Determinants of Stock Returns of Telecommunications Companies Listed on the Indonesia Stock Exchange

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Abstract: This study aims to examine and analyze the effect of DER, ROA, EPS and MS on stock returns on telecommunications sector companies listed on the Indonesia Stock Exchange. This study uses annual data for the observation period from 2012 to 2016. The type of research is descriptive causality. The data used is panel data which is a combination of annual time series data and cross section processed using panel data regression analysis. The population is telecommunications companies listed on the Indonesia Stock Exchange in 2012 up to 2016 a number of 5 companies. The sampling technique used purposive sampling, found a sample of 4 companies with a 5-year observation to obtain a total observation of 20. Data were obtained from Sahamok. Data analysis in this study is panel data regression. The model used is Fixed Effect Model. The results of the analysis show that the DER variable has a significant positive effect, ROA has a significant positive effect, while EPS and MS have no significant negative effect on stock returns, namus simultaneously to the four variables DER, ROA, EPS and MS together can affect the stock return shown by data processing results that get R2 value of 82.44% of the telecommunications sector stock returns on the Indonesia Stock Exchange for the period 2012-2016.

Keywords: Debt to Equity Ratio, Return on Assets, Earning per Share, Market Share, Stock Return.

INTRODCUTION

Return is the profit obtained by the company, individual and institution from the results of the investment policy that it does. According Jogiyanto [1], stock returns can be divided into two, namely realization returns (realized returns) and expected returns. Realization return is a return that has already occurred that is calculated based on historical data. Return realization is important in measuring the company's performance and as a basis for determining the return and uncertainty (uncertainy) between the return that will be obtained with the risks to be faced. The greater the expected return that will be obtained from the investment, the greater the risk, so it is said that expectation returns have a positive relationship with risk. Higher risk is usually correlated with opportunities to get a higher return. However, high returns do not always have to be accompanied by risky investments. risk in the future. Expected returns are expected returns in the future and are still uncertain. In making investments, investors are faced with

Stock return movement is inseparable from the strength of the demand and supply of the stock. Factors that can affect stock returns include the company's financial condition obtained through the company's financial statements, deposit interest rates, inflation rate, the amount of profits earned by the company, marketing strategy, level of risk and return. Dorothea *et al.,* [2] to be able to choose a safe investment, one careful, thorough analysis is required, and is supported by accurate data. The correct technique in the analysis will reduce the risk for investors in investing. In analyzing and selecting stocks, there are two (2) analyzes or approaches that are often used, namely technical analysis and fundamental analysis [3].

A telecommunications company is one of the most dynamic companies. Along with the development of technological changes, various kinds of telecommunication service products began to emerge, where many companies competed for optimal performance. The company manages production inputs into outputs that can meet the needs of the community. Telecommunication companies in Indonesia have very fast development along with the development of information technology. With the ever-updated technology, it is easier for human activities to communicate and exchange information, by using communication tools that are already highly developed and certainly save more on costs and usage time for consumers. The development of this cellular business attracts investors to invest their funds in companies that are considered to provide investors with benefits as expected returns.

The following is presented data on the increase and decrease of stock returns in telecommunications sector companies during 2012-2016:

	Stock Return				
	2012	2013	2014	2015	2016
	%	%	%	%	%
ISAT	-14%	-36%	-2%	36%	17%
FREN	-92%	-36%	69%	-44%	4%
EXCL	26%	-9%	-6%	-25%	-37%
TLKM	28%	19%	33%	8%	28%

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From the stock return data that was seen in 2012-2016 overall the magnitude of the value of the ever-fluctuating return experienced by all telecommunications companies in 2012 to 2016 as can be seen in the table became a separate problem for both entrepreneurs and prospective investors, for that necessary expansion of research that is supported by a fundamental theory, then proposed factors that are capable of predicting changes in the value of stock returns, where there are four variables that are thought to affect changes in stock returns. These four variables are Debt to Equity Ratio, Return on Assets, Earning per Share, Market Share.

