Financial Characteristics of Stock Performance on the Indonesian Stock Exchange

Ni Nyoman Sawitri[a], [a]Universitas Trilogi, Jakarta, Indonesia, Email: [a]ninyoman.sawitri@gmail.com

This research aims to determine the effect of financial characteristic of projected funding decisions with debt to equity ratio, operational decisions are projected with return on assets and investment decisions that are projected with current assets to total assets. The sample for this research is property company, real estate and building construction which listed on the Indonesia Stock Exchange during the period from 2012 to 2016. A purposive sampling method was used and analysis done with multiple regression. The results of this study indicate that: debt to equity ratio, return on assets and current assets to total assets partially have a positive influence on the dividend payout patio; debt equity ratio has a positive effect on stock prices; return on assets has no effect on stock prices; and current assets to total assets has a negative effect on stock prices.

Introduction

The growth of a company plays an important role in the Indonesian economy in order to build a better economic system. More growing companies will have a positive impact on the development of Indonesia's economic recovery (Taofiqkurochman & Konadi, 2012). It is necessary for companies to have a good performance and value because the main purpose is to increase the value of the company. Brigham & Ehrhardt (2002), Gitman, (2000), Van Horne & Wachowicz, (2000) argue that corporate management through the role of financial managers has a goal to increase the value of the company as this will increase the wealth of owners or shareholders through the implementation of financial decisions which consist of investment decisions, funding and dividend policies.

The greater the dividend distributed to shareholders, the performance of the issuer or company will be considered better. In the end a company that performs well is considered profitable and of course the assessment of the company will be better too. This is usually reflected through the stock price of the company (Taofiqkurochman & Konadi, 2012). In line with that, Senata (2016) considers that dividend policy affects the value of the company, where every increase in dividend value also contributes to an increase of the company value. Sartini & Purbawangsa (2014) also pointed out that dividend affects the value of the company, whereas the higher dividend payout to shareholders will have a tendency of rising stock prices.

Issues in dividend payout and policy have a very important impact on investors as well as for companies that pay the dividends. In general, investors have a main goal of improving their welfare and expect returns in the form of dividends and capital gains. The dividend policy is very important for the company because the dividend policy can determine how much profit a shareholder will earn and how much profit the firm will gain as retained earnings. The phenomenon occurs in the property, real estate and construction sector which are the sectors of interested to investors, where investment is a long-term and is a multipurpose asset that can be used by the company as a guarantee (Ramdhani et al, 2017). The factor of capital structure (leverage) became one of the determinants of dividend policy in funding needs. Leverage is the ratio used to measure the extent to which the company's assets are financed with debt. Companies that have a larger debt ratio typically share a smaller dividend, since the profit earned is used to pay off the company's liabilities. It is also supported by the results of research by Maskiyah (2013) that the leverage proxied by Debt Equity Ratio (DER) has significant influence to Dividend Payout Ratio (DPR) or DPR where DER reflects the ability of the company to fulfill all its obligations indicated by some part of its own capital used to pay the debt, which can increase investor confidence.

Another factor determining the dividend policy is profitability. Profitability is the company's ability to generate profit in the future and is an indicator of the success of the company's operations. Profitability is proxied with Return on Assets (ROA) which describes the amount of net profit generated from each rupiah asset owned by the company. Companies that have high profitability will attract investors in the hope that will get a high profit as well. Since dividends are derived from net profits earned by the company, the profits will affect the magnitude of the dividend payout ratio. Pramana & Sukartha (2015) said that the profitability proxied by ROA has a positive and significant influence on DPR where ROA reflects the capability of the company's capital in generating profit that can attract investor interest in investing capital into the company.

Asset growth is a determinant of dividend policy in investment needs. This ratio is used to indicate asset growth where assets are those assets used for company operations. Sartono Chew,

Chin, & Yuen (2009) state that the faster the growth of the company the greater the need for funds to finance expansion. Ulfa (2016) stated that asset growth has a negative and significant effect on the dividend payout ratio, which if asset growth increases is followed by a decrease in dividend payout ratio.

Table 1 shows empirical data about the variables used in this study: Dividend Payout Ratio (DPR), Debt Equity Ratio (DER), Assets Growth (CATA), Return on Asset (ROA)and share price. .

Table 1: Average Company Ratio of Property Sector, Real Estate and Construction Sector Listed on Indonesia Stock Exchange 2012-2016

Variable	Year				
	2012	**2013**	**2014**	**2015**	**2016**
DPR	402.70	460.46	1862.55	283.91	523.20
DER	30.69	30.22	28.31	22.53	20.72
ROA	135.84	143.81	134.34	102.55	76.71
CATA	7.33	7.41	6.84	6.83	6.64
Stock price	23,775	29,140	44,120	43,725	51,882

Table 1shows that dividend payments decreased in 2014 and 2015 but in 2016 increased. The dividend payout fluctuated to the stock prices where in 2014 when dividend payout ratio decreases stock price increases. However, in 2015 when dividend payout ratio decreased stock price increased. This proves there is an inconsistent relationship between dividend payout ratio to stock price.

