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The influence of fundamental factors on stock price in food and beverage subsector companies listed on the IDX for the 2017-2021 period

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ABSTRACT
This study aims to specify: To analyze the effects of leverage, liquidity, and profitability on stock prices of food and beverage companies listed on the Indonesia Stock Exchange for the 2017-2021 period. This type of research is descriptive and associative research. The population of this study are Food and Beverage Companies listed on the Indonesia Stock Exchange for the range of 2017-2021 period. The sampling technique used was Total Sampling with a total sample is 15 companies. Data analysis used the t-test and F-test, assisted by Reviews program version 8. The results showed that: Leverage has no significant effects on stock prices. Liquidity has no significant effect on stock prices. Profitability has a significant effect on stock prices. Leverage, Liquidity, and Profitability together have significant effects on Stock Prices.

Keywords: Debt to equity ratio, current ratio, return on asset

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INTRODUCTION
The capital market or what is often called the stock exchange was founded before Indonesia's independence, in 1912 or the Dutch era, Batavia. The capital market was established for the benefit of the VOC (Vereenigde Oostindische Compagnie) government. With the aim of making the exchange competitive, the capital market did not operate according to expectations and even stopped for a while. After going through several years of not developing and growing this capital market, the Government of the Republic of Indonesia redeveloped this capital market in 1977.

The Indonesia Stock Exchange (IDX) is a combination of stock exchanges or capital markets and was once one of the best stock exchanges in Southeast Asia in 1996. The likelihood of substantial expansion in the Indonesian capital market is owing to international investors' desire to enter the Indonesian capital market. The existence of a modal market is very beneficial to both economists looking for alternative funding for their projects and investors looking to invest in it. The capital market provides a forum for investors and companies for public offering activities and trading securities to the public. For companies that need funds for their operational activities, investors will analyze and select the shares to be purchased, thereby increasing the number of companies listed in the Indonesia Stock Exchange along with the transaction.

A variety of securities are traded in the capital market, the most common of which are stocks, bonds, mutual funds, and derivative instruments. Among the securities that have requested the most from investors currently in the capital market are stocks, stock is being proved by the ownership of the value of the company that includes a sign of capital in a company with benefits that can be obtained. Stock is obtaining ownership of assets in a certain business stating the nominal value, the name of the company where the investment is made, and the rights and obligations of the capital holder are clear (Raharjo, 2021). Stocks have a large risk compared to other securities. However, stocks have a very large level of profit when investors make large investments in a company.

Companies can obtain funds from investors through the stock exchange. Stock exchanges are an option for companies to obtain funds other than from banks and other financing institutions. However, investors will not provide their funds without considering the maturity of a company. This is what investors evaluate when investing and is a determining factor for prosperity, namely stock prices (Kosasih & Setyawan, 2022).

Markowitz (1952) revealed *"high return high risk, no return no gain"* that the risk is considered as the problem that most investors do not like but considering it in one tradeoff is the most optimal method. Sacrificing or eliminating one aspect with the excuse of getting another aspect with a different quality is the choice taken, and then the risk and return will be between him later. By including their capital, investors can have claims on the assets and income of the company.

According to Ghozali et al., (2021) every change in economic conditions, both micro and macro, will encourage investors to implement strategies that must be implemented to continue to earn returns. In investing, investors must look at various aspects before buying these shares, namely technical and fundamental aspects. The technical aspect means that investors analyze stocks based on historical price data that appear on the stock market. Investors can learn about the pros and cons of selling stocks. This indicator is commonly used by traders who make short-term investments. The fundamental aspect is one of the aspects that will examine the financial position of a company. Along with the aim of understanding the nature of a company, this aspect also provides investors with an overview of the stocks they invest in.

