

ANALYSIS OF CURRENT RATIO (CR), DEBT TO EQUITY RATIO (DER), TOTAL ASSET TURNOVER (TATO), RETURN ON ASSETS ON SHARE PRICES IN MINING COMPANIES

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ABSTRACT

The share prices of mining companies included in the LQ 45 Index are unstable because they experience increases and decreases from 2018 to 2023 (5 years). If the other independent variables remain constant, each increase is one unit Debt to Equity Ratio will reduce share prices -0.643. Then influence Total Asset Turnover to Share Prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period is a significant and positive influence. If the other independent variables remain constant, each increase is one unit Total Asset Turnover will increase the share price by 0.453. Furthermore, the influence of ROA (Return On Asset) to Share Prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period is a significant and negative effect. If the other independent variables remain constant, each increase is one unit Total Asset Turnover will lower the Share Price 1,060. and Current Ratio, Debt to Equity Ratio, Total Asset Turnover, ROA (Return On Asset) simultaneous significant effect on share prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period with a percentage of 79% means that it is 79% Current Ratio, Debt to Equity Ratio, Total Asset Turnover and ROA (Return On Asset) to Stock Price and the rest 21% influenced by factor other than the variables studied.

KEYWORDS LQ45, Share Price, CR, DER, TATO, ROA.



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INTRODUCTION

In the era of globalization, the business world is developing rapidly. This is marked by the opening of intense competition in all fields, including the world of mining. The world of mining is a world full of competition. Because Mining is part or all of the stages of activities in the framework of the management and exploitation of minerals or coal which includes general investigation, exploration, feasibility studies, construction, mining, processing and/or refining or development and/or utilization, transportation and sales, as well as post-production activities. mine. In accordance with the provisions of Law Number 8 of 1995, it regulates capital market activities and the Indonesian Stock Exchange (BEI) as official government institutions to facilitate capital market activities. Likewise, relationships with mining companies also play a role in the capital market. Mining companies can sell securities on the stock exchange and to make it easier to find out market movement conditions, the IDX issues a composite stock index (IHSG).

The LQ45 index is an index containing 45 shares that have gone through a selection process with high liquidity as well as several other criteria such as market capitalization, liquidity, company fundamental conditions and company growth prospects and other criteria. On the other hand, there are 9 mining companies that are members of LQ 45, including Indika Energy Tbk, Adaro Energy Tbk, Harum Energy Tbk, Vale Indonesia Tbk, Aneka Tambang Tbk, Timah Tbk, Bukit Asam Tbk, Indo Tambangraya Megah Tbk, Merdeka Copper Gold Tbk. Based on the background above, the researcher tries to raise this problem by taking the title: **"Analysis Current Ratio (CR), Debt To Equity Ratio (DER), Total Asset Turnover (TATO), Return On Asset (LONG) Against Share Prices "In Mining Companies on the Indonesia Stock Exchange (BEI) Lq45 Index for the 2018 - 2023 Period."**

The problems discussed in this research are limited to the following matters:

- 1) The objects studied are mining companies listed on the Indonesia Stock Exchange (BEI), especially in LQ 45 for the 2018-2023 period. Indika Energy Tbk, Adaro Energy Tbk, Harum Energy Tbk, Vale Indonesia Tbk, Aneka Tambang Tbk, Timah Tbk, Bukit Asam Tbk, Indo Tambangraya Megah Tbk, Merdeka Copper Gold Tbk.
- 2) Data *Time Series* taken from annual reports of 9 companies (Indika Energy Tbk, Adaro Energy Tbk, Harum Energy Tbk, Vale Indonesia Tbk, Aneka Tambang Tbk, Timah Tbk, Bukit Asam Tbk, Indo Tambangraya Megah Tbk, Merdeka Copper Gold Tbk. for a period of 6 years (2018 -2023).
- 3) The time of the research carried out was from June 2024 to August 2024.

Library Study

Thinking Framework

Financial performance is a description of the company's achievements or accomplishments in the financial sector in realizing the targets that have been set. On the other hand, financial performance also describes the financial condition of a company, the assets the company has, and the company's ability to gain profits. The company's financial performance is shown by the share price which is

influenced by variable liquidity, Leverages, activity, and profitability company. These variables can influence efforts to improve financial performance. variable profitability seen from indicator LENGTH/ROE shows the level of company performance. Variable Liquidity indicated with indicator current ratio (CR) , Variable Leverages is indicated by indicator debt to equity ratio (DER) as well as Variable Activity the company indicated by indicator total asset turn over (TATO) jointly or individually affect the stock price.