The DER variable compared to the DPR shows that the average DER is in line with the DPR when the DER decreases, the DPR also decreases vice versa when the DER increases DPR also increases but in 2016 DER declines followed by DPR increased, it suggests that there is an inconsistent relationship between DER and DPR. Also DER with the price of data shares show that in 2014 DER declined but stock prices increased but in 2015 DER declined and stock prices fell. Then in 2016 DER decreased but it was not followed by declining share price. This indicates that there is an inconsistent relationship between DER and stock prices.

The average ROA variable of earnings from year to year has decreased, in each decline it is followed by a fluctuating DPR.. By 2016 ROA has decreased but DPR has increased. It shows that there is inconsistent relationship between ROA and DPR. Similarly, the stock price in 2016 ROA declined but the stock price increased. In the variable asset to total asset (CATA) of the DPR indicates a gap phenomenon. In 2013 CATA increased and there is also an increase in the DPR, this shows a contradictory movement. In 2014 and 2015 WCI decreased and a decline

also occurred in the DPR this shows a contradictory movement. However, in 2016 when CATA decreased there is an increase in the DPR which shows a unidirectional movement. These data indicate that there is inconsistency between CATA and DPR and interesting to be examined. The purpose of this research is to analyse how debt to equity ratio, return on asset, asset to total asset and dividend payout ratio jointly affect the stock price in the property, real estate and building construction sector on BEI from 2012 to 2015.

Conceptual Framework

Research on variables that become factors in influencing dividend policy has been done, by others such as: on the analysis of factors affecting dividend policy on Credit Agencies Go Public (Kadir, 2016); Determinant Dividend Payout Ratio at companies listed on Indonesia Stock Exchange Period 2008- 2012 (Maskiyah, 2013); and Factor Analysis affecting dividend policy (study on manufacturing companies listed in the Indonesian Stock Exchange period 2009-2012) (Ikhsan, Ispriyanti, & Rahmawati, 2014).

In contrast to previous research, this research selects the context of property and real estate companies listed on the Indonesia Stock Exchange from 2012 to 2016 and it has not been done before. In determining the conceptual GAP of this study, it is known that previous research based on the Anupam Mehta journal discusses the firm size, profitability, risk, leverage and liquidity as factors affecting the Dividend Policy. Nurlaidi's Journal analyses the Determinant of Dividend Policy in Manufacturing Industry Sector Issuer in Jakarta Stock Exchange with debt to equity ratio, working capital investment, return on assets and cash position as factors influencing DPR. Wahyuningrum analysed the Influence of Financial Ratios on stock prices at Pharmaceutical companies in Indonesia Stock Exchange with CR, DER, DAR, ROE and EPS affecting stock prices. Figure 1 shows the research model of this study..

Figure 1: Framework
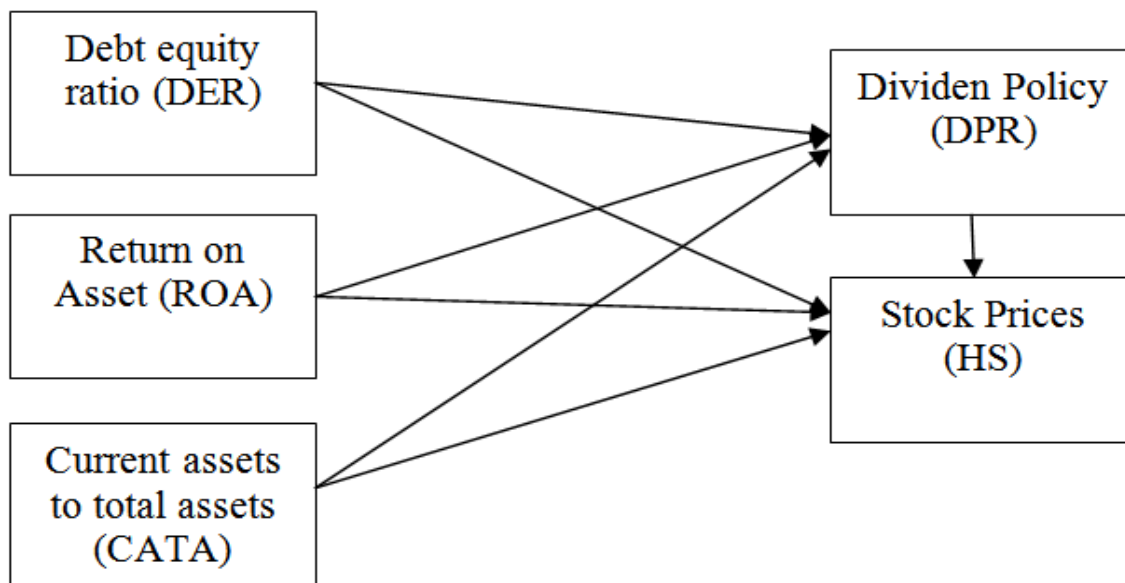
The above framework is intended to briefly describe the researcher's thinking relating to the framework of thinking. There are thought writers related to research variables such as liquidity, profitability, financing and risk levels as factors affecting dividend policy and its impact on stock prices.