The stock price is a price set by a company for a stock ownership certificate in their company. (Hapsari, 2019) suggests that the stock price is the price agreed upon by exchange members who make offers and requests from the offer price (the lowest bid price to be sold and the bid price (the highest asking price to be purchased). Investors or other investors can identify a company as having succeeded in selling its stock by looking at its stock prices, which serves as the single best indicator of how successful it was in selling its stock. The business competition in the world is getting more and more volatile; in these circumstances, it is up to the competitors to improve their performance using various ideas. Currently, the business world is also very dependent on funding issues, there are opinions that in order to spur economic growth, the real sector must be stimulated, even though there are still many obstacles faced by companies, one of the most important of which is funding. When a company has good management, there will be many investment possibilities, which encourages investors to invest in businesses.

The Indonesia Stock Exchange currently has 9 corporate sectors which makes it a place to buy and sell shares in the capital market for investors who want to do the infestation. Of many sectors and sub-sectors in the Indonesia Stock Exchange, the author is more likely interested in research on the Food and Beverage sub-sectors which are in the Consumer Good Industry Sector. As can be seen in the graphic below, there is a graph that shows the Consumer Good Industry sector's stock prices, which is the reason for choosing the food and beverage sub-sector.

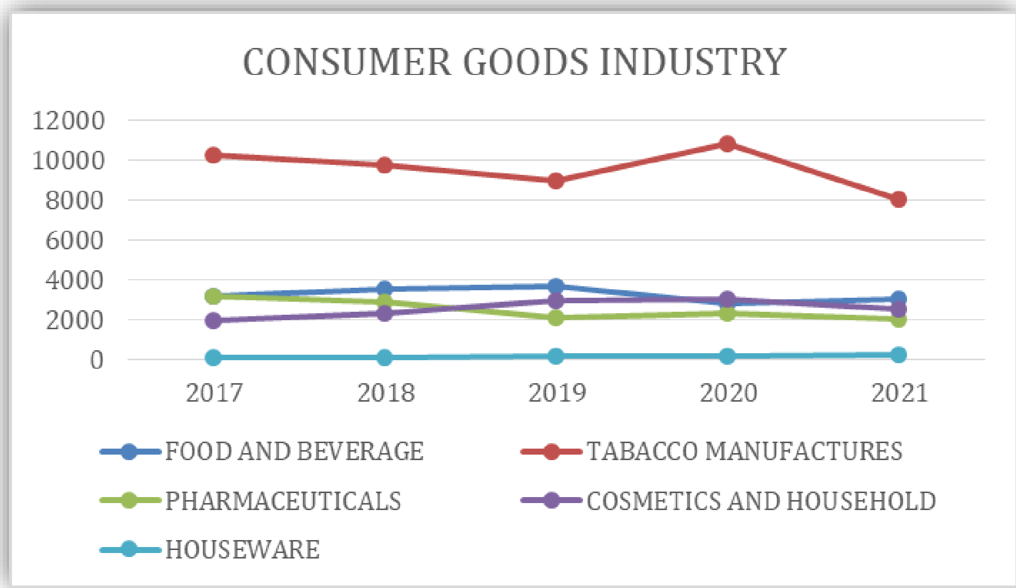

FIGURE 1. Graph of 2017-2021 Consumer Good Industry Sector Stock Prices

From the graph above, we can see in Figure 1 show the five companies from the Consumer Good Industry sector will always experience changes in stock prices. However, in 2020, it can be seen, that when the other four companies experienced an increase in stock prices, food and beverage companies experienced a decrease in sharing prices. Compared to the Houseware company which has the lowest stock prices, this company can be said to be quite stable every year. So, looking at 2020 when all companies experienced an increase in stock prices while food and beverage experienced a decline, I need to observe and examine again what happened to food and beverage stock prices.

