THE EFFECT OF FINANCIAL RATIOS TOWARD SHARIA STOCK RETURN IN JAKARTA ISLAMIC INDEX (JII)

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Abstract

This research aimed to analyze the significance effect of financial ratios toward sharia stock return on companies listed in Jakarta Islamic Index (JII) either simultaneously or partially. Sample in this study is 12 (twelve) companies listed in Jakarta Islamic Index (JII) period of 2011-2015. The analysis model in this study using multiple linear regression analysis model and analysis techniques to test the hypothesis using the F test, t test, and $R^2$ test. The results of testing hypothesis and discussion is Return On Asset (ROA), Debt To Equity Ratio (DER), and Earning Per Share (EPS) simultaneously have significant effect toward sharia stock return. Earning Per Share (EPS) partially have positive and no significant effect toward sharia stock return, Return On Asset (ROA) partially have positive and significant effect toward sharia stock return, and Debt To Equity Ratio (DER) partially have negative and significant effect toward sharia stock return.

Keywords: Financial Ratios, Stock Return, Return On Asset (ROA), Debt To Equity Ratio (DER), and Earning Per Share (EPS)
Abstrak

PENGARUH RASIO KEUANGAN TERHADAP RETURN SAHAM SYARIAH DI JAKARTA ISLAMIC INDEX (JII). Penelitian ini bertujuan untuk menganalisis pengaruh signifikansi rasio keuangan terhadap return saham syariah pada perusahaan yang terdaftar di Jakarta Islamic Index (JII) baik secara simultan maupun parsial. Sampel dalam penelitian ini adalah 12 (dua belas) perusahaan yang terdaftar di Jakarta Islamic Index (JII) periode 2011-2015. Model analisis dalam penelitian ini menggunakan model analisis regresi linier multiple dan analisis teknik untuk menguji hipotesis menggunakan uji F, uji R², dan uji t. Hasil pengujian hipotesis dan diskusi adalah Return On Asset (ROA), Debt To Equity Ratio (DER), dan Earning Per Share (EPS) secara simultan berpengaruh signifikan terhadap return saham syariah. Earning Per Share (EPS) secara parsial memiliki positif dan tidak berpengaruh signifikan terhadap return saham syariah, Return On Asset (ROA) secara parsial berpengaruh positif dan signifikan terhadap return saham syariah, dan Debt To Equity Ratio (DER) secara parsial berpengaruh negatif dan signifikan terhadap return saham syariah.

Kata kunci: Rasio keuangan, Return Saham, Return On Asset (ROA), Debt To Equity Ratio (DER), dan Earning Per Share (EPS)

A. Introduction

Investment is a word we often hear in this modern era. Many people already know about investing activity. People’s interest to invest is increasing nowadays. Investment is an activity to allocate some funds by an investor toward one or more assets which is done at the present with the purpose to get benefit such as profits/returns in the future. There are various kinds of investment. Those are investment on time deposits, certificates of deposits, bonds, and investment in capital markets.

Every investments certainly has potential risks. The high or low potential risks depend on the type of investment. But in the principle of financial management, every investments which
have a high risk potential will generate a high return also. While the investments which have low risk potential will generate a low return as well.

The performance of financial ratios can be used by investors in understanding the operational characteristics of the company that issued the stocks. It can be seen from the company’s financial statements either quarterly or annual financial statements. Financial ratios can provide information about the relationship among accounts on the financial statements, the financial situation of the company, net profit, as well as short/long-term debt that will give effect toward stock returns.

In this study, financial ratios which is used is profitability ratio, solvency ratio and market ratio. The profitability ratio is Return On Assets (ROA), the solvency ratio is Debt To Equity Ratio (DER), and the market ratio is the Earning Per Share (EPS). Profitability ratio which has a function to predict stock prices or stock return is Return on Assets (ROA). The higher ROA shows the better company’s performance and shareholders will get benefit from dividends received, or the increasing stock return and price (Susilowati, 2011: 19). Even Ang (1997: 20) states that ROA is the most important ratio among the profitability ratios to predict the stock returns. It is proved by the results of Farkhan’s research (2013: 14) and Wijaya (2015: 269) which states that the Return On Assets (ROA) significantly affects to stock returns.