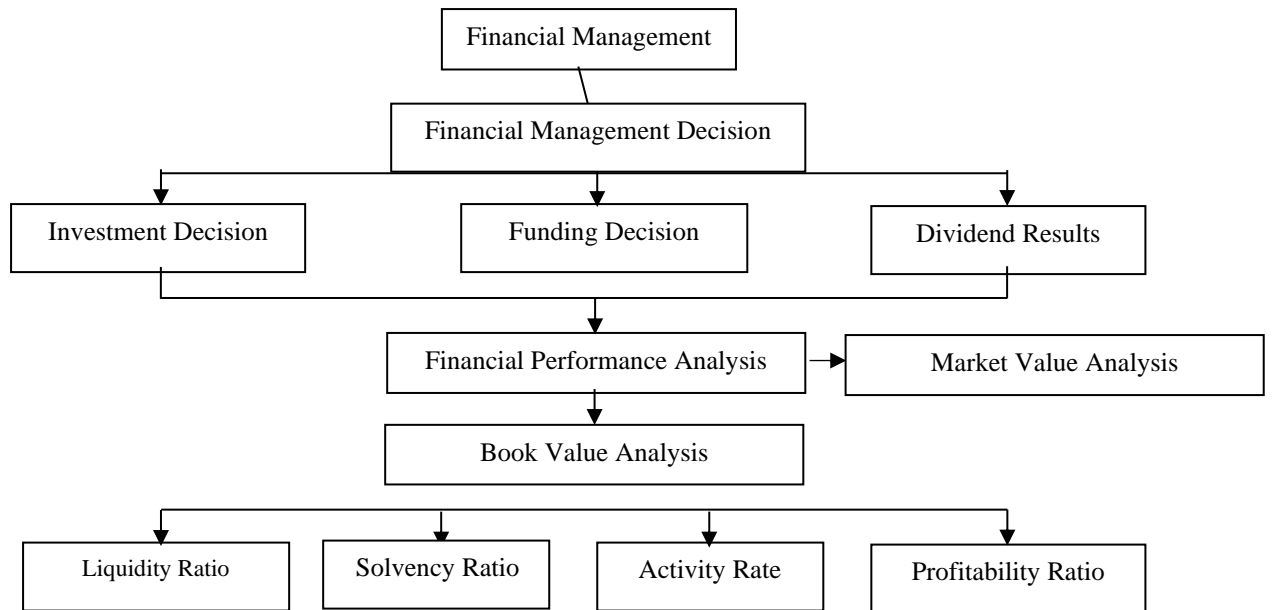


Figure 1 Thinking Framework
Source: Researcher Processing

Referring to the picture above, the paradigm is arranged as follows:

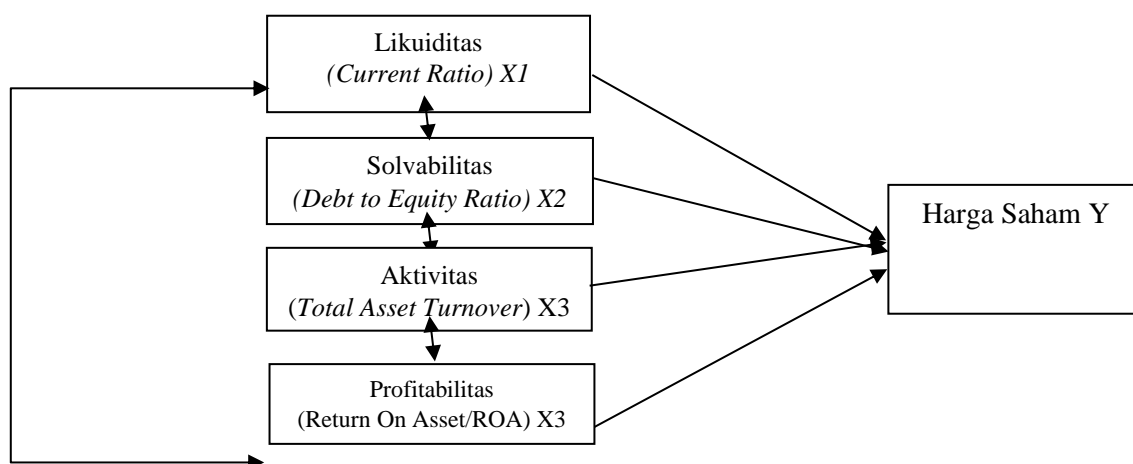


Figure 2 Research Paradigm
Source: Researcher Processing

Research Model

The relationships examined using the verification method in this research are:

1. Current Ratio (CR) influence on share prices in 9 mining companies that are members of LQ 45 BEI in the 2018-2023 period.
2. Debt To Equity Ratio (DER) influence on share prices in 9 mining companies that are members of LQ 45 BEI in the 2018-2023 period.
3. Total Asset Turnover (TATO) influence on share prices in 9 mining companies that are members of LQ 45 BEI in the 2018-2023 period.
4. ROA (Return On Asset) influence on share prices in 9 mining companies that are members of LQ 45 BEI in the 2018-2023 period.
5. Current Ratio (CR), Debt To Equity Ratio (DER), Total Asset Turnover (TATO), and ROA (Return On Asset) influence on share prices in 9 mining companies that are members of LQ 45 BEI in the 2018-2023 period.

RESEARCH METHOD

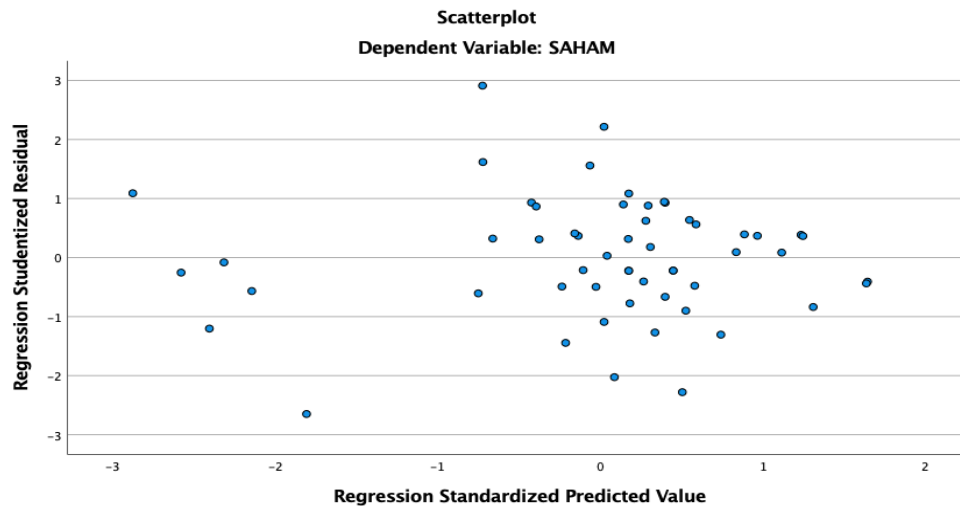
The method used in this research is the verification method, namely a method that aims to mathematically test allegations regarding the existence of relationships between variables of the problem being investigated in the hypothesis. This research uses a research design time series by focusing on Liquidity Ratio, Leverage Ratio, Activity Ratio and Profitability on share prices in mining companies that are members of the BEI LQ 45, using indicators Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Turnover (TATO), and Return On Asset (ROA) and Stock Price.

The population used is mining companies GO Public as many as 63 companies. Of the 63, 9 entered LQ45. As for the LQ45 Index has gone through a selection process with high liquidity and several other criteria such as market capitalization, liquidity, company fundamental conditions and company growth prospects and other criteria.

Secondary data used in this research are the financial reports of the LQ 45 mining company and LQ 45 Historical Share Price Data. This data is derived from variables that have been operationalized, using certain measuring scales, namely ordinal, interval or ratio scales. The data collection technique according to the type of data required is documentation. The data collected is audited LQ 45 mining company report data for the 2018-2023 period.

RESULT AND DISCUSSION

Classic Assumption Test *Heteroscedicity Test*



Based on the graphic pattern above, it can be seen that the dots spread above and below or around the number 0, the dots do not collect only above or below the number 0, the dots also do not form a wavy pattern that widens then narrows and widens again, the dots do not spread out forms a certain pattern, so it can be concluded that multicollinearity does not occur.

