-18.96%	41.33%	-55
			2018	170	5.33%	8.98%	90
			2019	73	-5.28%	-7.82%	-90
			Average	100.2	-20.34%	23.96%	-75.4
14	PT. KEDAWUNG SETIA INDUSTRIAL,TBK	KDSI	2015	191	0.97%	3.03%	28
			2016	350	4.13%	11.23%	116
			2017	550	5.19%	14.20%	170
			2018	1000	5.52%	13.83%	190
			2019	1220	5.11%	10.54%	158
			Average	662.2	4.18%	10.57%	132.4
15	PT. KERAMIK INDONESIA ASSOSIASI,TBK	KIAS	2015	90	-6.94%	-8.19%	-9.09
			2016	80	-13.58%	-16.61%	-16.09
			2017	100	-4.71%	-5.84%	-5.41

No.	Companies	BEI Code	n	Stock Price	ROA	ROE	EPS (Rp)
			2018	100	-4.65%	-5.85%	-4.97
			2019	64	-40.14%	-54.36%	-31.84
			Average	86.8	-14.00%	-18.17%	-13.48
16	PT. MULIA INDUSTRINDO,TBK	MLIA	2015	650	-2.19%	-13.98%	-122
			2016	590	0.12%	0.56%	-7.11
			2017	650	0.92%	2.71%	37.37
			2018	1205	3.59%	8.44%	148.65
			2019	1235	2.20%	5.00%	98.49
			Average	866	0.93%	0.55%	31.08
17	PT. PABRIK KERTAS TJIWI KIMIA,TBK	TKIM	2015	495	0.05%	0.15%	7.02
			2016	730	0.31%	0.82%	39.07
			2017	2920	1.24%	3.21%	149.63
			2018	11100	8.29%	19.89%	1084.56
			2019	10275	5.44%	12.02%	749
			Average	5104	3.07%	7.22%	405.856
18	PT. POLYCHEM INDONESIA,TBK	ADME	2015	68	-5.57%	-9.02%	-87.08
			2016	126	-5.40%	-8.38%	-72.75
			2017	246	-2.31%	-3.61%	-28.31
			2018	314	-0.46%	-0.54%	-4.12
			2019	186	-11.59%	-14.24%	-106.4
			Average	188	-5.07%	-7.16%	-59.732
19	PT. SEMEN BATURAJA,TBK	SMBR	2015	291	10.84%	12.01%	36
			2016	2790	5.93%	8.30%	26
			2017	3800	2.90%	4.30%	15
			2018	1750	1.37%	2.19%	8
			2019	440	0.54%	0.86%	3
			Average	1814.2	4.32%	5.53%	17.6
20	PT. SEMEN INDONESIA,TBK	SMGR	2015	11400	11.86%	16.49%	763
			2016	9175	10.25%	14.83%	764
			2017	9900	4.17%	6.71%	344
			2018	11500	6.03%	9.43%	520
			2019	12000	2.97%	7.00%	403
			Average	10795	7.06%	10.89%	558.8
21	PT. SURYA TOTO INDONESIA,TBK	TOTO	2015	6950	11.69%	19.12%	282
			2016	498	6.53%	11.06%	16.33
			2017	408	9.87%	16.47%	27.02
			2018	348	11.97%	17.97%	33.59
			2019	292	4.82%	7.31%	13.62
			Average	1699.2	8.98%	14.39%	74.512
22	PT. TOBA PULP	INRU	2015	260	-0.87%	-2.33%	-26.69