The solvency ratio which is often associated with stock returns is Debt to Equity Ratio (DER). Companies with high DER values have a high degree risk of bankruptcy. The high DER shows the composition of total debt greater than the total capital. It will have an impact on the greater burden on companies to external parties. Investors tend to avoid company which has very high DER. If a company has a high DER value then the company will have a high level of risk anyway, because the debt guaranteed by the company is also getting higher, the greater the value of DER ratio, the greater the liability to be borne by the company. Investors prefer companies which has a low DER ratio, because
the obligation borne by the company is also getting smaller, so the higher the value of DER, the lower the interest of investors who want to invest in the company, it can be seen from the low of the stock price, causing the stock returns of the enterprise is getting lower (Nugroho, 2013: 3).

The market ratio which is often associated with stock return is Earning Per Share (EPS). EPS showed that the greater the company’s ability to generate profit per share for the owner, then this will affect the company’s stock returns in the capital market. Therefore, a stable company will demonstrate the stability of EPS growth, otherwise the company will exhibit unstable fluctuating growth (Susilowati, 2011: 18).

Based on the description of each of the factors that affect sharia stock return, in this study the hypothesis is formulated as follows:

1. Allegedly that Return On Asset (ROA), Debt To Equity Ratio (DER), and Earning Per Share (EPS) simultaneously have significant effect toward sharia stock return on companies listed in Jakarta Islamic Index (JII) Period of 2011-2015.
2. Allegedly that Return On Asset (ROA) partially have positive and significant effect toward sharia stock return on companies listed in Jakarta Islamic Index (JII) Period of 2011-2015.
3. Allegedly that Debt To Equity Ratio (DER) partially have negative and significant effect toward sharia stock return on companies listed in Jakarta Islamic Index (JII) Period of 2011-2015.
4. Allegedly that Earning Per Share (EPS) partially have positive and significant effect toward sharia stock return on companies listed in Jakarta Islamic Index (JII) Period of 2011-2015.
The population in this study are 30 companies listed in Jakarta Islamic Index (JII) Period of 2011-2015. While the sample is 12 companies listed in Jakarta Islamic Index (JII) Period of 2011-2015. Companies are being sampled in this study are as follows:

1. PT. Astra Agro Lestari, Tbk. (AALI)
2. PT. Astra International, Tbk. (ASII)
3. PT. Alam Sutera Realty, Tbk. (ASRI)
4. PT. Indocement Tunggal Prakarsa, Tbk. (INTP)
5. PT. Indo Tambangraya Megah, Tbk. (ITMG)
6. PT. Kalbe Farma, Tbk. (KLBF)
7. PT. Lippo Karawaci, Tbk. (LPKR)
8. PT. London Sumatera Indonesia, Tbk. (LSIP)
9. PT. Semen Gresik, Tbk. (SMGR)
10. PT. Telekomunikasi Indonesia, Tbk. (TLKM)
11. PT. United Tractors, Tbk. (UNTR)
12. PT. Unilever, Tbk. (UNVR)

For the empirical analysis in this study, the researchers used annual “time series” data from the period of 2011 to December 2015. The data source used in this study came from the publication of companies' performance summary published in the website of Indonesia Stock Exchange (IDX). The model used in this research is multiple linear regression analysis model to test the effect of independent variables toward dependent variables. This research examined the effect of independent variables which are Return on Assets (ROA) (X1), Debt To Equity Ratio (DER) (X2), and Earning Per Share (EPS) (X3). Then the equation model can be written as follows.

\[ Y = A + B_1X_1 - B_2X_2 + B_3X_3 + E \]

To get good results, this research also used the normality test and classical assumption (multicolinearity, heteroscedasticity, and autocorrelation).
B. Discussion

1. Investment

Along with the times, many people are aware of the importance of investing. By investing, it is expected that people can fulfill their complex needs which are increasingly rise in the future. Investment is the commitment of a number of funds or other resources which is done at this time, with the goal of obtaining a number of advantages in the future (Yuliana, 2010: 2).

In general, the investment can be divided into two, namely investments in financial assets and investments in real assets. Investments in financial assets carried on the money market, for example in the form of certificates of deposit, commercial paper, money market instruments, and others. Investment may also be made in the stock market, for example in the form of shares, bonds, warrants, options, and more. While investing in real asset can be done with the purchase of productive assets, the establishment of the factory, the opening of mines, plantations, and others (Yuliana, 2010: 2).