TABLE 1. Stock Prices Companies of Food and Beverage in the Indonesia Stock Exchange

NO	CODE	STOCK PRICES				
		2017	2018	2019	2020	2021
1	AISA	476	168	168	390	192
2	ALTO	388	400	398	316	252
3	BUDI	74	78	89	93	173
4	CEKA	1.290	1.375	1.670	1.785	1.880
5	DLTA	4.590	5.500	6.800	4.400	3.740
6	ICBP	8.900	10.450	11.150	9.575	9.550
7	INDF	7.625	7.450	7.625	6.850	6.325
8	MLBI	13.675	16.000	15.500	1.355	7.800
9	MYOR	2.020	2.620	2.050	2.710	2.040
10	PSDN	256	192	157	130	155
11	ROTI	1.275	1.200	1.300	1.360	1.360
12	SKBM	715	695	410	324	360
13	SKLT	1.100	1.550	1.610	1.565	2.420
14	STTP	4.360	4.200	4.500	9.500	7.550
15	ULTJ	1.295	1.350	1.680	1.600	1.570
RATA-RATA		3.203	3.549	3.674	2.797	3.024

Table 1 shows that the stock prices of food and beverage companies have fluctuated. The highest increase in stock prices was in the company Multi Bintang Indonesia Tbl (MLBI) in 2018 at a price of IDR 16,000/share. The company that was able to maintain stable stock prices for the 2017-2021 period was PT Wilmar Cahaya Indonesia Tbk (CEKA). The lowest stock prices in the 2017-2021 period occurred in the company Budi Starch & Sweetener Tbk (BUDI), although it has increased little by little. However, compared to 15 other companies, BUDI has the lowest stock prices.

Many are the influence of increasing or decreasing stock prices, one of which is Leverage, because the superior the leverage in the company, the greater investment risk that occurs. In addition, liquidity and profitability are also a consideration for investors to sort out the stock price of the company. So, it is important for me to try to observe a number of factors that can affect stock prices.

According to Tandelilin (2010), stock price movements can be influenced by fundamental factors owned by the company. Fundamental factors are a number of variables that support the existence of the company. Stock prices are also being influenced by fundamental factors, business financial management with indicators of financial ratios in the company.

Stock prices also affect the measure of the leverage that is generated by the company. Leverage is a way or method that leads to debt. In other words, leverage is borrowing capital to carry out company activities. Leverage can be understood as an estimate of the risks inherent in the company. This means the higher the leverage, the higher the investment risk. Leverage can be measured by the Debt to Equity Ratio (DER). It measures how much money a financial company earns from its liabilities in its assets.

Every company has a performance that must be achieved, and it is this performance that limits a company's ability to grow and expand its day-to-day operations. Liquidity means the leeway or speed with which an asset is converted into cash and will affect its market value. Liquidity is a factor that drives changes in stock prices. One of the liquidity indicators used in this test is the Current ratio (CR). The current ratio (CR) is the ratio used to show a company's ability to reduce financial obligations immediately by using current liabilities (Khanani & Soekotjo, 2018).

Profitability is the profit obtained by the industry that influences stock prices. The greater the number of industries that profit, the greater the number of divisions distributed to investors so that stock prices will also increase (Darmawan et al., 2019). The profitability of these shares can be assessed in several ways depending on the profit and assets to be compared. With increasing profits, the stock price also increases. As a company becomes more productive in terms of generating revenue, the value of its stock will rise.

