

ABSTRACT

Veronica. 193311010014. Effect of Return on Equity (ROE) and Earning Per Share (EPS) on Stock Prices with Price Earning Ratio (PER) as Moderating Variable in Banking Companies Listed on the Indonesia Stock Exchange

The development of technology in Indonesia is growing rapidly. With the development of technology, it is easier for the community, especially the younger generation, to invest through stock investments that can be accessed easily using the internet. With the facilities available at this time, every company, whether in the same business or a different business, will compete to maintain the existence of the company. One way to maintain the existence of a company is by paying attention to the company's financial ratios. The way to pay attention and maintain good financial ratios can be realized by increasing company profits. On the other hand, there are several factors that can cause a decrease in profits in a company. One of the factors that caused the decline in profits, which was caused by an error in the company's management. In the financial statements of private national banks on the Indonesia Stock Exchange (IDX), there are various values of Return on Equity (ROE), Earning Per Share (EPS), Price Earning Ratio (PER), and stock prices. The purpose of the research conducted in this study was to determine the effect of Return on Equity (ROE) and Earning Per Share (EPS) on stock prices, and to determine whether the Price Earning Ratio (PER) was able to moderate the effect of Return on Equity (ROE) and Earning Per Share. Share (EPS) of share prices in private national banking companies on the Indonesia Stock Exchange (IDX) either partially or simultaneously.

The method used in this research is multiple linear regression analysis method and is a quantitative research. The population in this study are all financial statements on the Indonesia Stock Exchange (IDX) and the sample for this study is the financial statements of 9 national banking companies (government banks) on the Indonesia Stock Exchange (IDX) in the period 2018 to 2020 which are described in the annual report. The data collection technique used is the study of documentation in the form of company financial statements in the form of quantitative data. The results of this study indicate that Return on Equity (ROE) partially has a negative and insignificant effect on stock prices, Earning Per Share (EPS) simultaneously has a positive and significant effect on stock prices, Price Earning Ratio (PER) is not proven to moderate the relationship between Return on Equity (ROE) on stock prices, and Price Earning Ratio (PER) is not proven to moderate the relationship between Earning Per Share (EPS) on stock prices in banking companies on the Indonesia Stock Exchange (IDX) in 2018 - 2020 .

Keywords : Return on Equity (ROE), Earning Per Share (EPS), Price Earning Ratio (PER), Stock Price