2. Investment In Islamic Perspective

Investment in Islam can be referred to as mudharabah. It is giving a capital in the form of money to people who are engage in trading with the hope to gain an advantage. This activity involves two parties, those who have the capital but they are not able in running a business and those who are smart in business but they have no capital. So, that both sides are complementary.

Islam does not restrict human activity in order to doing muamalah with other humans. One of the muamalah activity is doing investment. Very recommended in doing investment in order to develop the gift of God. It is called “gift of God” because for its rich gift of God is very important in human life. Silence treasures, including the capital, in a way that is not productive is an action that is not justified in Islam (Yani, 2008: 95). It has been spoken by Allah in Surah Al-Humazah 103 verses 1-2.
“Woe to every slanderer and backbiter, who has gathered wealth and counted it” (QS. Al-Humazah 104 verses 1-2).

Islam does not allow the wealth piled up and buried. Because such things are wasted Allah’s creation of the actual functions treasure and economically harmful. The dangers of hoarding treasures in the form of capital growth inhibition. Inhibition of growth of capital will reduce the amount of working capital available for investment. This will certainly hamper the pace of development in a country (Yani, 2008: 95).

3. Capital Market

In general, capital market can be defined as a meeting place between companies which offer the stocks to potential investors. The capital market is also often defined as the market for the various long term financial instruments (securities) which is more than one year. In addition, the capital markets are also often defined as a transaction that requires the fund (the company) and the excess funds (investors) (Susilo, 2009: 16).

Capital Market Law No. 8 of 1995 about Capital Markets defines as capital markets activity concerned with the public offering and trading of securities, public companies relating to securities issuance, as well as institutions and professions related to securities (Susilo, 2009: 16).

The market could be defined as the stock exchange and securities could also be interpreted as an effect, so that the capital market is also known as a stock exchange. Particularly in Indonesia, formerly known as the Jakarta Stock Exchange (JSX), or the Surabaya Stock Exchange (SSX), but started in December 2007, the two exchanges were merged into one and given the name of the Indonesia Stock Exchange (BEI) or Indonesian Stock Exchange (IDX) (Susilo, 2009: 16). Securities which are traded on the Indonesia Stock Exchange (BEI) include stocks, bonds,
warrants, rights issue, options, and mutual funds. The securities are also often referred to financial instruments.

Capital market can be divided into two types, they are primary market and secondary market. Primary market is the bidding process of the company’s securities (issuer) to the public by a syndicate of guarantee before these securities traded on stock exchanges. Stock transaction occurs between issuers and investors via the underwriter. The duration of the initial market usually ranges between 6 to 8 weeks. Primary market is also known as the go public process or *Initial Public Offering* (IPO) (Susilo, 2009: 20).

While the secondary markets are all securities transactions after the primary market. Secondary markets carried out on the stock exchange, the price is determined by auction (supply and demand) and trading done by brokers (brokerage). The trading value of shares daily reported through various media of information, most of the transactions on the secondary markets (Susilo, 2009: 20).

**4. Sharia Stocks**

The term of sharia stocks is not so popular among the investors. Investors tend not to pay attention whether the stocks to be purchased is *halal/haram*. Though there are many stocks which are traded in the Indonesia Stock Exchange which are contrary to sharia principles. It encourages the National Sharia Council together with BAPEPAM to launch sharia capital market to facilitate the investors who want to invest in sharia bonds/stocks.

Based on the circular letter of Bapepam-LK (now OJK) No. IX.A.13 2009, concerning the issuance of sharia securities. Sharia securities are securities as defined in the Capital Market Law and its implementing regulations in which the contract, method and business activities do not conflict with the principles of Sharia in the capital market. Sharia stocks no longer meet the Sharia principles in the capital market if the business activity,
management, the fund’s assets and/or assets of Collective Investment Contract of Asset Backed Securities from the party that issued the securities is contrary to sharia principles in capital market related with Sharia effect issued. (Bapepam-LK IX.A.13).