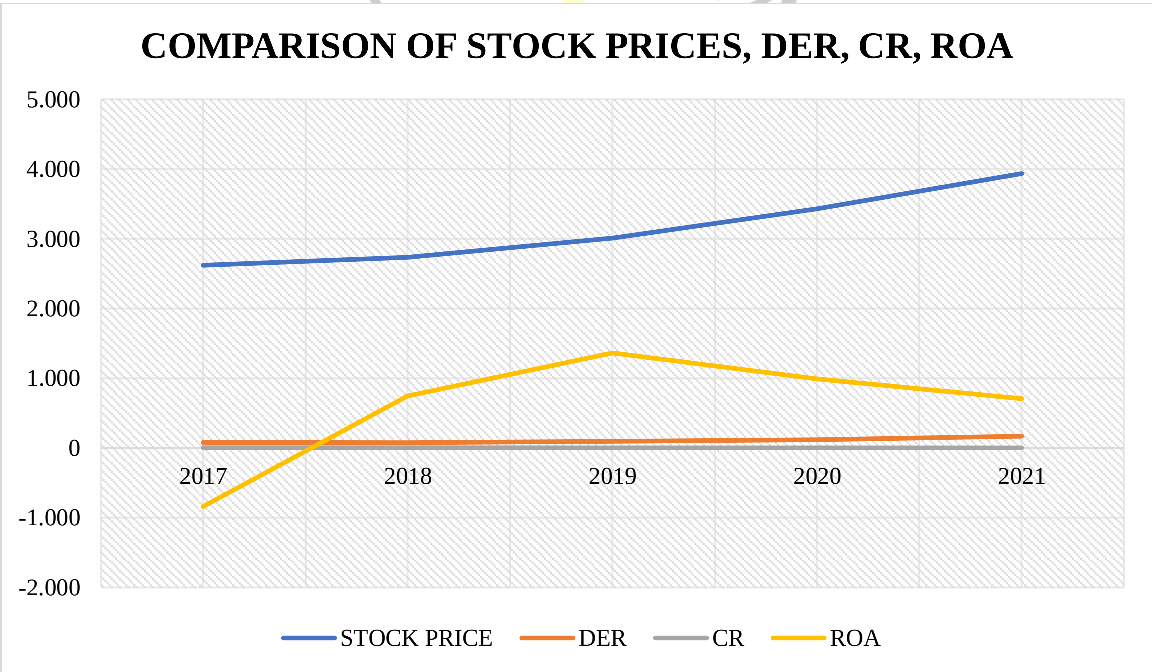

FIGURE 2. Graph of Comparison of Stock Prices, DER, CR, and ROA of Food and Beverage Companies 2017-2021

From Figure 1 above, you can see the graph above presents how fluctuations occur from a comparison of stock prices, Debt to Equity Ratio (DER), Current Ratio (CR), and Return on Assets (ROA) during the 2017-2021 period. It can be seen that the DER in particular has experienced a fairly high increase in 2020 to 2021 from prices of 115.47 to 170.20 which if it occurs higher will affect investment risk for investors who will invest. It can be concluded that stock prices fall when the Debt to Equity Ratio (DER) rises. The Current Ratio (CR) didn’t experience a significant increase or decrease. However, a high Current Ratio (CR) will increase investor interest.

LITERATURE REVIEWS

The Debt to Equity Ratio is a ratio that is used to calculate overall debt and capital. This ratio is found by comparing all money, including current debt, with all equity. This ratio can be interpreted to mean that the level of liquidity can occur due to the difference between the price offered by the seller and the price the buyer is willing to pay. The company strives to ensure that ROA (Return on Assets) can always be increased because the higher the ROA (Return on Assets) shows the more effectively the company is utilizing its assets to generate net profit after tax and as ROA (Return on Assets) increases, the company's profitability will be better. To determine the influence of Leverage, Liquidity, and Profitability on Stock Prices, it is necessary to know the relationship between the variables raised based on existing theory and studies.

Effect of Leverage on Stock Prices

In signaling theory, companies that have profit prospects prefer to add new capital through debt rather than selling stock. This is done so as not to share the benefits of future developments. These developments can give investors good or bad signals to increased or decreased risk in the future. Leverage can be interpreted as an estimate of the risk inherent in a company. This means the higher the leverage, the higher the investment risk.

Based on the theory above, this is supported by Dewi & Adiwibowo (2019) who gives the result that leverage negatively affects stock prices, and most equity investors do not invest in companies with high leverage. Because the yield received is low, it gives a bad signal to investors and causes fluctuations in stock prices. The higher the leverage, the stock price will decrease. Therefore, the formulation of the proposed hypothesis is:

H1: Leverage is suspected to have a valuable effect on the sharing price of the Food and Beverage companies listed on the Indonesia Stock Exchange in the range 2017-2021.