For this reason, researchers are interested in analyzing variables that affect stock returns of companies in the telecommunications sector that are listed on the Indonesia Stock Exchange for the period 20012-2016. Under these conditions can reduce the interest of investors to invest in the telecommunications sector and will go to other sector companies as investment objectives.

- To obtain empirical evidence from the influence of Debt to Equity Ratio (DER) on stock returns in Telecommunication Companies?
- To obtain empirical evidence from the effect of Return on Assets (ROA) on stock returns in Telecommunications Companies?
- To get empirical evidence of the effect of Earning per share on stock returns on telecommunication companies?
- To get empirical evidence of Market Share Influence on Stock Returns in Telecommunications Companies?

THEORETICAL FRAMEWORK
Return
Return is the result obtained from investment. Returns can be in the form of realization returns that have occurred or expectations returns that have not yet occurred but are expected to occur in the future. Return realization (realized return) is the return that has occurred. Realization return is calculated based on historical data. Realization of returns is important because it is used as one of the performance indicators of the company. This historical return is also useful as a basis for determining the expected return and risk in the future. The expected return is the return expected by investors in the future. In contrast to the realization returns that have already occurred, expectation returns have not yet occurred [1].

Arbitrage Pricing Theory (APT)
Arbitrage Pricing Theory (APT) is a theory developed by Stephen A Ross in 1976, where Ross stated that the price of an asset could be influenced by various factors. Where the CAPM price is only influenced by one factor, namely the market portfolio (Rm). APT as an alternative model to answer the problem of a relationship between income and risk of shares (β). Arbitrage Pricing Theory (APT) is useful for predicting the price of a stock in the future. In the APT return the securities model is not only influenced by market portfolios because of the assumption that the expected return from a security can be influenced by several other risk sources. Arbitrage Pricing Theory (APT) basically uses the idea that two investment opportunities that have identical characteristics cannot be sold at different prices (price one price). The concept used is one price law (the law of one price). If the same characteristic assets are sold at different prices, there will be an opportunity to arbitrage by buying low-priced assets and at the same time selling them at a high price so that they earn profit without risk [4].

Debt to Equity Ratio (DER)
Debt to Equity Ratio, is the ratio used to assess debt with equity. To find this ratio by comparing between all debt, including current debt with all equity [4]. This ratio is useful for knowing the amount of funds provided by the borrower (creditor) with the owner of the company. Brealey *et al.,* [5] define Debt to Equity Ratio, "The measure used in analyzing financial statements to show the amount of collateral available to creditors".

The formula for finding Debt to Equity Ratio can be used as a comparison between total debt and total equity as follows [5]:

$$Debt\ To\ Equity\ Ratio = \frac{Total\ Debt}{Equity}$$

Return on Assets (ROA)

Return on Assets (ROA) is one of the profitability ratios. In the analysis of financial statements, this ratio is most highlighted, because it is able to demonstrate the success of profit-making companies. Return on Assets (ROA) is able to measure a company's ability to generate profits in the past to be projected in the future. Assets or assets referred to are all company assets, which are obtained from their own capital or from foreign capital that the company has converted into company assets used for the survival of the company. "Return on Assets (ROA) shows the company's ability to use all assets owned to generate net income after tax" [6]. This ratio connects the profits derived from the operation of the company with the amount of investment or assets used to generate profits from the operation [7].