Relationship between Debt Equity Ratio and Variable Dividend Payout Ratio

Capital costs with retained earnings are cheaper than issuing new shares. Therefore, companies need to re-determine their dividend policy by minimising the payment of their cash dividends, so a portion of the company's income can be used to fund profitable company investments. Thus, dividend policy decisions affect the capital structure as stated by Damodaran (2006) "Firms can use dividend policy as a tool to change their debt ratios. Firms can increase or decrease leverage by changing their dividend policy: increasing dividends increases leverage over time, and decreasing dividends reduce leverage. "

Pecking order theory states that internal financing is preferred over external financing in financing investment spending. Increasing dividend payments can only be done when a manager agrees that they can manage a new dividend policy in the future. The higher the level of debt, the more funds available to pay higher dividends because it will give a positive signal and cause the value of the company to rise. The DER reflects the company's ability to fulfill all its obligations, which is intended by what part of its own capital is used to pay the debt. Increased debt will in turn affect the size of the net income available to shareholders. Research

conducted by Atmaja (2009), Gupta and Banga (2010), Gill (2010), Sakir and Fadli (2014) and Ismail (2016) found a significant negative effect of leverage on dividend policy.

H1: Debt equity ratio affects dividend payout ratio.

Relationship of Return on Assets and Dividend Payout Ratio

High profitability reflects the company's ability to generate high profits. Profitability in this study is calculated using Return on Equity (ROA). Companies that make profits tend to pay a larger portion of their profits as dividends. The greater the profits gained, the greater the company's ability to pay dividends. Therefore, profitability is needed for companies if they want to pay dividends (Sulistyowati, et al., 2010). The higher the ROA, the greater the availability of funds owned by the company, so the greater the possibility of companies to distribute dividends. The research results conducted by Wasike and Ambrose (2015) state that profitability has a positive and significant effect on dividends. According to the pecking order theory, dividend increases only occur when a company has high profitability, which is enough to increase both retained earnings and dividend payments simultaneously. In addition, when companies experience low profitability they cannot pay dividends to shareholders (Myers and Majluf, 1984). Janifairus, Hidayat and Husaini (2013) showed that profitability had a positive effect on dividends. The greater the profit generated by a company, the greater the dividends paid.

H2: Return on Asset has an effect on Dividend Payout Ratio.

Relationship of Variable Current Asset to Total Assets and Variables Dividend Payout Ratio

This ratio helps measure a company's liquidity, which shows the level of total funds invested for working capital purposes and highlights the importance of a company's current assets. So, if the value of current assets is greater than the total assets, then the dividend can be paid. Otherwise if the current assets are smaller than the total assets then the dividends are less. Companies with high cashflow have higher dividend payments and or higher debt (Abor and Bokpin, 2010). The greater the total assets, the greater the operational results generated by the company. An increase in total assets followed by an increase in operational results will increase the confidence of outsiders, in this case investors and creditors, towards the company. The company can use debt as a funding option to finance its investment activities so that the company will continue to distribute dividends for the welfare of investors. In a study conducted by Ulfa (2016) and Janifairus, Hidayat and Husaini (2013) they concluded that total assets had a positive effect on the DPR.

H3: Current asset to total assets have an effect on dividend payout ratio.

Relationship between Debt Equity Ratio, Return on Assets, and Current Ratio of Total Asset to Dividend Payout Ratio

Investors assess company prospects based on funding decisions, operational decisions and investment decisions taken so that investors understand the development of the company every year, especially on dividends paid by the company to shareholders. Pramana & Sukartha (2015), and Ispriyati (2014) state that Debt to Equity Ratio, Return on Assets & Current Asset to Total Asset affects the Dividend Payout Ratio.

H4: Debt to Equity Ratio, Return on Assets & Current Asset to Total Assets Influence on Dividend Payout ratio.

Relationship between Debt Equity Ratio and Stock Price

Debt to equity ratio is a ratio that measures the performance of a company based on debt held by a company by calculating the ratio between total debt and total capital. Sugiarto (2014) states that the debt to equity ratio has a negative and significant relationship to stock prices, this indicates that the higher the level of debt to equity ratio, the stock price will decrease.

H5: Debt Equity Ratio affects the Stock Price.

Relationship of Return on Assets and Stock Prices

Sujoko and Soebiantoro (2007) stated that high profitability shows the prospects of a good company, so investors will respond positively to these signals and can increase company value as reflected in the company's stock price. Wijaya and Made (2017) stated in his research that profitability has a significant influence on stock prices. The results of this study are in line with the research of Pasaribu (2008), Kesuma (2009), and Nurmalasari (2009) where they show that partially the profitability variable influences the company's stock price.

H6: Effect of return on assets on stock prices.