No.	Companies	BEI Code	n	Stock Price	ROA	ROE	EPS (Rp)
	LESTARI,TBK		2016	300	11.05%	23.07%	362.42
			2017	286	0.11%	0.23%	2.7
			2018	525	0.96%	2.31%	38.49
			2019	790	-4.05%	-12.92%	-193.2
			Average	432.2	1.44%	2.07%	36.744
23	PT. TRIAS SENTOSA,TBK	TRST	2015	270	0.75%	1.29%	9
			2016	263	1.03%	1.75%	12
			2017	395	1.15%	1.93%	14
			2018	405	1.47%	2.82%	23
			2019	395	0.89%	1.79%	14
			Average	345.6	1.06%	1.92%	14.4
24	PT. UNGGUL INDAH CAHAYA,TBK	UNIC	2015	1480	-0.39%	-0.62%	9.83
			2016	2370	9.31%	13.10%	803
			2017	3420	5.33%	7.53%	442.14
			2018	3900	7.31%	10.39%	635.06
			2019	3850	5.18%	6.46%	446.6
			Average	3004	5.35%	7.37%	467.326
25	PT. WASKITA BETON PRECAST,TBK	WSBP	2015	515	7.72%	25.12%	21.14
			2016	555	4.62%	8.57%	33.85
			2017	408	6.70%	13.67%	38.64
			2018	376	6.80%	14.00%	42.62
			2019	304	4.99%	9.91%	30.54
			Average	431.6	6.17%	14.25%	33.358

The purpose of study is to find out how much influence Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) have on Stock Prices in Manufacturing Companies in the Basic & Chemical Industry Sector.

Literature Review

The definition of return on assets according to Kasmir (2016:201) is "Return on Assets is a ratio that shows the results (return) of the total assets used in the company".

According to Fahmi (2016: 98) the notion of return on assets is: "Return on Assets is often also referred to as return on investment, because this ROA sees where the investments that have been invested are able to provide a return on profits as expected and the investment is actually the same as assets. company that is invested or placed".

Research in E-Journal of Management Vol. 9 No. 3 of 2020 entitled Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) affect Stock Return written by Ni Putu Alma Kalya Almira understanding Return On Assets is a profitability ratio that shows the company's ability to generate profits of the assets used.

Based on the definition according to these experts, it can be concluded that Return On Assets (ROA) is a profitability ratio used to measure the effectiveness of the company in generating profits by utilizing its assets. Judging from the standard value of a good ROA according to Kasmir (2017:49), it must be above the value of 30%, if the value is above 30% it means that the ROA value can be categorized as good, and vice versa if the ROA value is below 30%, it means that the ROA value can be categorized as bad. The following is the formula for calculating ROA according to Kasmir (2017:202):

$$Return\ on\ Asset\ (ROA) = \frac{EAT}{ASSET} \times 100\%$$

Research in E-Journal of Management Vol. 9 No. 3 of 2020 entitled Return On Assets (ROA), Return On Equity (ROE) and Earning Per Share (EPS) affect Stock Return written by Ni Putu Alma Kalya Almira understanding Return On Equity is a profitability ratio that describes the company's ability to provide profits for owners of capital by showing net income available for shareholder capital that has been used by the company.

According to Kasmir (2016:205). Return On Equity (ROE) is a money ratio used to measure how much equity contributes in creating net income. According to Hery (2017: 194) Return On Equity (ROE) is a ratio used to examine which companies use their resources to be able to provide a return on equity.

From the understanding of ROE according to some of these experts, it can be concluded that ROE is a return on common stock equity which is used to measure the level of profit generated from shareholder investment. Judging from the standard value of a good ROE according to Kasmir (2017: 49), it must be above the value of 40%, if the value is above 40% it means that the ROE value can be categorized as good, and vice versa if the ROE value is below 40%, it means that the ROE value can be categorized as bad. The following is the formula for calculating ROE according to Kasmir (2017:204):

$$Return\ on\ Equity\ (ROE) = \frac{EAT}{Equity} \times 100\%$$

According to Kasmir (2016:207) “Earning Per Share is income per share which describes the amount of rupiah earned for each common share. Earning Per Share is a ratio to measure the success of management in achieving profits for shareholders”.

According to Nachrowi (2016:14) "In investing in the stock exchange, investors will pay attention to various aspects, one of which is earning per share (Earning Per Share)".

Earning Per Share according to Hendrata (2018:110) is the ratio used to measure the level of dividends that will be received by investors. EPS can be obtained by calculating the ratio between profit after tax and the number of shares of common stock. EPS is one indicator that can show the company's performance, because the size of the EPS will be determined by the company's profit. The calculation of EPS according to Kasmir (2017:209) can be formulated as follows:

$$Earning\ Per\ Share = \frac{EAT}{outstanding\ shareholders}$$

According to Jogiyanto Hartono (2016: 44) shares (stock) are company ownership rights that are sold. If the company only issues one class of shares, these shares are called common stock. To attract other potential investors, a company may also issue another class of shares, namely the so-called preferred stock, which means shares that are a combination of bonds and common stock.