Effect of Liquidity on Stock Prices

This ratio can be interpreted as the level of liquidity that can arise from the difference between the price that is being offered for sale and the price that is willing to be paid by the buyer. The higher the difference between the two prices, the less liquid the asset is, or it can be said that the asset will sell for a long time. Differences in liquidity can also occur due to differences in investor sentiment towards the company. The more attractive the stock is in the eyes of investors and traders, the more it will be traded. Which means the stock will become more liquid.

Aura & Efrianti (2021) The Current Ratio (CR) has a negative effect on stock prices, this occurs because liquidity can be described as the shape of the ratio experienced by a company due to the ability and inability to fulfill the short-term obligations, thereby disrupting company activities. Therefore, the formulation of the proposed hypothesis is:

H2: It is suspected that Liquidity has a valuable effect on Stock prices of Food and Beverage Companies listed on the Indonesia Stock Exchange in 2017-2021.

Effect of Profitability on Stock Prices

Profitability is a company's capability to create income over a specific time range. The company's profitability shows the comparison between its profits and the assets or capital that generate those profits. Profitability is also a performance indicator in which management manages the company's assets with the resulting profit. As profits increase, stock prices also increase. The more productive a company's assets are in generating profits, the higher the company's stock price will be.

Based on the theory above, which is supported by research conducted by Inry Margaretha et al. (2021) ROA (Return on Assets) has a positive influence on the stock prices of food and beverage companies. The higher the ROA (Return on Assets) value, the higher the stock price, and the lower the ROA (Return on Assets), the lower the stock price. Therefore, the formulation of the proposed hypothesis is:

H3: It is suspected that Profitability has a significant effect on Stock prices in Food and Beverage Companies listed on the Indonesia Stock Exchange in 2017-2021.

METHODS

Research Instrument and Data Analysis Technique

This study used a quantitative research approach. Quantitative research is research that is carried out systematically (statistically), planned, and structured using theories related to natural phenomena. Arikunto (2006) put forward quantitative research, namely the existing research approach, starting from collecting data, interpreting the data obtained, and presenting the results. Quantitative research is considered complete, if after all the planned data can be collected.

This type of research used associative and descriptive research design. The result will be known whether the variables studied are interrelated and correlated with each other or not, also knowing whether the variables are significant or not. Descriptive research is research conducted to determine the value of an independent variable, one variable, or more without making comparisons or connecting one variable with other variables.

Sample and Population

This study uses the Total Sampling method to draw samples. Total Sampling is a technique where the entire population is taken as a data sample to be measured or observed. Based on the selection of the characteristics of the existing population, 15 Food and Beverage companies were found on the Indonesia Stock Exchange for the range 2017-2021 period which were based on 2017 and will be used entirely with sample selection and total Sampling. Through non-observation of the company, the sample under study will be multiplied by the number of years of research, namely (n x research period = 15 x 5 = 75) the data will be used to support the author's research this time.

Location

Based on the required needs, this research will be conducted in July 2023 with the approval and guidance of the supervisor. This research, research will be conducted on Food and Beverage Subsector companies listed on the Indonesia Stock Exchange (IDX) in the range 2017-2021 through the official website of the Indonesia Stock Exchange *www.idx.co.id, www.yahoofinance.co.id,* and several other official websites that will support the author's research. Data analysis using Multiple Linear Regression Analysis and Hypothesis Testing using t-test and f-test. The data was processed with the assistance of the Eviews Version 8 programs.

RESULTS AND DISCUSSION

RESULTS

The following results of the study with the t-test and f-test can be seen as follows:

Table 1. T Test

Dependent Variable: HS
Method: Panel EGLS (Cross-section random effects)
Date: 07/15/23 Time: 19:54
Sample: 2017 2021
Periods included: 5
Cross-sections included: 15
Total panel (balanced) observations: 75
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	80.97075	41.79997	1.937101	0.0567
DER	-0.005995	0.054173	-0.110669	0.9122
CR	29.36889	24.93549	1.177795	0.2428
ROA	-1.005055	0.255347	-3.936044	0.0002

From the table above, it shows the magnitude of each independent variable that affects the dependent variable, as follows:

As a result, the Nilai t table can be used is 1.993 with a probability value of 0.9122. The calculated t value of Leverage or the Debt to Equity Ratio (DER) is -0.110, Compared to the value of the t table, it is proven -0.110 < 1.993 which means the t calculated the value is smaller than the t table. It can be concluded that leverage is negative and has no significant effect on stock prices. This shows that a low DER will be able to increase stock prices. Because the company is able to pay its obligations, this will reduce the risk of using company funding.