Multicollinearity Test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	DER	-.643	.168	-.586	-3.823	.000
	TATO	.453	.146	.422	3.095	.003
	ROA	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM

Based on the multicollinearity test above, a value was obtained tolerance (Tol) of each not less than 0.10 and nilai Variance Inflation Factor (VIF) no more than 10, then it can be said that there is no multicollinearity between the independent variables, namely Current Ratio (CR), Debt to Equity Ratio (DER), Total Asset Turnover (TATO), and Return On Asset (ROA).

Multiple Regression Analysis (Linear Multiple Regression)

This multiple regression model uses SPSS 29.0 using the Enter Method. The Enter method is a method that includes all independent variables in the regression equation. The regression equation can be seen from the SPSS 29.0 results in the table coefficients as follows:

Table 1 Multiple Linear Regression Test Results

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	DER	-.643	.168	-.586	-3.823	.000
	TATO	.453	.146	.422	3.095	.003
	ROA	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM

Source: Own processing

From the table above, the following regression equation is obtained:

$$Y = 0.409 + (0.20*CR) + (-0.643*DER) + (0.453*TATO) + (1.060*ROA)$$

Hypothesis test Current Ratio with the Share Price

Hypothesis testing is carried out using the t statistical test which aims to determine whether the Current ratio partially influences share prices. The following are the results of the t test using coefficients:

Table 2 t Test Results Current Ratio

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	THE	-.643	.168	-.586	-3.823	.000
	THIS	.453	.146	.422	3.095	.003
	LONG	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM

Source: Own processing

Based on the results of the regression analysis, the calculated t value of influence was obtained Current ratio to Share Prices of 0.168 with a significance

level of 0.868 greater from 0.05. Thus, H0 rejected, that is current ratio No partial effect on prices Shares

Hypothesis test Debt to Equity Ratio to Stock Price

Hypothesis testing is carried out using the t statistical test which aims to determine whether there is an effect Debt to Equity Ratio partially on share prices. The following are the results of the t test using coefficients:

Table 3 t Test Results Debt to Equity Ratio

Coefficients^a						
Model		Unstandardized		Standardized		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	DER	-.643	.168	-.586	-3.823	.000
	TATO	.453	.146	.422	3.095	.003
	ROA	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM
Source: Own processing

Based on the results of the regression analysis, the influence t value was obtained Debt to Equity Ratio to share prices of -0.643 with a significance level of 0.000 smaller from 0.05. Thus, H0 accepted, Debt to Equity Ratio partially influence on share prices.

Hypothesis test Total Asset Turnover to Share Prices

Hypothesis testing is carried out using the t statistical test which aims to determine whether there is an effect Total Asset Turnover partially on share prices. The following are the results of the t test using coefficients:

Table 4 t Test Results Total Asset Turnover

Coefficients^a						
Model		Unstandardized		Standardized		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	DER	-.643	.168	-.586	-3.823	.000
	TATO	.453	.146	.422	3.095	.003
	ROA	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM
Source: Own processing

Based on the results of the regression analysis, the influence t value was obtained Total Asset Turnover on share prices of 0.453 with a significance level of 0.003 smaller from 0.05. Thus, H0 rejected, Total Asset Turnover partially influence on share prices.

ROA Hypothesis Testing (Retun On Asset) to Share Prices

Hypothesis testing is carried out using the t statistical test which aims to determine whether the effect of ROA (Retun On Asset) partially on share prices. The following are the results of the t test using coefficients:

Table 4 ROA t Test Results (*Retun On Asset*)

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Say.
1	(Constant)	.409	.349		1.173	.246
	CR	.020	.122	.018	.168	.868
	DER	-.643	.168	-.586	-3.823	.000
	TATO	.453	.146	.422	3.095	.003
	ROA	1.060	.096	1.084	11.082	.000

a. Dependent Variable: SAHAM

Source: Own processing

Based on the results of the regression analysis, the calculated value of the influence of ROA (Retun On Asset) to the share price of 1,060 with a significance level of 0.000 smaller from 0.05. Thus, H0 accepted, Total Asset Turnover partially influence on share prices.