Return on Assets (ROA) can be calculated by the following formulas:

$$Return\ On\ Assets\ \frac{Net\ Profit\ After\ Tax}{Total\ Assets} x\ 100\%$$

Earning Per Share (EPS)

Earning Per Share (EPS) is one indicator of success that the company has achieved in creating profits for its shareholders [8]. According to Darmadji and Fakhruddin [9]. Earning Per Share (EPS) is one of the market ratios that can be used to find out the results of the comparison between the income that will be received by shareholders or investors and the income generated (net income) on each stock return the sheet is in the company. Earning Per Share (EPS) is the ratio between net income after tax in one financial year and the number of shares issued. Data on Earning Per Share (EPS) is measured in units of rupiah [2]. Earning Per Share or income per share is a form of profit given to shareholders of each share owned. The formula for calculating company EPS is as follows:

$$Earning\ Per\ Share = \frac{After - Tax\ Net\ Income\ (EAT)}{Number\ of\ shares\ outstanding}$$

Market Share

Research conducted by Akmal [10] said in the analysis conducted by investors one of the indicators is the Market Share of a company, the more often a company shares traded on the stock exchange, the higher an investor's interest in buying the company's shares. Market Share is an indicator, the key to a market competition, the acquisition of Market Share shows how well a company reaches the market against its competitors. This metric, coupled with changes in sales revenue, helps managers evaluate both primary and selective demand in their markets. That is, it allows them to assess not only total market growth or decline but also trends in customer choice among competitors [11]. Companies with a better market share will enjoy the benefits of product sales and increased stock returns [12]. Market Share can be calculated by the formula:

$$Market\ Share = \frac{Company\ Sales\ A}{Total\ Sales\ of\ All\ Sales\ in\ the\ Industry}$$

The scheme of the formulation of the following hypotheses aims to clarify the relationship between the four variables:
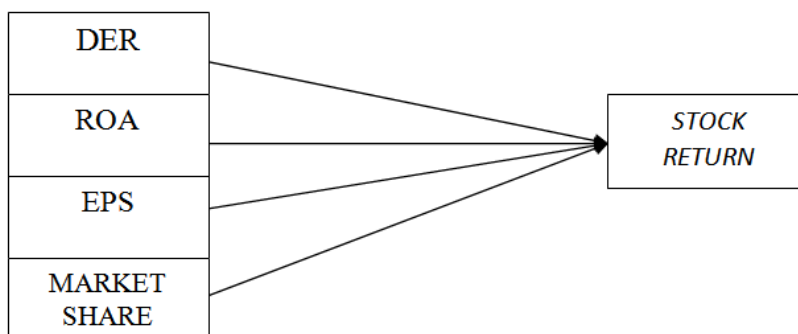
Hypothesis
Effect of Debt To Equity Ratio (DER) on stock returns

Debt To Equity Ratio (DER) has a significant effect on profit that allows to indicate a large financial risk. If the profit generated is insufficient to pay the debt and interest, the company will be in a defult position that can lead to bankruptcy, as a result of this the price will fall and will affect the return of shares. The explanation is supported by the results of research conducted by Hatta and Dwiyanto [13] and Ayu [14]. Zulfikar [15] analyzes Debt To Equity Ratio or also called leverage ratio is a large measure that is financed by liabilities with existing capital Campbell *et al.,* [16] on the contrary Debt to Equity Ratio, "Measurements are used in analyzing financial statements to measure the amount available to creditors". Debt To Equity Ratio (DER) is a solvency ratio that measures the company's performance in terms of long-term debt by looking at the comparison between total debt and total equity [17]. This ratio can provide information about the capital structure issued by the company You can see the level of unimaginability of debt [18]. Based on the relationship between variables supported by the above theoretical concepts, the hypotheses tested in this study are:

H1: Capital structure has a positive effect on Entreprise value

Effect of Return on Assets (ROA) on stock returns

Sujarweni [19] explains that Return On Assets (ROA) is a ratio used to measure the ability of capital invested in total assets to generate net profits. Return on Assets (ROA) is the ratio between net income and total assets. Return On Assets (ROA) is a ratio that shows results (return) on the amount of assets used in a company. Return On Assets (ROA) is a measure of management effectiveness in managing its investments [7]. The higher the company makes a profit, it will attract investors to invest in the company because high ROA shows the company's ability to generate net income at the level of its assets. If a company has a high profitability, it will encourage an increase in stock prices so that the stock return that will be received by investors is increasing, because the return (return) on return on investment that will be obtained by investors will also increase. Negative Return on Assets (ROA) shows that the company in its operational activities by using assets has a loss, this is supported by research conducted [6]. This ratio connects the profits derived from the company's operations with the amount of investment or assets used to generate profits from the operation [7]. Based on the relationship between variables supported by the above theoretical concepts, the hypotheses tested in this study are:

H2: Return on Assets (ROA) has a positive effect on the company's stock returns.