As a result, the Nilai t table that can be used is 1.993 with a probability value of 0.2428. The t-calculated value of Liquidity or Current Ratio (CR) is 1.178, comparing to the value of the t table, it is proven to be 1.178 < 1.993 which means the calculated t value is smaller than the t table. It can be concluded that liquidity is positive and has no significant effect on stock prices. This shows that a low CR will affect the company's ability to fulfill its short-term obligations. Thus, the price of the shares in question will decrease.

As a result, the Nilai t table that can be used is 1.993 with a probability value of 0.0002. The calculated t value of Profitability or Return on Assets (ROA) is -3.936, Compared to the value of the t table, it is proven -3.936 < 1.993 which means the calculated t value is smaller than the t table. It can be concluded that profitability is negative and has a significant effect on stock prices. This shows that the company is able to generate large profits and will make stock prices increase. Because a high ROA will be important information for investors.

Table 2. F Test

	Effects Specification		
		S.D.	Rho
Cross-section random		148.1932	0.8647
Idiosyncratic random		58.62281	0.1353
	Weighted Statistics		
R-squared	0.170691	Mean dependent var	16.94203
Adjusted R-squared	0.135649	S.D. dependent var	65.03435
S.E. of regression	60.46273	Sum squared resid	259557.6
F-statistic	4.871139	Durbin-Watson stat	1.234806
Prob(F-statistic)	0.003883		

It could be obtained that the f table value is 2,73 with a probability value of 0,0034. According to the table above, the calculated f value is 4,87. When compared with the f table value, it is proven to be 4,87 > 2.72, which means that the estimated f value exceeds the t table. It is possible to infer that the hypothesis is accepted, and it is said that leverage, liquidity, and profitability have a major influence on stock prices when combined. This shows that the resulting regression model is suitable (fit) criteria.

Table 3. R-Square

	Effects Specification		
		S.D.	Rho
Cross-section random		148.1932	0.8647
Idiosyncratic random		58.62281	0.1353
	Weighted Statistics		
R-squared	0.170691	Mean dependent var	16.94203
Adjusted R-squared	0.135649	S.D. dependent var	65.03435
S.E. of regression	60.46273	Sum squared resid	259557.6
F-statistic	4.871139	Durbin-Watson stat	1.234806
Prob(F-statistic)	0.003883		

The R-square value is 0.17, this shows that variable Y is influenced by 17% by Leverage, Liquidity, and Profitability. In this research model, the Stock Price variable (Y) is influenced by Leverage (X1), Liquidity (X2), and Profitability (X3). Meanwhile, the remaining 87% are likely influenced by other variables not used in the research model.

DISCUSSION

Based on the results of the investigation, certain recommendations can be made to address the issues raised during the investigation as follows.

The Effect of Leverage on Stock Prices in Food and Beverage Subsector Companies Listed on the IDX for the 2017-2021 Period

Based on the calculation results of the hypothesis test analysis, a t-count value of -0.110 can be obtained, so -0.110 < 1.993, which means the t-count value is smaller than the t table. From these values, it can be proven that Ha is rejected and H0 is accepted. The results of this test are in accordance with the researcher's first hypothesis (H0) where negative leverage does not have a significant effect on stock prices. When the Debt to Equity Ratio (DER) decreases, stock prices increase. This is important information for investors. However, Debt to Equity Ratio (DER) is not the main consideration for investors when buying shares in a company. So, it can be interpreted that the Debt to Equity ratio cannot be used as a basis for determining the rise and fall of stock prices.