5. Jakarta Islamic Index (JII)

On July 3, 2000, the Indonesia Stock Exchange together with Danareksa Investment Management (DIM) launched a Stock Index which is based on Islamic Sharia namely Jakarta Islamic Index (JII).

The purpose of JII establishment is to increase the confidence of investors to invest in Sharia-compliant stocks and provide benefits to investors in carrying out Islamic law to invest in the stock exchange. JII also expected to support the process of transparency and accountability of Sharia-compliant stocks in Indonesia. Additionally, JII intended to be used as a benchmark to measure the performance of an investment in shares of Shariah-based (Sutedi, 2011: 63).

JII is an index that contains the 30 stocks of companies that meet the investment criteria based on Islamic Sharia. (Sutedi, 2011: 64)

6. Stock Return

Stock return is a return that investors earned on investments they made. The main objective of the investors in investing is to get a return.

Components of stock return is composed of two types of current income and capital gains (profits the price difference). Current income is a benefit gained through periodic payments such as interest payments on deposits, interest on bonds, dividends and so on. Known as current income, that is profit earned is usually in the form of cash or cash equivalents, so it can be cashed in quickly, such as payment of interest and dividends in cash. Dividends paid in shares can be converted into cash which
is equivalent cash bonus shares or stock dividends (Susilowati, 2011: 23).

The second component of stock returns is capital gain. Capital gain is the benefits received because of the difference between the selling price and the purchase price of shares of an investment instrument. Capital gain is highly dependent on the market price of an investment instrument, which means that the investment instruments to be traded on the market. With the trade then there will be changes in the value of an investment instrument that provides capital gain. The amount of capital gain is done by calculating the historical return that occurred in the previous period, so it can be determined the magnitude of the desired level of return (Susilowati, 2011: 23).

In Islamic point of view, obtaining return or return on investment that we do is allowed. Investing is a mu’amalah activity that highly recommended in Islam because by investing assets owned productive and also bring benefits to others. Islam has organized economic system in order to realize the welfare of human life both materiality and non material. (Nurlita, 2014: 15).

Calculation formula of Stock Return is:

\[ R_{it} = \frac{P_t - P_{t-1}}{P_{t-1}} \times 100 \]

\( R_{it} \) = Profit rate of stock I in period t.
\( P_t \) = The closing price of stock I in period t (closing period/end)
\( P_{t-1} \) = The closing price of stock I in initial period (previously)

7. Variables in This Research

a. Return On Assets (ROA)

Return on Assets (ROA) is a ratio that indicates the company’s ability to use all the assets owned to generate a profit
after tax. This ratio is important for the management to evaluate the effectiveness and efficiency of the management company to manage all assets of the company. The higher ROA, the more efficient the use of corporate assets (Sulistyandito, 2013: 4).

The amount of ROA will change if there are changes in profit margins or asset turnover, either individually or both. Thus, the head of the company can use one or both in order to attempt to enlarge ROA. ROA enlarge attempt to enlarge the profit margin is concerned with efforts to increase efficiency in the sector of the production, sales and administration. ROA enlarge attempt to enlarge the asset turnover is the investment policy of the fund in a variety of assets, both current assets and fixed assets (Munawir, 1979: 89).

ROA can be formulated as follows:

$$\text{ROA} = \frac{\text{Earning After Tax}}{\text{Total Assets}}$$

b. Debt To Equity Ratio (DER)

Debt to Equity Ratio (DER) is a ratio measured by the difference between all liabilities with equity capital owned by the issuer. So this ratio is used to measure the ability of the company’s own capital as collateral all the company’s debts (Nugroho, 2013: 5).

Companies with a large debt has a cost of debt that great anyway. It is a burden for the company because it can undermine investor confidence. Companies with high DER values have a high degree of risk of bankruptcy because it shows the composition of total debt greater than the total equity capital, it will have an impact on the greater the burden on companies to external parties (Nugroho, 2013: 3).

Investors tend to avoid stocks that have the high DER because the greater the liability to be borne by the company. Investors tend to choose a company that has a value of DER ratio
is low, as it indicates the obligations borne by the company is also getting smaller. So the higher the DER value, the lower the interest of investors who want to invest in the company, it can be seen from a low stock price (Nugroho, 2013: 3).