Effect of Earning Per Share on stock returns

Earning Per Share (EPS) is one of the market ratios which are the results of the income that will be received by the shareholders for each share they have for their participation in the company. Earning Per Share (EPS) is the ratio between net income after tax in one financial year and the number of shares issued. Data on Earning Per Share (EPS) is measured in units of rupiah [2]. Return On Assets is obtained by comparing between Net Income After Tax (NIAT) which is defined as total net income after tax [20]. Triyono and Robiyanto [20] regarding the effect of EPS and PER on stock returns on manufacturing companies on the JSX shows that partially EPS has a significant effect on stock returns. According to Purnomo [21], a company with a low EPS ratio might reduce investor interest in stock prices, but it should also be remembered that the EPS ratio. Earning Per Share (EPS) is one indicator of success that the company has achieved in creating profits for its shareholders [22]. According to Lutfi dan Arsitha [23] Earning Per Share (EPS) is the ratio used to calculate net income or profit obtained from a share. Based on the relationship between variables supported by the above theoretical concepts, the hypotheses tested in this study are:

H3: Earning Per Share (EPS) has a positive effect on the company's stock returns.

Effect of Market Share on Stock Returns

Market Share is the influence of money market indicators, and is a stock market indicator that is generally done without looking at the condition of the stock market. Therefore, the research wants to see whether this influence is also influenced by the stock market conditions, namely when bullish or bearish which affects stock returns [24]. Market Share can be interpreted as a part of the market that can be controlled by a company, or the presentation of a company's sales to the total sales of its biggest competitors in a certain period of time or place or can say Market Share is an indicator, the key of a market competition, Market acquisition Share shows how well a company reaches the market against its competitors.

In line with these studies, Gan [25] found evidence that earnings announcements have information content that influences investor reactions, which is reflected in changes in the price and stock volume of the company concerned Akmal [10]. Based on the relationship between variables supported by the above theoretical concepts, the hypotheses tested in this study are:

H4: Market Share has a positive effect on the company's stock return

RESEARCH METHODOLOGY
Population
According to Sugiyono [26] population is an area of generalization consisting of objects or objects that have certain qualities and features set by researchers to study and then draw conclusions. The population of this study are companies included in the stock category of sub-sector manufacturing companies in the Indonesia Stock Exchange (IDX) in the period 2012-2016 which discussed 5 companies, but in this research only 4 companies were mentioned in the telecommunications sub-sector, because one company in the sub-sector has not produced returns over the past few years.

Sample
The sample selection in this study was carried out using purposive sampling sample technique that is the sample chosen based on certain criteria with the aim to obtain a representative sample with the research conducted. Purposive sampling is a sample determination technique with certain considerations. This technique is most suitable for qualitative research that does not generalize [26]. The sampling method uses non probability sampling. Non probability sampling is a sampling technique that does not provide the same opportunity or opportunity for each element or member of the population to be selected as a sample [26].

According to Sekaran [27] the sample is part of the population. The sample consists of a number of members selected from the population. The sampling method uses nonprobability sampling. Nonprobability sampling is a sampling technique that does not provide an opportunity or equal opportunity for each element or member of the population to be selected as a sample [26]. The sample technique used in this study was purposive sampling. Purposive sampling is a sample determination technique with certain considerations [26].

No	Criteria	amount
1	Manufacturing company Telecommunications sub-sector listed on the IDX for the period 2012-2016.	4
2	The number of samples made as research objects	4

Source: Indonesia Stock Exchange, processed

From the above criteria, 4 companies were obtained with a 5-year study period, so that 20 observations were obtained.