Current Asset to Total Asset and Stock Price Relations

Opinion Hartono (2009) clarifies that "investment decisions are the first step to determine the amount of assets needed by the company as a whole so that this investment decision is the most important decision made by the company". In conjunction with company value, each

investment decision made by a financial manager will have an impact on the company's stock price. According to Keown et al. (2011) "maximizing shareholder wealth, namely maximizing the market price of a company's stock because all financial decisions will be reflected in it. Investment policies or bad dividends will cause investors to react and make stock prices fall ". High asset growth can be caused by high profit growth in previous years, so that the asset value will increase every year. Companies that have high asset growth values have a good future profit projection. This is what investors see as a good opportunity to invest in companies that have a high CATA value, because high CATA values provide a great expectation of future profits.

H7: Effect of current asset to total assets on stock prices.

Relationship between Dividends and Stock Prices

The stock price is the selling price per share. Stock prices are used as indicators of market valuation of the condition and prospects of the company. According to the dividend signalling theory, stock prices should decline after the company decides to reduce dividends; and vice versa, stock prices should increase after the company decides to increase dividends (Gunasekarage & Power, 2002). By looking at the comparison between the increase or decrease in stock prices against the initial stock price we find out the returns obtained from the sale of company shares. According to the results of Gunasekarage & Power (2002) there is a positive and significant relationship between stock prices and dividend policy.

H8: Dividend policy affects stock prices.

Relationship between Debt to Equity Ratio, Return on Assets and Current Asset to Total Assets, Dividend Payout Ratio to Stock Prices

In accordance with the investor's goal of expecting a high profit rate, investors need to pay attention to: funding decision making; operational decisions; investment decisions; and dividend payments to increase company value through stock prices. Dimas Prasetyo et al (2012), Haruman & Komariah (2006), Wahyuningrum (2013), Taofiqkurochman & Konadi (2012), and Ali et al. (2015) state that debt to equity ratio, return on assets, current assets to total assets and dividend payout ratios can affect the value of the company through stock prices.

H9: Debt to equity ratio, return on assets, current asset to total assets & dividend payout ratio affect the stock price.

Research Methodology

The sample population of this research are property and real estate companies listed in Indonesia Stock Exchange. The sample is part of the population element to be studied. This research used the purposive sampling method. The criteria for choosing the companies to be used as the sample in this research are: property, real estate and building construction companies listed on the Indonesia Stock Exchange from 2012 to 2016 and not delisted during the year; property real estate and building construction companies issuing financial statements from 2012 to 2016; and property, real estate and building construction companies paying dividends during 2012 to 2016. There were 58 property companies listed from 2012 to 2016 but only 16 companies meet all the above research criteria..

The data collection methods used in this research was documentation review namely by collecting suitable materials or literature. The data was assessed through path analysis and descriptive statistics, done by a classical assumption test and data path analysis.

Results

The sample population of this research are companies that are in property, real estate and construction sector which listed in Indonesia Stock Exchange from 2012 to-2016. This research analyses the effect of funding, investment and operational decisions on dividend payments and their impact on stock prices. The sample data was taken from 16 companies over a span of 5 years. The output of statistical descriptions from the DPR shows the lowest value of 0.28 at PT Bekasi Fajar Industri Estate Tbk in 2014. It is known that PT Bekasi Fajar Industri Estate Tbk is a property development company belonging to Argo Manunggal Group, where in 2014 profits decreased by 53.12% from the previous year, so that the use of funds to outside parties also decreased. The highest value of 5.65 occurred at PT Adhi Karya Tbk (ADHI) in 2012 because ADHI had a high level of funds usage that was driven by the ADHI plan in 2013 to build the Jabodetabek monorail with a consortium of BUMN and a plan to issue new shares (rights issue). The average value is 1.4861 with a standard deviation of 1.06355.

The output of statistical descriptions of ROA shows the lowest value of 1.26 occurred in 2016 at PT Summarecon Agung Tbk (SMRA) with the most significant decrease in net profit. It was recorded that the company's profit plunged 63.55 % from Rp855.18 billion to Rp311.66 billion. The highest value of 22.17 occurs in PT Bekasi Fajar Industri Estate Tbk in 2013, because in that year PYFA acquired 50 hectares of land in the industrial area of MM2100 Cibitung, Bekasi, West Java. In that year, the company's revenue was projected to reach Rp 1.5 trillion, growing by 55.42 % compared to in 2012 it reached Rp 965.11 billion. The company's profit

target also rose to Rp 800 billion, 70.21% compared to net income during the year 2012 of Rp 470 milar. The average score is 7.83 with a standard deviation of 4.28.

The output of statistical description from Current Asset to Total Asset shows the lowest value of 0.11 occurred at PT Gowa Makassar Tourism Development Tbk in 2013. The highest value of 1.12 occurred at PT Metropolitan Land Tbk in 2013 and the average value of 0.43 with a standard deviation of 0.156. The output of statistical description from DPR shows that it has the lowest value of 1.23 experienced by PT Bekasi Fajar Industri Estate Tbk in 2016. The highest value of 106.35 experienced by PT Metropolitan Kentjana in 2013 and the average value is20.5134 with the standard deviation 17.39573. The output of the statistical description of the Stock Price shows the lowest value of 215 experienced by PT Metropolitan Land Tbk by 2015. The highest value of 25750 is experienced by PT Metropolitan Kentjana in 2016 and the average value is 2268.16 with the standard deviation of 3946.08.