DER can be formulated as follows:

\[
\text{DER} = \frac{\text{Total Debt}}{\text{Total Equity}}
\]

c. **Earning Per Share (EPS)**

Earning per share (EPS) is one of the market ratio which is obtained by dividing the company’s net income by the number of shares outstanding. This ratio shows how much the level of profit (return) is obtained by investors or holders of ordinary shares per share (Sulistyandito, 2013: 7).

EPS can be formulated as follows:

\[
\text{EPS} = \frac{\text{Net Income} - \text{Preferred Dividends}}{\text{Weighted Average Common Shares Outstanding}}
\]

8. **The Relationship Among ROA, DER, EPS, and Stock Return**

a. **The Effect of Return On Asset (ROA) Toward Stock Return**

Return on Assets (ROA) is a ratio that indicates the company’s ability to use the entire assets owned to generate a profit after tax. The higher the ROA shows the company’s effective in utilizing its assets to generate a net profit after tax. The company’s ability to manage assets to generate profits have appeal and be able to influence investors to buy shares of the company. The increase in ROA will add to the attraction of investors to invest their funds in the company so that the company’s stock price will rise, in other words ROA will have a positive impact on stock returns (Arista, 2012: 6).
b. **The Effect of Debt To Equity Ratio (DER) Toward Stock Return**

Debt to Equity Ratio (DER) is the ratio that indicates the level of corporate debt. Investors prefer companies which have a ratio value DER low, because it is an obligation borne by the company is also getting smaller, so the higher the value of DER, the lower the interest of investors who want to invest in the company, it can be seen from the stock price low, causing the stock returns of the enterprise is getting lower (Nugroho, 2013: 3).

c. **The Effect of Earning Per Share (EPS) Toward Stock Return**

Earning per share (EPS) is one of the market ratio which is obtained by dividing the company’s net income by the number of shares outstanding. The higher the value of EPS of course be good for shareholders because the greater the profit provided to shareholders and the possibility of increasing the amount of dividends received by shareholders (Hermawan, 2012: 3).

9. **Normality Test**

To determine the normality of the data statistically by using Kolmogorov-Smirnov test Test in table 1.1.

**Tabel 1**

Normality Test

<table>
<thead>
<tr>
<th>One-Sample Kolmogorov-Smirnov Test</th>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>60</td>
</tr>
<tr>
<td>Normal Parameters(^a)</td>
<td>Mean (0.000000)</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>0.22913055</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
<td>Absolute (0.079)</td>
</tr>
<tr>
<td></td>
<td>Positive (0.079)</td>
</tr>
<tr>
<td></td>
<td>Negative (-0.043)</td>
</tr>
<tr>
<td>Kolmogorov-Smirnov Z</td>
<td>0.610</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>0.850</td>
</tr>
</tbody>
</table>

\(^a\) Test distribution is Normal.

Table 1 indicates that the Asymp value Sig (2-tailed) is 0.850 > 0.05 so that the data in this study is normal. The data in this study had a normal distribution and can be used in this study.

### 10. Classical Assumption Test

#### a. Multicolinearity Test

The results of multicolinearity test by observing the test of Tolerance and Variance Inflation Factor (VIF) value can be shown in Table 2.

#### Tabel 2
Multicolinearity Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-.114</td>
<td>.061</td>
<td>-1.869</td>
<td>.067</td>
</tr>
<tr>
<td></td>
<td>ROA</td>
<td>.006</td>
<td>.003</td>
<td>.275</td>
<td>2.045</td>
</tr>
<tr>
<td></td>
<td>DER</td>
<td>-.109</td>
<td>.058</td>
<td>.250</td>
<td>1.872</td>
</tr>
<tr>
<td></td>
<td>EPS</td>
<td>3.723</td>
<td>.000</td>
<td>-.138</td>
<td>-1.132</td>
</tr>
</tbody>
</table>

a. Dependent Variable: RS

Table 2 shows the results that there are no variables which have Variance Inflation Factor (VIF) value more than 10 the correlation among the independent variables Return on Assets (ROA), Debt To Equity Ratio (DER), and Earning Per Share (EPS). There are also no variables which have Tolerance value less than 0.10. It can be concluded that there is no multicolinearity among the independent variables. These results indicate that there is no strict correlation among the independent variables. So, it can be concluded that there is no multicollinearity among the independent variables in this study.