Panel Data Regression Analysis
Panel Data Regression Analysis is used to test the hypotheses that have been proposed in the study. With this approach it will be able to know how much influence the variables of capital structure, profitability, and liquidity on the value of the cigarette sub-sector companies listed on the Indonesia Stock Exchange (IDX). Panel data is a combination of cross section and time series. Panel data regression models can be formulated as follows:

$$Y_{it} = \alpha + \beta X_{it} + \varepsilon_{it} \; ; \quad i = 1,2,\ldots\ldots, N \; ; \quad t = 1,2,\ldots\ldots T$$

Information:
N = Number of observations
t = Amount of time
$N \times T$ = Number of panel data

RESEARCH RESULTS AND DISCUSSION
Descriptive Statistics Analysis
Standard deviation as a measure to measure the distribution of data or show fluctuating data. The largest standard deviation value with EPS variable is 245.6272 which means that the EPS variable has a higher level than the other variables. While the Market Share variable has the lowest quality level, which is 0.238847.

Skewness is a measure of asymmetry distribution of statistical data taught on average (mean). Skewness from a signal via symmetric (normal distribution) is zero. The positive slope shows that the spread of the data has a long tail on the right side (the length of the right tail) and the negative slope has a long tail on the left side (long left tail). For Return variables the score has a negative value, while for variables, DER, ROA, EPS and MS have positive values.

Kurtosis measures the height of distribution. Kurtosis data that is normally distributed is 3. If kurtosis exceeds 3, then the data distribution applies to normal leptokurtis. If kurtosis is less than 3, the data distribution is flat (platykurtic) with normal distribution data. For the variables DER, ROA, and MS, the kurtosis value is less than 3, the temporary variable is EPS and the Stock Return has a kurtosis value of more than 3.

Table-1: Descriptive Statistics of Research Variables

	DER	ROA	EPS	MS	RS
Mean	2.083000	1.580500	19.33100	0.254497	-1.650000
Median	1.950000	0.320000	11.37000	0.169562	1.000000
Maximum	4.200000	16.49000	637.4000	0.682319	69.00000
Minimum	0.640000	-15.97000	-511.9700	0.013208	-92.00000
Std. Dev.	1.104089	9.754247	245.6272	0.238847	36.54021
Skewness	0.181181	0.246620	0.163939	0.948763	-0.461056
Kurtosis	1.930772	2.062525	4.014977	2.253538	3.273368
Jarque-Bera	1.062128	0.935121	0.948068	3.464839	0.770852
Probability	0.587979	0.626529	0.622486	0.176856	0.680161
Sum	41.66000	31.61000	386.6200	5.089950	-33.00000
Sum Sq. Dev.	23.16122	1807.761	1146321.	1.083908	25368.55
Observations	20	20	20	20	20

Source: data processed with eviews 9

Jarque-Bera (JB) is a statistical test to find out whether the data in the study is normally distributed. This test measures the amount of skewness and kurtosis data and compared to if the data is normal. With H0 in the data normally distributed, the JB test is given with a free degree (degree of freedom) of 2. The probability shows that the JB value exceeds (in absolute value) the value observed under the null hypothesis. Statistical results show that the variables of Stock Return, DER, ROA, EPS.

Studies in this industry that use regression panel data during the period 2012-2016 conclude that with $\alpha = 0.05$, which means that the display and data are normally distributed.

Panel Data Regression Model Selection
Chow Test or Common Effect vs. Fixed Effect
Chow Test is used to select the right panel data regression model to test which model is best used in the research between Common Effect models or Fixed Effect models.

Table-2: Chow Test

Test cross-section fixed effects			
Effects Test	Statistic	d.f.	Prob.
Cross-section F	5.323145	(3,12)	0.0145
Cross-section Chi-square	16.924114	3	0.0007

Source: data processed with eviews 9

Based on the Chow test using e-views in Table-2. obtained F test and chi-square test smaller than $\alpha = 0.05$ (5%) that is equal to 0.0005. This test yields the conclusion that H0 is rejected and H1 is accepted, which means that Fixed Effect is better used in estimating panel data regression than Common Effect.