Simultaneous Test (F Test)

To be able to find out if there is influence Current Ratio, Debt to Equity Ratio, Total Asset Turnover and ROA (Return On Asset) on Stock Prices, it is necessary to test the hypothesis simultaneously which can be seen from the ANOVA table with the following results:

Table 5 F Test Results

ANOVA^a						
Model		Sum of Squares	Df	Mean Square	F	Say.
1	Regression	28.454	4	7.113	47.014	.000 ^b
	Residual	7.565	50	.151		
	Total	36.019	54			

a. Dependent Variable: SAHAM

b. Predictors: (Constant), ROA, CR, TATO, DER

Source: Own processing

Based on the table above, it can be seen that F_{count} is 47.014, the F_{count} results are compared with F_{table} with the following criteria:

H_0 rejected if $F_{count} > F_{table}$

H_0 accepted if $F_{count} < F_{table}$

So the results obtained from comparing F_{count} with F_{table} namely $47.014 > 2.55$. The conclusion is Current Ratio, Debt to Equity Ratio, Total Asset Turnover, Return On Asset simultaneous effect on share prices at the LQ 45 Mining Company.

Partial Coefficient of Determination

Table 6 Coefficient of Determination Test Results *Current Ratio*

Model Summary ^b					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.288 ^a	.083	.066		.78942

a. Predictors: (Constant), CR

b. Dependent Variable: SAHAM

Based on the table above, the magnitude of the influence Current Ratio to Share Prices $(0,288)^2 \times 100\%$, namely 8.3%, while the remaining 91.7% is influenced by other factors studied.

Table 7 Coefficient of Determination Test Results *Debt to Equity Ratio*

Model Summary ^b					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.515 ^a	.266	.252		.70644

a. Predictors: (Constant), DER

b. Dependent Variable: SAHAM

Based on the table above, the magnitude of the influence *Debt to Equity Ratio* to Share Price $(0.515)^2 \times 100\%$, namely 26.6%, while the remaining 73.4% is influenced by other factors studied.

Table 8 Coefficient of Determination Test Results *Total Asset Turnover*

Model Summary ^b					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.391 ^a	.153	.137		.75872

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- a. Predictors: (Constant), TATO
- b. Dependent Variable: SAHAM

Based on the table above, the magnitude of the influence Total Asset Turnover to Share Prices $(0,391)^2 \times 100\%$, namely 15.3%, while the remaining 84.7% is influenced by other factors studied.

Table 8 ROA Determination Coefficient Test Results (Return On Asset)

Model Summary ^b				
Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.851 ^a	.724	.718	.43335

- a. Predictors: (Constant), ROA
- b. Dependent Variable: SAHAM

Based on the table above, the magnitude of the influence Total Asset Turnover to Share Prices $(0,851)^2 \times 100\%$, namely 72.4%, while the remaining 27.6% is influenced by other factors studied.

Coefficient of Multiple Determination

Table 9 Coefficient of Determination Test Results

Model Summary ^b				
Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.889 ^a	.790	.773	.38898

- a. Predictors: (Constant), ROA, CR, TATO, DER
- b. Dependent Variable: SAHAM

Source: Own processing

Based on the R square value in the table above, you can see how big the influence is Current Ratio, Debt to Equity Ratio, Total Asset Turnover and ROA (Return On Asset) to Share Prices. Shown by R square or the square of the correlation coefficient multiplied by 100%. The R square value above is 0.790 or 79%, meaning that it is 79% Current Ratio, Debt to Equity Ratio, Total Asset Turnover and ROA (Return On Asset) to Share Prices and the remaining 21% is influenced by other factors outside the variables studied.

CONCLUSION

Influence Current Ratio on share prices in mining companies that are members of the LQ 45 Index for the 2018-2023 period has a significant and positive effect. If the other independent variables remain constant, each increase is one unit Current Ratio will reduce share prices 0,168. Influence Debt to Equity Ratio to Share Prices in Mining Companies that are members of the LQ 45 Index for the

2018-2023 period is an insignificant and negative effect. If the other independent variables remain constant, each increase is one unit Debt to Equity Ratio will reduce share prices -0,643.

Influence Total Asset Turnover to Share Prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period is a significant and positive influence. If the other independent variables remain constant, each increase is one unit Total Asset Turnover will raise the Share Price 0.453. Effect of ROA (Return On Asset) to Share Prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period is a significant and negative effect. If the other independent variables remain constant, each increase is one unit Total Asset Turnover will reduce the share price by 1,060.

Current Ratio, Debt to Equity Ratio, Total Asset Turnover, ROA (Return On Asset) simultaneous significant effect on share prices in Mining Companies that are members of the LQ 45 Index for the 2018-2023 period with a percentage of 79% means that it is 79% Current Ratio, Debt to Equity Ratio, Total Asset Turnover and ROA (Return On Asset) to Stock Price and the rest 21% influenced by factor other than the variables studied.

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