

research needed is complete data on audited annual financial statements and stock price data from 2017 to 2019. Therefore, only 8 companies are sampled while the rest do not meet the research criteria.

Based on these two criteria, it was selected as shown in table 1 below.

Table 1. Names of Food and Beverage Companies and Issuers

No	Company Name	Code
1	PT. Indofood CBP Sukses Makmur Tbk,	ICBP
2	PT. Indofood Sukses Makmur Tbk,	INDF
3	PT. Multi Bintang Indonesia Tbk,	MLBI
4	PT. Mayora Indah Tbk,	MYOR
5	PT. Prashida Aneka Niaga Tbk,	PSDN
6	PT. Nippon Indosari Corporindo Tbk,	ROTI
7	PT. Sekar Laut Tbk,	SKLT
8	PT. Ultrajaya Milk Industry and Trading Company Tbk,	ULTJ

The data in this study will be processed using the panel data regression method which is a combination of time series data and cross section data. Before the panel data regression was carried out, the classical assumption test was carried out (normality test, multicollinearity test, autocorrelation test, heterodeskitas test) and the selection of the best panel data regression model.

DISCUSSION

Research result

Description of Research Data

The research data used in this study are the financial statements of food and beverage companies listed on the Indonesia Stock Exchange for the 2017-2019 periods. This study is used to see how much influence Return On Assets, Return On Equity and Net Profit Margin have on stock returns.

The sampling technique used in this study was in accordance with certain criteria. The total population of food and beverage companies listed on the Indonesia Stock Exchange for the 2017-2019 periods, but only 8 companies that meet the sample criteria.

Stock returns

The dependent variable used in this study is stock returns. Stock return is the expected rate of return on all investments, to generate profits from the sale and purchase of shares made by the investor. The following is data from the table of stock returns on food and beverage companies listed on the Indonesia Stock Exchange for the 2017-2019 periods.

Table 2. Stock Return of Food and Beverage Companies Listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 Periods

No	Companies	Return Saham			Average
		2017	2018	2019	

1.	ICBP	0,037	0,174	0,031	0,081
2.	INDF	-0,037	-0,02	0,04	-0,006
3.	MLBI	0,163	0,17	0,012	0,115
4.	MYOR	0,227	0,297	-0,015	0,170
5.	PSDN	0,91	-0,25	0,427	0,362
6.	ROTI	-0,203	-0,06	0,016	-0,082
7.	SKLT	2,571	0,363	0	0,978
8.	ULTJ	0,132	0,042	-0,118	0,019

Source: Research Results 2022 (data processed)

Based on table 2 above, it can be seen that in general the stock returns owned by 8 food and beverage companies fluctuated because the company's stock price was different each year, depending on the use of the company. Stock returns that experience ups and downs occur because the difference between stock returns this year and stock returns in the previous year is greater than the increase in stock returns in the previous year, resulting in stock returns experiencing ups and downs. A good stock return should be one that increases every year, because stock returns are used to measure the level of profits that the company gets for a stock investment made. However, from this data, it means that the investment is not fully able to meet the stock return, so the stock price is getting weaker and the company's stock return is smaller.

Return on Assets

The independent variable used in this study is Return On Assets. Return on Assets is the company's ability to generate profits or profits on the total assets available in the company to measure the effectiveness of management in managing its investments. The following is data from the Return On Assets table for food and beverage companies listed on the Indonesia Stock Exchange for the 2017-2019 periods.

Table 3. Return on Assets of Food and Beverage Companies Listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 periods

No	Perusahaan	Return On Asset			Rata-rata
		2017	2018	2019	
1.	ICBP	11,205	13,555	13,846	12,869
2.	INDF	5,85	5,139	6,135	5,708
3.	MLBI	52,67	42,388	41,632	45,563
4.	MYOR	10,934	10,007	10,712	10,551
5.	PSDN	4,652	-6,679	-3,374	-1,800
6.	ROTI	2,968	2,894	5,051	3,638
7.	SKLT	3,61	4,275	5,682	4,522
8.	ULTJ	16,909	14,693	15,674	15,759

Based on table 3 above, it shows that the Return On Assets generally owned by 8 Food and Beverage Companies fluctuated because the net profit after tax and the total assets of the company were different each year, depending on the use of the company. However, there are only two companies that have an increasing ROA every year, namely PT. Indofood CBP Sukses Makmur Tbk and PT. Sekar Laut Tbk. Return on Assets aims to measure the effectiveness of the company in utilizing all sources of

funds which is often also called the return on investment. This of course has an effect on stock returns, because the higher the Return On Assets, the more effective the company is in utilizing its assets to generate net profit after tax.