On sub-structural path analysis, the magnitude of R2 is 0.258 = 25.8%. This means that the influence of independent variable to dependent variable is 25.8%, while 74.2% is influenced by another variable. The magnitude of the path coefficient for other variables outside the research (DER, CATA and ROA) that have an affect can be calculated by the following formula (Sarjono and Julianita, 2011:148).

DPR = 0.523DER + 0.407ROA + 0.216 CATA

The value of path coefficient of 0.523 shows the magnitude of direct influence from DER variable to DPR amounting 52.3%. If DER increases by 1 unit then DPR will increase by 0.523 assuming another variable is zero or constant. The value of t arithmetic of 4.537 with significant 0.000 at significant level α = 0.05, indicating that there is a significant influence of DER variable to DPR because 0.000 <0,05. The coefficient value of line 0.407 shows the magnitude of direct influence of ROA variable to DPR amounted to 40.7%. If ROA increases by 1 unit then DPR will increase by 0.407 assuming another variable is zero or constant. The value of t arithmetic of 3.947 with significant 0.001 on the significant level α = 0.05, indicating that there is a significant influence of ROA variable to DPR because 0.000 <0.05. the path coefficient value of 0.216 indicates the magnitude of the direct influence of variables CATA against DPR 21.6%. If CATA increases by 1 unit then the House will increase by 0.216 assuming another variable is zero or constant. The value of t arithmetic equal to 2.154 with significant 0.034 at significant level α = 0,05, indicating that there is significant influence from variable of CATA to DPR because 0.034 <0.05. A value of 0.86 shows the magnitude of the path coefficient for other variables outside the study affecting DPR.

In sub-structural line 2 analysis, the magnitude of R2 is 0.255 = 25.5%, this means that the influence of independent variable to dependent variable is 25.5%, while the rest 74.5% is

influenced by another variable. The magnitude of the path coefficient for other variables outside the influencing research can be calculated by the following formula (Sarjono & Julianita, 2011).

Figure 2: Coefficient of Path Analysis 1
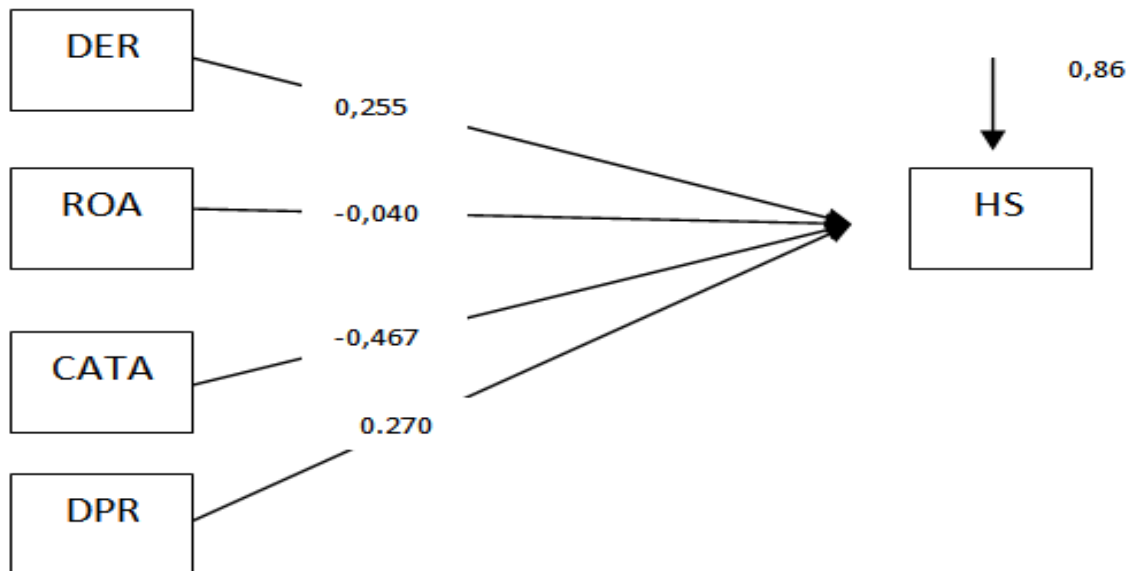
HS = 0.255DER - 0.040ROA - 0.467CATA + 0.270DPR + 0.86. The coefficient value of 0.255 indicates the direct effect of the DER variable to HS of 25.5%. If DER increases by 1 unit then HS will increase by 0.255 assuming another variable is zero or constant. The value of t arithmetic equal to 2.182 with significant 0.032 at significant level $\alpha = 0.05$, indicating that there is a significant influence between DER to HS because 0.032 <0.05. The coefficient value of the path -0.040 shows the magnitude of direct influence of the ROA variable to HS of 4%. If ROA increases by 1 unit then HS will decrease by 0.040 assuming another variable is zero or constant. The value of t arithmetic equal to - 0.337 with significant 0.708 at a significant level $\alpha = 0.05$, indicating that there is no significant influence of ROA variables on HS because 0.708> 0.05. The path coefficient value -0.467 shows the magnitude of direct effect of CATA variable to HS of 46.7%. If DER increases by 1 unit then HS will decrease by 0.467 assuming another variable is zero or constant. The value of t arithmetic equal to – 4.378 with significant 0.000 at significant level $\alpha = 0,05$, indicating that there is significant influence between CATA to HS because 0.000 <0.05. The coefficient value of 0.270 indicates the magnitude of the direct effect of DPR variable to HS by 27%. If DER increases by 1 unit then HS will increase by 0.270 assuming another variable is zero or constant. The value of t arithmetic of 2.471 with significant 0.016 at a significant level $\alpha = 0.05$, indicating that there is a significant influence between DPR to HS because 0.016 <0.05. A value of 0.863 indicates the magnitude of the path