Meanwhile, according to Fahmi (2015: 80) “Shares are evidence of equity/fund ownership in a company. Shares are in the form of a sheet of paper with a clearly stated nominal value, company name and followed by rights and obligations explained to each holder. And is an inventory that is ready to be sold.

The previous studies make relation between Stock Prices and ROA(Ina Rinati, 2016), ROE (Fahmi I, 2016:32), EPS (Agustina L, 2015), ROA, ROE, NPM, and EPS (Edsel, et al., 2017), ROA, CR, ROE, DER, and EPS (Valintino & Sularto, 2017), State-owned banks (Vireyto & Sulasmiyati, 2017), consumption industry (Suryono, 2017) , PT Garuda Indonesia (Santy, 2017), LQ45 (Rinati ,2017), Manufacturing (Pratama&Erawati,2017), Sub residence property sector (Efendi&Bella,2017), Manufacturing in ASEAN (Ghonio, 2017), Financial Institutions (Ramdhani, 2013), PT Unilever Indonesia (Mursidah&Nurfadilah, 2016), Manufacturing (Wicaksono , 2014).

Research Methods

In writing this thesis, the object of research is the Basic and Chemical Industry Sector Companies Listed on the Indonesia Stock Exchange (Case Study of 25 Companies Period 2015 – 2019). Obtain data from the company's annual report on the IDX website: www.idx.co.id. address : Jl. Jendral Sudirman No. Kav. 52-53 RT.5/RW.3 Senayan Kec. Kebayoran Baru – Jakarta Selatan 12190.

According to Sugiyono (2016: 80) population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. The population that will be used in this study are 76 manufacturing companies in the basic & chemical industry sector for five periods, namely 2015 - 2019.

The sample in this study was using purposive sampling. According to Sugiyono (2016: 85) that "Purposive Sampling is a sampling technique of data sources with certain considerations". The reason for using the purposive sampling technique is because this sample has criteria that match the phenomena that occur. Therefore, the authors choose the Purposive Sampling technique which establishes certain criteria that must be met by the samples used in this study.

This research use time series and cross-section with 5 years and 25 companies in Chemical & Basic Industry. Thus, the data panel is corrected in this resesarch. Three tests in data panel confirm what model is the best. First, Chow test is used to determine whether the selected model is pooled least square or fixed effects. H0 is rejected if the value of the probability F is less than alpha, which is less than 0.05, where H0 is the pooled least squares model and H1 is the fixed effects model. Second, Langrange Multiplier (LM) is a test to determine whether the right model is used random effects or common effects. This test was developed by Breusch Pagan. The Breusch Pagan method for the random effect significance 56es tis based on the residual value of the OLS method. H0 is for common Effects and H1 is for random effects. Third, The Hausman test is a test used to see whether fixed effects or random effects are the best method. H0 follow random effect and H1 follow fixed effects.

Results and Discussions

Results

Table 2. Statistic Descriptives

	STOCK PRICE	ROE	ROA	EPS
Mean	2674.112	0.059701	0.022488	90.42703
Median	700.0000	0.064600	0.031600	15.00000
Maximum	22325.00	2.350200	0.157700	1183.000
Minimum	64.00000	-1.577300	-0.548500	-305.0000
Std. Dev.	4545.716	0.277277	0.091636	237.3197
Skewness	2.532788	2.815518	-3.050214	2.412219
Kurtosis	9.340271	47.98279	17.61110	9.273233
Jarque-Bera	343.0161	10703.96	1305.727	326.1909
Probability	0.000000	0.000000	0.000000	0.000000
Sum	334264.0	7.462600	2.811000	11303.38
Sum Sq. Dev.	2.56E+09	9.533446	1.041241	6983757.
Observations	125	125	125	125

Table 2 shows statistic descriptives about stock price, ROE, ROA, and EPS. Mean stock price is 2674 but the median is 700. It show that among companies have large differentiation stock price. In this analysis the 25 companies in 2015-2019, the stock prices and EPS have large differentiation and EPS as well. Mean ROE and ROA are lower than median. All variables have kurtosis and it means that among variables have large difference stock price, ROE, ROA, and EPS.Only has ROA negative skewness. Thus, it shows that many companies have less profitable. It can be conclude only several comnpanies have high price,and earnings.