Net Profit Margin

The independent variable (NPM) used in this research is Net Profit Margin. Net Profit Margin is used to measure how much net profit the company gets from sales each year. With Net Profit Margin we can see the extent to which the company is able to maximize sales to generate a large net profit.

Table 4. Net Profit Margin of Food and Beverage Companies Listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 periods

No	Perusahaan	Net Profit Margin			Rata-rata
		2017	2018	2019	
1.	ICBP	9,95	12,154	12,672	11,592
2.	INDF	7,33	6,76	7,706	7,265
3.	MLBI	39,002	33,559	32,496	35,019
4.	MYOR	7,834	7,316	8,148	7,766
5.	PSDN	2,297	-3,493	-2,104	-1,100
6.	ROTI	5,433	4,596	7,087	5,705
7.	SKLT	2,5127	3,057	3,508	3,026
8.	ULTJ	14,585	12,819	16,596	14,667

Based on table 4 above, it shows that most of the 8 Food and Beverage Companies' Net Profit Margins fluctuate because the profit after tax and company sales are different each year, depending on the use of the company. However, there are only two companies that have NPM increasing every year, namely PT. Indofood CBP Sukses Makmur Tbk and PT. Sekar Laut Tbk. Net Profit Margin is a ratio that shows how big the percentage of net profit obtained from each sale. This of course has an effect on stock returns, because the higher the Net Profit Margin value, the more investors like the company because it shows that the company is getting good results more than the cost of goods sold.

Multiple Linear Regression Equation

Based on the results of calculations using SPSS version 23.0 for Windows, the results are shown below.

Table 5. Multiple Linear Regression Results

Model	Unstandarized Coefficients		Standarized Coefficients	t	Sig
	B	Std Error	Beta		
Constant	0,528	0,150		3,522	0,017
Return On Asset	-0,178	0,065	-5,789	-2,757	0,040
Net Profit Margin	0,128	0,049	5,510	2,624	0,047
<i>R</i>	= 0,790				
<i>R Square</i>	= 0,624				
<i>Adjusted R Square</i>	= 0,474				
<i>F Statistik</i>	= 4,152				
<i>Sig F</i>	= 0,087				

From the table above, the summary model shows that the R square value is 0.624 which means that 62.4% of stock returns in Food and Beverage Companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 Surabaya periods are influenced by return on assets and net profit margins. The results of the calculations in this analysis using SPSS version 23.0 for Windows, the multiple linear regression equation is obtained as follows:

$$Y = 0.528 - 0.178 \text{ ROA} + 0.128 \text{ NPM}$$

From the above equation, the constant value of 0.528 means that if the return on assets and net profit margin is zero, the stock return is 0.528.

Multiple correlation analysis

To find out whether there is a relationship between return on assets and net profit margin that together affect stock returns, the magnitude of the multiple correlation coefficient (R) is calculated. The value of this correlation coefficient can be obtained by taking the root of the value of the coefficient of determination (R^2).

In the data calculation results obtained multiple correlation coefficient (R) independent variables return on assets and net profit margin on the dependent variable stock returns of 0.790 or 79.0%. Because $0 < R < 1$, this indicates that return on assets and net profit margin have a very strong and positive relationship with stock returns. The magnitude of this correlation coefficient is supported by the magnitude of the coefficient of determination (R^2), which is 0.624 or 62.4%. This shows that the return on assets and net profit margin on stock returns is 62.4% while the remaining 37.6% is influenced by other factors outside the two independent variables.

Partial correlation coefficient analysis (r)

This analysis is used to determine which of the return on assets and net profit margin has an influence on the independence of public accountants. From the data from the calculation of Partial Correlation Coefficients, it can be seen that the contribution of each independent variable (return on assets and net profit margin) to the dependent variable (stock returns) is -0.777 for net profit margin and 0.761 for return on assets.

So it can be concluded that the return on assets variable has a more dominant effect when compared to the net profit margin on stock returns, which is 0.761 or 76.1%.

F test (Test the regression coefficient as a whole)

To test the significant or not the effect of return on assets and net profit margin together on stock returns, hypothesis testing is carried out. The hypothesis test used is the F test with a significance level of 5% or 0.05)

The amount of Fcount based on the SPSS version 23.0 program for Windows is 4.152. This value must be compared with the F distribution table with a numerator value of 2 and a denominator value of 8, the confidence level used is 5% ($F_{table} (5\%; 2/8)$) and the table value obtained is 4.46 so that it is known that $F \text{ count} < F \text{ table}$, then H_0 is accepted and H_1 is rejected or in other words return on assets and net profit margin simultaneously have no significant effect on stock returns.