This shows that the companies used as samples are companies that are still able to carry out their operations and can generate company profits not only from debt funds. Investors do not see how much debt a company has, whether the debt is large or small, that is not a concern for investors. So, it will not affect the stock prices. This statement is supported by the Pecking Order Theory proposed by Donaldson in 1961 and modified by Stewart C. Myers and Nicolas Majluf in 1984, which states that companies prioritize their financing sources from internal to equity. It is best for companies to reduce debt, because having debt is risky for the company.

Good economic growth and property business will make investors focus more on the profits generated by the company. Apart from that, the increase in stock prices could be due to other external factors. For example, investor psychology, one of these phenomena is Panic Selling where an investor simultaneously sells his shares because he panics after hearing rumors whose truth is not yet known. Another factor is manipulation by the dealer, namely by buying as many shares as possible to raise the stock prices, and then selling them when they have reached the previous target price.

This research is in line with Arumuninggar and Mildawati (2022) who stated that leverage (Debt to Equity Ratio) has no effect on stock prices. This can happen because the rise and fall of the Debt to Equity Ratio (DER) does not affect stock prices and investors do not see the leverage variable and determine the decision to buy or sell their shares. Likewise, research by Utami and Darmawan (2018), states that testing the independent variable Debt to Equity Ratio (DER) on the dependent variable stock price has no effect, so H1 is rejected. This means that the size of the value of Debt to Equity ratio (DER) in the company has not been able to affect the high and low stock prices.

The Effect of Liquidity on Stock Prices in Food and Beverage Subsector Companies Listed on the IDX for the 2017-2021 Period

Based on the calculation results of the hypothesis test analysis, a t-count value of 1.178 can be obtained, so 1.178 < 1.993, which means the t-count value is greater than the t table. From these values, it can be proven that Ha is rejected and H0 is accepted. The results of this test are in accordance with the researcher's first hypothesis (H0) where positive liquidity has no significant effect on stock prices. High liquidity will show the company's ability to fulfill its short-term obligations, it can be said that the Current Ratio (CR) is liquid. In this case, it is very important to make the decision to pay dividends to shareholders. It is good information for long-term investors who see that the Current Ratio (CR) is liquid, and it is not something that short-term investors need to pay attention to whether the company is liquid or not.

A low Current Ratio will indicate a liquidity problem in the company. A low current ratio will reduce the stock prices of the company concerned because investors will choose shares of companies that have high liquidity. There is no absolute statement about a company's current ratio which is considered good or must be considered by a company because it depends on the type of business (Dirman, 2020). The liquidity ratio used by the company in using current assets to meet its current obligations, if debt exceeds current assets, then the company cannot cover its debt obligations.

The stock prices themselves will increase not only from the company's liquidity but can also be influenced by other factors. Such as market forces, developing issues, and the social, economic, and political environment. Potential investors must also pay attention to the policies that have been made by the government, such as interest rate movements, fluctuations in currency exchange rates, and so on, because these other things can affect stock prices. Thus, information is very important for investors and market players in providing company information on the past, present, and future.

This test is the same line with research conducted (Aura & Efrianti, 2021) interruption of business operations. Likewise with the research conducted (Faleria et al., 2017) stated in their research that the Current Ratio (CR) has no effect on stock prices. This is influenced by industry characteristics and other factors that occur during capital transactions. Judging from the nature of this stock price, it can change and will reflect the value of a company.

The Effect of Profitability on Stock Prices in Food and Beverage Subsector Companies Listed in the IDX for the range 2017-2021 Period

Based on the calculation results of the hypothesis test analysis, a t-count value of -3.936 can be obtained, so -3.936 < 1.993, which means the t-count value is smaller than the t table. From these values it can be proven that Ha is accepted and H0 is rejected, the results of this test are in accordance with the researcher's second hypothesis (Ha) where negative profitability has a significant effect on stock prices. The better the company's ROA, the higher the company's stock prices. This is shown by the profits generated from sales and investment income. The company's success can be seen from the company's ability to generate profits.