Table 3. Chow Test

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	13.017280	(24,97)	0.0000
Cross-section Chi-square	180.002207	24	0.0000

Table 3 shows chow test that ho is rejected so the fixed effect is better than pool.

Table 4 Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.

Cross-section random	69.620485	3	0.0000

Table 4 shows hausman test that ho is rejected. The random effect is rejected so fixed effect is the best.

Table 5 Lagrange Multiplier

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	31.28915 (0.0000)	2.995188 (0.0835)	34.28434 (0.0000)
Honda	5.593671 (0.0000)	1.730661 (0.0418)	5.179085 (0.0000)
King-Wu	5.593671 (0.0000)	1.730661 (0.0418)	3.716490 (0.0001)
Standardized Honda	6.016213 (0.0000)	2.271324 (0.0116)	1.826051 (0.0339)
Standardized King-Wu	6.016213 (0.0000)	2.271324 (0.0116)	1.257764 (0.1042)
Gourierioux, et al.*	--	--	34.28434 (< 0.01)

*Mixed chi-square asymptotic critical values:

1%	7.289
5%	4.321
10%	2.952

Table 5 shows that fixed effect is bettter than pool regression.

Table 6. Panel Data Fixed Effect with Stock Price as Dependent Variable

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2359.182	186.6690	12.63831	0.0000
ROA	2967.428	2938.420	1.009872	0.3151
ROE	520.1970	612.5362	0.849251	0.3978
EPS	2.401299	1.110697	2.161975	0.0331
Effects Specification				

Cross-section fixed (dummy variables)

R-squared	0.884848	Mean dependent var	2674.112
Adjusted R-squared	0.852796	S.D. dependent var	4545.716
S.E. of regression	1744.064	Akaike info criterion	17.96022
Sum squared resid	2.95E+08	Schwarz criterion	18.59376
Log likelihood	-1094.514	Hannan-Quinn criter.	18.21760
F-statistic	27.60622	Durbin-Watson stat	1.515295
Prob(F-statistic)	0.000000		

Table 6 shows constant is significant with parameter 2359. It means without ROA, ROE and EPS the stock price starting on that. ROA and ROE have no significance eventhough the parameter 2967 and 520, respectively. EPS has significant under 5% probability about 0.0331. R squared explain 88,5% model can explain the stock prices. Probability of stock price under 5%. However, 11,5% can be explained by others. It can be concluded that earning, asset and equity cannot explain stock price significantly.

Discussions

All of previous studies show that EPS has significantly affected to Stock Price. However ROA and ROE still debate for the influence to stock price. Several previous studies supporting ROA and ROE impact to stock price in consumer goods industry but only ROA (Valintino&Sularto, 2016); Bank BUMN (Vireyto&Sulasmiyati, 2017); consumer goods (Suryono, 2017); only ROA in LQ-45(Rinati, 2017); Property Sector sub Residency (Bella, 2016); Manufacture in ASEAN (Ghonio, 2017) . The research supporting ROA and ROE have no impact to stock price in LQ-45 (Egam, dkk., 2017); only ROA in consumer goods (Valintino&Sularto, 2016); Manufacture in Jakarta Composite Index (Pratama&Erawati, 2016); Financial Institution (Ramdhani, 2016); Unilever Indonesia Limited Company (Nurfadilah, 2016); Manufacture in Jakarta Composite Indeks (Wicaksono, 2017). In this research the result is similar to Unilever Indonesia Limited Company, manufacture, and financial institution.

Conclusions

Overall, this study shows that ROE has no significance to stock prices in the Basic & Chemical Industry. However, ROA and EPS are significant to stock prices. Earnings compared to equity variables do not affect stock prices. Further research, ROE cannot be generalized to affect prices for companies listed on the JCI so that Basic & Chemical Industry can be found other independent.

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