coefficient for other variables outside the research affecting HS. DER, ROA, CATA and DPR variables simultaneously or together significantly influence HS.

Discussion

Debt Equity Ratio Take Effect to Dividend Payout Ratio

The first hypothesis proposed in this research is Debt Equity Ratio has an effect on Dividend Payout Ratio. The research results obtained a coefficient value of 0.523 with t arithmetic = 4,537 and significant value of 0.000 which means the value is significantly smaller than α = 0,05 (sig 0,000 <0,050) and can be stated that Debt Equity Ratio effect on Dividend Payout Ratio, if Debt Equity Ratio increases 1 unit then Dividend Payout Ratio will increase by 0.523. Therefore, the first hypothesis is acceptable. The results of this research are similar to the research conducted by Gill (2010), Gupta & Banga, (2010), Idris et al. (2016), Sakir & Fadli (2014), Setia-Atmaja, Tanewski, & Skully (2009) stating that Debt Equity Ratio has an effect on Dividend Payout Ratio.

Return on Asset Take Effect to Dividend Payout Ratio

The second hypothesis proposed in this research is Return on Assets to Dividend Payout Ratio. From the research results the coefficient value of 0.407 with t arithmetic = 3.947 and significant value of 0.001 means the value is significantly smaller than α = 0.05 (sig 0.001 <0.050) and it can be stated that the Return On Assets affect Dividend Payout Ratio, if Return on Assets increases 1 unit then Dividend Payout Ratio will increase by 0.407. Therefore, the second hypothesis is acceptable. In line with pecking order theory which says dividend increases only happen when companies have high profitability, which is enough to increase both retained earnings and dividend payments simultaneously. The results of this study are similar to those of (Afif & Chabachib (2011), Janifairus, Hidayat, & Husaini (2013) and Jensen, Solberg, & Zorn (1992) which states that Return on Assets has an effect on Dividend Payout Ratio.

Current Asset to Total Asset Influence against Payout Ratio Dividend

The third hypothesis proposed in this research is Current Assets to Total Asset to Dividend Payout Ratio. From the research results the coefficient value of 0.216 with t arithmetic = 2.154 and significant value of 0.034 means the value is significantly smaller than α = 0.05 (sig 0.034 <0.050) and it can be stated that the Current Asset to Total Asset affect Dividend Payout Ratio, if Current Asset to Total Asset increased 1 unit then Dividend Payout Ratio will increase by 0.216. Therefore, the third hypothesis is acceptable. Husnan and Enny (2004) stated that investment decisions will be reflected on the assets side of the company. Therefore it will affect

the structure of corporate wealth, namely the comparison between current assets with fixed assets.

Debt to Equity Ratio, Return on Assets and Current Assets to Total Assets Simultaneously Affect Against Payout Ratio Dividend

The fourth hypothesis proposed in this research is Debt to Equity Ratio, Return on Assets and Current Assets to Total Asset simultaneously have an effect on Dividend Payout Ratio acceptable. From the research results of F test is value of F count equal to 8,810 and significant value equal to 0.000 meaning value less than $\alpha = 0,05$ (sig 0,000 <0,050) can be stated that Debt to Equity Ratio, Return On Assets and Current Assets to Total Asset simultaneously affect the Dividend Payout Ratio is acceptable. Investors assess the prospects of the company based on funding decisions, operational decisions and investment decisions taken so that investors know the development of the company annually, especially on dividend paid to the company shareholders. Ikhsan et al. (2014), Maskiyah (2013), Pramana & Sukartha (2015) stated that Debt to Equity Ratio, Return on Assets & CATA affect Dividend Payout Ratio.

Debt Equity Ratio Take Effect to Stock Price

The fifth hypothesis proposed in this research is Debt Equity Ratio effect the Stock Price. From the research results a value coefficient of 0.255 with t arithmetic = 2.182 and significant value of 0.032 means significant value smaller than $\alpha = 0.05$ (sig 0.032 <0.050) can be stated that Debt Equity Ratio have an effect on Stock Price. If Debt Equity Ratio increased by 1 unit then the Share Price will increase by 0.255. Therefore, the fifth hypothesis is acceptable. Debt to equity ratio is a ratio that measures company performance based on debt owned by the company by calculating the ratio of total debt to total capital. In Aminah, et all (2016) research that debt to equity ratio has an effect on stock price.