Hypothesis test

The Effect of Return On Assets on Stock Returns

Based on the results of the study, it was found that there was an effect of Return On Assets on stock returns in Food and Beverage Companies listed on the Indonesia Stock Exchange (IDX) for the 2017-2019 period. This result is supported by the value of

tcount for Return On Assets is 2,624 and ttable is 2,013 ($2,624 > 2,013$). The results of this study obtained a significant value of Return On Assets based on the t-test obtained to have a significant number of 0.047 (sig. $0.047 < 0.05$). So it can be concluded that the Return On Assets partially have a significant effect on stock returns in Food and Beverage Companies listed on the Indonesia Stock Exchange.

A good level of company profitability will certainly attract investors to own shares of the company, because a high return on assets will increase the rate of return enjoyed by investors. The higher the Return on Assets, the more effective the company is in utilizing its assets to generate net profit after tax. If investors' interest in buying shares of automotive company increases, the share prices of mining companies will also tend to increase, followed by a large stock return.

This research supports previous researchers conducted by Firman (2018:9) Return On Assets (a ratio that shows the results of the number of assets used in the company. Return On Assets is also a measure of the effectiveness of management in managing their investments. Companies with a Return On value High assets will attract investors to invest because a high Return On Asset company can generate a higher level of profit than companies with a low Return On Asset value. The higher the Return On Asset value, the better the company's performance on the use of its assets. .

The results of this study are in line with the results of research conducted by Sulaeman, Kusnandar, Gunawan, Widyaningrum, & Kasetyaningsih (2018); Puspitadewi & Rahayu (2016); Gunadi & Kesuma (2015) which states that Return on Assets has a significant effect on stock returns. However, it is different from the results of previous research conducted by Arista & Astohar (2012); Thrisye & Simu (2013); Widayawati (2012), stating that Return on Assets has no significant effect on stock returns.

Effect of Net Profit Margin on Stock Return

Based on the results of the study, it was found that there was an effect of Net Profit Margin on stock returns of food and beverage companies listed on the IDX for the period 2014-2019. The t-count value for Net Profit Margin is -2.757 and t-table is known to be 2.013 ($2.757 > 2.013$) from the results of this study obtained a significant value of Net Profit Margin based on the t-test obtained has a significant number of 0.040 (sig. $0.040 < 0.05$) based on the decision-making criteria, it can be concluded that is rejected and is accepted. So it can be concluded that the Net Profit Margin partially has a significant effect on stock returns in Food and Beverage Companies listed on the Indonesia Stock Exchange.

High Net Profit Margin indicates that the company is generating high profits, but investors also pay attention to other factors such as debt and tax burden of the company, if the debt and tax burden are high, investors are not interested in the company's shares. This study supports previous researchers by Kasmir (2008:200) Net Profit Margin is a measure of profit that compares profit after interest and taxes compared to sales. If the value of the Net Profit Margin is high, it will contribute to the lower stock return or vice versa changes in the value of the lower Net Profit Margin will contribute to the higher stock return. The bigger the ratio, the better, because the company is considered to get a high net profit. This gives investors confidence to own the company's shares which can increase stock returns in the future.

The results of this study are in line with the results of research conducted by Anwaar (2016); Astiti et al. (2014); Kurnia (2015); states that Net Profit Margin has a significant effect on stock returns. However, it is different from the results of previous research

conducted by Murni et al., (2014); Wasih et al., (2018); which states that Net Profit Margin has no significant effect on stock returns.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the study, the following conclusions can be drawn:

1. Return on Assets has a significant effect on Stock Returns in food and beverage companies listed on the Indonesia Stock Exchange (IDX) in the 2017-2019 periods.
2. Net Profit Margin has a significant effect on Stock Return in food and beverage companies listed on the Indonesia Stock Exchange (IDX) in the 2017-2019 periods.

Suggestion

Based on the conclusions above, in this case the researcher can suggest the following:

1. Companies should improve the company's performance in order to be able to compete in gaining the trust of investors so as to make it easier to obtain capital from outside the company. The better the company's performance can be reflected in the greater the value of Return On Assets, so companies need to increase the value of Return On Assets to gain the trust of investors.
2. The company is expected to improve the company's performance each year by further increasing the value of the Net Profit Margin. By increasing net income and net sales so as to be able to attract investors to invest in the company.

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