#### b. Heteroscedasticity Test

To find out the results of heteroscedasticity test statistically is by using Glejser test as shown in Table 3.

#### Tabel 3

The Effect of Financial Ratios Toward...

Heteroscedasticity Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>.181</td>
<td>.038</td>
<td>4.754</td>
<td>.000</td>
</tr>
<tr>
<td>1</td>
<td>ROA</td>
<td>.000</td>
<td>.002</td>
<td>.027</td>
</tr>
<tr>
<td></td>
<td>DER</td>
<td>-.008</td>
<td>.036</td>
<td>-.032</td>
</tr>
<tr>
<td></td>
<td>EPS</td>
<td>-2.660E-6</td>
<td>.000</td>
<td>-.018</td>
</tr>
</tbody>
</table>

a. Dependent Variable: RES2


Table 3 showed that there is no heteroscedasticity interference in each variables which the significance value of each variables is over the value of \( \alpha = 0.05 \). So overall it can be concluded that in this research there is no heteroscedasticity symptoms. These results indicate that there is no correlation among other variables and independent variables. Therefore, it can be concluded that there is no Heteroscedasticity in this study.

c. Autocorrelation Test

To examine if there is an autocorrelation or not in this study, it can be seen in Table 4.

Tabel 4

Autocorrelation Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.876a</td>
<td>.864</td>
<td>.786</td>
<td>.23519</td>
<td>1.839</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), EPS, DER, ROA
b. Dependent Variable: RS


Based on Table 4 it can be seen that the result of the Durbin-Watson test was 1.839. It means that the above regression model of Durbin Watson value is 1.839. It is among -2 up to +2 which means there is no autocorrelation. (Sunyoto, 2011: 91). These results indicate that in the regression model there is no serious
correlation between residual in period t with residual in the previous period. Thus there is no autocorrelation in this study.

11. **The Results of Multiple Linear Regression Analysis**

The Results of Multiple Linear Regression Analysis by using SPSS 16.0 can be seen in Table 5 as follows.

**Table 5**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>(Constant)</td>
<td>-0.114</td>
<td>0.061</td>
<td>-1.869</td>
<td>.067</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>ROA</td>
<td>0.006</td>
<td>0.003</td>
<td>0.275</td>
<td>2.045</td>
</tr>
<tr>
<td></td>
<td>DER</td>
<td>-0.109</td>
<td>0.058</td>
<td>0.250</td>
<td>1.872</td>
</tr>
<tr>
<td></td>
<td>EPS</td>
<td>3.723</td>
<td>0.000</td>
<td>-0.138</td>
<td>-1.132</td>
</tr>
</tbody>
</table>

a. Dependent Variable: RS

Table 5 shows the results that the equation of multiple linear regression can be arranged as follows.

\[ Y = -0.114 + 0.006X_1 - 0.109X_2 + 3.723X_3 + e \]

From the equation above, it can be seen that the regression coefficient X1 has a positive effect, while the regression coefficient X2 has a negative effect and the regression coefficients X3 has a positive effect toward sharia stock return on companies listed in Jakarta Islamic Index (JII) Period of 2011-2015.
12. **Hypothesis Testing**

a. **Simultaneous Test (F Test)**

The results of Simultaneous Test can be seen in Table 6.

**Table 6**

Simultaneous Test Results (F Test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>.827</td>
<td>3</td>
<td>.276</td>
<td>4.986</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>3.098</td>
<td>56</td>
<td>.055</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>3.925</td>
<td>59</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), EPS, DER, ROA

Table 6 shows that the value of $F_{\text{count}}$ is $4.986 > 2.77 F_{\text{table}}$ and the significant value is $0.004 < 0.05$. It can be concluded that the variable of Return On Asset (ROA), Debt To Equity Ratio (DER), Earning Per Share (EPS) and Price To Book Value (PBV) have a significant effect simultaneously toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015. Thus, the first hypothesis is accepted.

b. **Partial Test (t Test)**

Partial Test Results (t test) can be seen in Table 7.