Return On Assets (ROA) is a description of a company's ability to generate profits. Market players are not only fundamentalists who look at the company's fundamentals but can also look at stock price charts on the stock exchange. Return On Assets which have a significant relationship can be used as a reference for the increase or decrease in stock prices in a company. This means that the company is able to earn high profits. Good profitability will provide a positive signal for investors in assessing a company. If the company shows good conditions, it will attract investors to obtain high profits.

From the investor's perspective, company profits are an important indicator in assessing company performance. By knowing the extent of profits that can be obtained from investments made by investors. Investors hope that the company will be able to provide a profit return that is in line with the existing level. Investment expenditure provides a good picture for the company. This will also be positive information for market players. So, it will attract investors to invest their capital, because it will have a good impact and make stock prices rise in the capital market. When demand for shares increases, it will be in line with the increase in stock prices.

The study is similar to or parallels the work of Dewi and Adiwibowo (2019) who argue that it can be concluded that Return on Assets has a substantial impact on stock prices. This shows that increasing profitability will increase stock prices because a high level of profitability is the reason investors and market participants are interested in shares in these companies. Likewise, Auliya and Yahya (2021) state that Return on Assets (ROA) has a substantial impact on stock prices. This means that Return on Assets (ROA) affects stock prices because good asset utilization results in large profits. The higher the ROA, the company will make a profit and the company's performance will run well.

The Effect of Leverage, Liquidity, and Profitability on Stock Prices in Food and Beverage Sub-Sector Companies Listed on the IDX for the 2017-2021 Period

Based on the results of the calculation of the hypothesis test analysis, it is known that the calculated f value is 4.87. Compared with the proven value of f table 4.87 > 2.72 which means that the calculated f value is greater than the t table value. The hypothesis is acceptable, and it can be recapitulated that the leverage, liquidity, and profitability have a substantial impact on the price of stock. This is because investors want to invest their funds by considering various factors. In particular, the leverage factor, liquidity factor, and profitability factor. Leverage and liquidity do not affect stock prices because of the low level of leverage and liquidity. On the other hand, profitability refers to the company's success in generating profits.

CONCLUSIONS AND SUGGESTION

CONCLUSIONS

Based on the findings and conclusions of the study of Leverage, Liquidity, and Profitability on Stock Prices in Food and Beverage Subsector Companies Listed on the IDX for the 2017-2021 period which has been carried out using the Eviews 8 tools. The following are the findings of this study

1. Based on the results of the study it can be concluded that leverage has no significant effect on gold prices. Therefore, it can be explained that the debt ratio cannot be used as a benchmark to determine stock price fluctuations. This shows that the sample companies are still operating and are able to generate company profits from debt money. Investors don't care what the company's debt is, how big or small the debt is. Instead, the company reduces its debt because debt is risky for the company.
2. The results of this test indicate that liquidity has no significant effect on stock prices. A low current ratio indicates liquidity problems in the company. When the current ratio is low, investors choose shares of companies with high liquidity, so that the company's stock price falls. Potential investors must also pay attention to government policies such as interest rate fluctuations, exchange rate fluctuations, etc. Because these are other things that can affect the stock price.
3. Profitability has a substantial impact on stock values. Sales and investment results prove it. Return on assets (ROA) is a picture of a company's ability to generate income. A market participant may be a fundamentalist or look at stock market charts, not just company fundamentals. ROA may be used to track the growth and fall of a company's stock price. This will be positive information for market participants as well. When the demand for a stock increases, it coincides with an increase in the price of the stock.
4. The hypothesis is acceptable and it can be recapitulated that the leverage, liquidity, and profitability have a substantial impact on the price of the stock. This is because investors want to invest their funds by considering various factors. In particular, the leverage factor, liquidity factor, and profitability factor. Leverage and liquidity do not affect stock prices because of the low level of leverage and liquidity. On the other hand, profitability refers to the company's success in generating profits.

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