Return on Asset Influence against Stock Price

The sixth hypothesis proposed in this research is Inventory Turnover effect Stock Price. From the research results a value of coefficient of - 0.040 with t arithmetic = - 0.337 and significant value of 0.708 means significant value greater than $\alpha = 0.05$ (sig 0.708> 0.050) and it can be stated that the Return On Asset effect on stock prices cannot be accepted. Test results show that return on assets has no significant effect on stock prices on property, real estate and construction companies. Using of reduced assets will affect the day-to-day operations of the company in conducting transactions. So that profits will be reduced so the company's performance will decrease. A higher return on assets indicates that investors are less important to the net profit and the level of sales made by company, investors are more concerned with

other factors such as the investment security factor or the political security conditions prevailing at that time. The results of this research are not the same as the hypothesis but are in line with the results of research conducted by, Sugiarto (2014) and Aryani & Zulkifli (2017) stating that Return on Assets has no effect on Stock Price.

Current Asset to Total Asset Influence against Stock Price

The seventh hypothesis proposed in this research is Current Asset to Total Asset effect Stock Price. From the research results a coefficient value of -0.467 with t arithmetic = - 4.378 and significant value of 0.000 means the value is significantly smaller than $\alpha = 0.05$ (sig 0.000 <0.050) and it can be stated that the Current Asset to Total Asset effect the Stock Price, if Current Asset to Total Asset increases 1 unit then the Stock Price will increase by -0.467. Therefore, the seventh hypothesis is acceptable. Current Asset to Total Asset is a ratio which indicates that the company is in a period of growth in the life cycle of the company. High asset growth can be attributed to high profit growth in previous years, thereby increasing the value of assets annually. Companies that have high asset growth values show that the company has good future projected earnings . Investors see this as a good opportunity to invest in companies that have high CATA value, because the high CATA value will provide hope for big profits in the future. This is in line with the research of Prasetyo (2013) that states that the current asset to total assets affect the stock price.

Dividend Payout Ratio Influential against Stock Price

The eighth hypothesis proposed in this research is Dividend Payout Ratio effect Stock Price. From the research results a coefficient value of 0.270 with t arithmetic = 2.471 and significant value of 0.016 means the value is significantly smaller than $\alpha = 0.05$ (sig 0.016 <0.050) and it can be stated that Dividend Payout Ratio effect on Stock Price, if Dividend Payout Ratio increased 1 unit then the Share Price will increase by 2.471. Therefore, the eighth hypothesis is acceptable. Dividend Payout Ratio remains one of the most important financial policies not only from the company's point of view, but also from the point of view of shareholders, consumers, employees and government (Uwuigbe & Egbide, 2012). A high dividend payout to shareholders reflects the increasing stock price. Ashamu, Abiola, & Bbadmus (2012), Rizqia & Sumiati (2013), Salawu, Asaolu, & Yinusa (2012) and Wongso (2012) state that dividend affects firm value with share price.

Debt to Equity Ratio, Return on Assets & Current Assets to Total Asset and Dividend Payout Ratio Simultaneously Influence on Stock Price

The ninth hypothesis proposed in this research is Debt to Equity Ratio, Return on Assets and Current Assets to Total Asset and Dividend Payout Ratio simultaneously affect the Stock Price is acceptable. From result of research of F test obtained value of F count equal to 6,430 and significant value equal to 0.000 meaning value less than $\alpha = 0.05$ (sig 0.000 <0.050) and it can be stated that Debt to Equity Ratio, Return on Assets and Current Assets to Total Asset simultaneously affect the Stock Price. In accordance with the investor's goal of expecting a high profit rate, investors need to pay attention to funding decisions, operational decisions, investment decisions and dividend payouts to increase the value of the company through stock prices. Ali et al. (2015), Haruman & Komariah, (2006), Prasetyo (2013) and Wahyuningrum (2018) stated that funding decisions, operational decisions, investment decisions and dividend payouts can affect company value through stock prices.