**Table 7**

Partial Test Results (t Test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td></td>
<td>(.Constant)</td>
<td>-.114</td>
<td>.061</td>
<td>-1.869</td>
<td>.067</td>
</tr>
<tr>
<td>1</td>
<td>ROA</td>
<td>.006</td>
<td>.003</td>
<td>.275</td>
<td>2.045</td>
</tr>
<tr>
<td></td>
<td>DER</td>
<td>-.109</td>
<td>.058</td>
<td>.250</td>
<td>1.872</td>
</tr>
<tr>
<td></td>
<td>EPS</td>
<td>3.723</td>
<td>.000</td>
<td>-.138</td>
<td>-1.132</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: RS

c. The Coefficient of Determination (R² Test)

The coefficient of determination results are shown in Table 8.

**Table 8**
The Coefficient of Determination

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.876ᵃ</td>
<td>.864</td>
<td>.786</td>
<td>.23519</td>
</tr>
</tbody>
</table>

ᵃ. Predictors: (Constant), PBV, EPS, DER, ROA
ᵇ. Dependent Variable: RS


Table 8 shows that the value of Adjusted R Square is 0.786. It indicates that the variable of ROA, DER, and EPS in predicting sharia stock returns give contribution 78.6%. Meanwhile, the rest 100% - 78.6% = 21.4% is explained by other factors which are not examined in this study.

13. The Relationship Among ROA, DER, EPS, and Sharia Stock Return

a. The Effect of Return On Assets (ROA) Toward Sharia Stock Return

Table 7 shows results that the variable of Return On Assets (ROA) has $t_{count} = 2.045 > 1.6725 \ t_{table}$ while the significant value is 0.046 < 0.05 and it has a positive influence. It can be concluded that the Return On Assets (ROA) has positive and significant effect partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015. Thus, the second hypothesis is accepted.

These results are in line with the opinion stated by Susilowati (2011: 19) that the higher the ROA shows the better company’s performance and shareholders will get benefit from dividends which are received, or the increasing price and stock returns. The results of this study are consistent with the research
conducted by Farkhan and Ika (2013: 16) and Nuryana (2013: 65) which stated that the Return On Assets has a positive and significant effect toward stock returns.

b. The Effect of Debt To Equity Ratio (DER) Toward Sharia Stock Return

Table 7 shows results that the variable of Debt To Equity Ratio (DER) has $t_{count} \geq t_{table}$ while the significance value is $0.048 < 0.05$ and it has a negative influence. It can be concluded that the Debt To Equity Ratio (DER) has negative and significant effect partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015. Thus, the third hypothesis is accepted.

These results are in line with the opinion of Nugroho (2013: 3) which stated that the higher value of DER reflects the higher value of companies’ debt and the lower investors’ interest who want to invest in the companies. It can be seen from the low stock price, so that it causes stock returns of those companies become increasingly low. The results of this study are consistent with the research conducted by Susilowati (2011: 31), Arista (2012: 11) and Nidianti (2013: 143) which stated that the DER has a negative and significant effect toward stock returns.

c. The Effect of Earning Per Share (EPS) Toward Sharia Stock Return

Table 7 shows that the variables Earning Per Share (EPS) has $t_{count} < t_{table}$ while the significance value is $0.262 > 0.05$ and it has a positive influence. It can be concluded that the Earning Per Share (EPS) has positive effect but not significant partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015. Thus, the fourth hypothesis is rejected.

It means that the investors do not merely look at the variable of Earning Per Share (EPS) for consideration in selecting investments in the capital markets that generate a good return. The results of this study are consistent with the research conducted by
Susilowati (2011: 29) and Budialim (2013: 17) which stated that the Earning Per Share (EPS) has positive effect but not significant toward stock returns.

**C. Conclusion**

Return on Assets (ROA), Debt To Equity Ratio (DER), and Earning Per Share (EPS) has a significant effect simultaneously toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015.

Return On Asset (ROA) has positive and significant effect partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015.

Debt To Equity Ratio (DER) has negative and significant effect partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015.

Earning Per Share (EPS) has positive effect but not significant partially toward sharia stock return on companies listed in the Jakarta Islamic Index (JII) Period of 2011-2015.
References

Hermawan, Dedi Aji. 2012. Pengaruh Debt To Equity Ratio, Earning Per Share, dan Net Profit Margin Terhadap Return Saham. Management Analysis Journal Vol. 01 No. 05.