Figure 3: Coefficient of Path Analysis 2
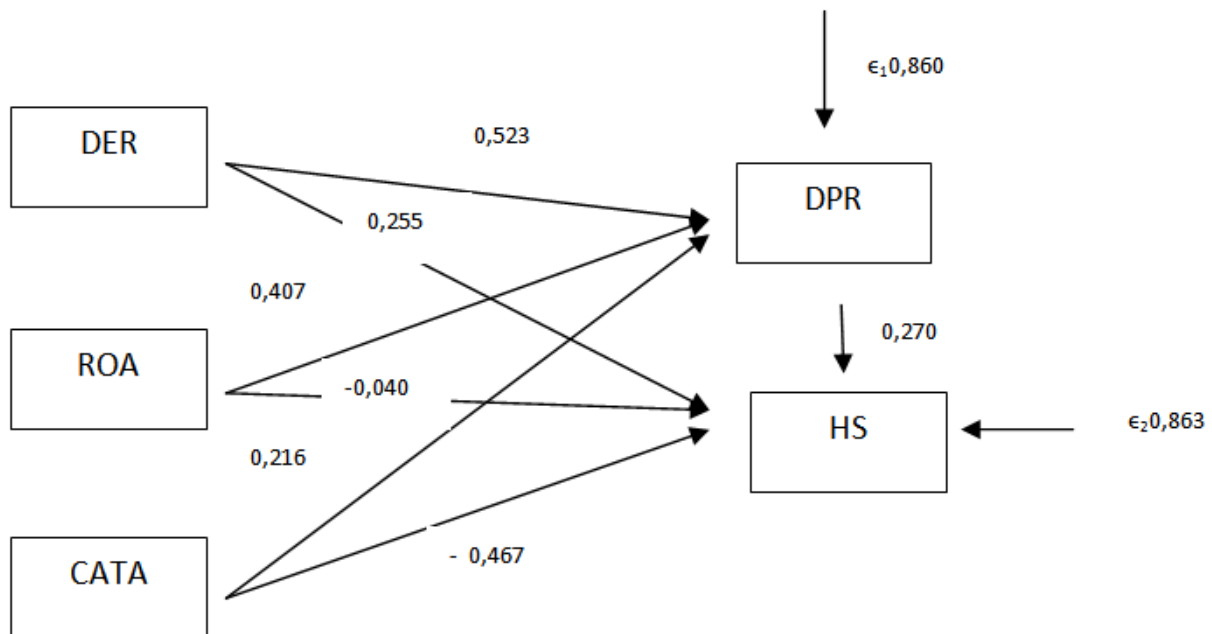
The calculation result of sub-structural 1 and sub-structural 2 coefficient is 0.860. The coefficient of DER path to DPR is 0.523. The ROA coefficient of the DPR is 0.407. The coefficient of CATA path to DPR is 0.216. The coefficient of DER path to HS is 0.255. The ROA path coefficient to HS is - 0.040. The coefficient of CATA path to HS is - 0.467. The coefficient of the DPR's path to HS is 0.270. €1 is 0.860. €2 is 0.863

Table 2: Coefficient of Path Analysis

Variables	Coefficient Path	Influence		
		Directly	Indirect	Total
DER to DPR	0,523	0,523		0,523
ROA to DPR	0,407	0,407		0,407
CATA to DPR	0,216	0,216		0,216
DER to HS	0,396	0,255	0,523 x 0,270 = 0,141	0,396
ROA to HS	0,637	-0,040	0,470 x 0,270 = 0,677	0,637
CATA to HS	-0.409	-0,467	0,216 x 0,270 = 0,058	-0,409
DPR to HS	0,270	0,270		0,270
$\varepsilon 1$	0,860	0,860		0,860
ε_2	0,863	0,863		0,863

Based on the calculations above, it can be summarised as follows:

(1) Debt to Equity Ratio has a direct influence on stock prices, seen from the calculation that the direct influence of 0.255 is greater than the indirect effect of 0.141 (0.255> 0.141). The size of the debt greatly affects the payment of dividends (DPR); large debts have fixed interest expense for the company. Companies should be wise in using debt and try as much as possible to reduce debt to reduce fixed interest expense. Thus, the dividend payout will be higher.

(2) Return on Asset has no direct effect on stock price, seen from result of calculation that direct influence equal to -0,040 less than indirect influence equal to 0,677 (-0,040> 0,677). Test results show that the return on assets has no significant effect on stock prices on property, real estate and construction companies. Where the use of reduced assets will affect the day-to-day operations of the company in conducting transactions so that profits will be reduced so the company's work will decrease. The higher return on assets indicates that investors are less important to the net profit and the level of sales made by the company. Investors are more concerned with other factors such as the investment security factor or the political security conditions prevailing at that time.

(3) Current Asset to Total Asset has a direct negative effect on stock prices. It can be seen when CATA increases then the stock price will decrease.

(4) Dividend Payout Ratio has a direct positive effect on stock prices, so if the dividend payout increases then the stock price will increase. Increased dividend payout can be done by taking into account funding decisions, investment decisions and operational decisions. Dividend Payout Ratio able to full mediate influence between Return on Asset to stock price. It can be seen from the research results that indirect influence value bigger than direct influence Return on Asset to stock price. The corporate management policy in maximising corporate financial management thereby generating larger dividend payouts and increasing share prices.

Conclusion

Based on research conducted on the property, real estate and construction sector listed in Indonesia Stock Exchange from 2012 to 2016 it can be summarised as follows:

(1) Debt to Equity Ratio has significant influence to Dividend Payout Ratio.

(2) Return on Asset has significant influence to Dividend Payout Ratio.

(3) Current Asset to Total Asset has a significant influence on Dividend Payout Ratio.

(4) Debt to Equity Ratio, Return on Assets & Current Assets to Total Assets simultaneously have an influence on Divide Payout Ratio.

(5) Debt to Equity Ratio has a significant influence on Stock Price.

(6) Return on Assets has no significant effect on Stock Price.

(7) Current Asset to Total Asset has a significant influence on Stock Price.

(8) Dividend Payout Ratio has a significant influence on Stock Price.

(9) Debt to Equity Ratio, Return on Assets & Current Assets to Total Assets simultaneously have an effect on Stock Price.

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