Table-3: Analysis of Data Panel Regression Estimation with the Fixed Effect Model Method

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-67.21190	30.77335	-2.184095	0.0452
DER	30.85926	10.63060	2.902870	0.0109
ROA	5.324549	2.071404	2.570503	0.0213
EPS	0.010538	0.037959	0.277605	0.7851
MS	-28.82971	70.41176	-0.409445	0.6880
R-squared	0.547888	Mean dependent var		-1.650000
Adjusted R-squared	0.427325	S.D. dependent var		36.54021
S.E. of regression	27.65192	Akaike info criterion		9.689585
Sum squared resid	11469.43	Schwarz criterion		9.938518
Log likelihood	-91.89585	Hannan-Quinn criter.		9.738180
F-statistic	4.544401	Durbin-Watson stat		1.629744
Prob(F-statistic)	0.013265			

Source: data processed with eviews 9

After the fixed effect model is chosen, heterosdafity tests are carried out. Heteroscedasticity test is a credit model with residual variation and error is not constant or variable [28]. After a heteroscedasticity test, there was a 27.6% increase in the R-square value, which means that the previous data still had heterosatisficity problems.

Table-4: After a heteroscedasticity test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-68.20540	39.55154	-1.724469	0.1103
DER	39.96130	8.561079	4.667788	0.0005
ROA	11.86921	2.653950	4.472282	0.0008
EPS	-0.038724	0.026484	-1.462192	0.1694
MS	-136.3263	142.0411	-0.959767	0.3561
	Effects Specification			
Cross-section fixed (dummy variables)				
	Weighted Statistics			
R-squared	0.824419	Mean dependent var		4.848396
Adjusted R-squared	0.721996	S.D. dependent var		38.86298
S.E. of regression	19.80971	Sum squared resid		4709.094
F-statistic	8.049204	Durbin-Watson stat		2.491267
Prob(F-statistic)	0.000973			

Source: data processed with eviews 9

Based on the results of the panel data regression analysis above, the regression line equation can be obtained as follows:

$$RS = -68.205398384 + 39.9613030408*DER + 11.8692131932*ROA - 0.0387243558289*EPS - 136.326326871*MS + [CX=F]$$

The above equation can be interpreted as follows:
- Debt to Euity Ratio (DER) has a positive β coefficient of 39.96130 with a value of 4.667788 and a significance value of 0.0005 smaller than 0.05 so that the first hypothesis can be accepted. This means that the variable Debt to Euity Ratio (DER) is proven to have a positive and significant effect on stock returns in the telecommunications sector.
- Return On Assets (ROA) has a positive β coefficient of 11.86921 with a tcount of 4.472282 and a significance value of 0.0008 smaller than 0.05 so that the second hypothesis can be accepted. This means that the variable Return on Assets (ROA) is proven to significantly affect stock returns in the telecommunications sector.
- Earning per Share (EPS) has a negative β coefficient of -0.038724 with a t-value of -1.462192 and a significance value of 0.11694 greater than 0.05 so that the third hypothesis is not acceptable. This means that the variable Earning per Share (EPS) proved to have no positive and significant effect on stock returns in the telecommunications sector.
- Market Share (MS) has a negative β coefficient of -136.3263 with a t value of -0.959767 and a significance value of 0.3561 greater than 0.05 so that the fourth hypothesis cannot be accepted. This means that the Market Share (MS) variable is proven to have no positive and significant influence on stock returns in the telecommunications sector.

Test of Goodnes of Fit (R2)

Testing of the coefficient of determination (adjusted R2) is done to measure how far the ability in determining the dependent variable. Testing of the coefficient of determination (adjusted R2) is done to measure how far the ability in determining the dependent variable. testing goodness of fit, shows the coefficient of determination $R^2 = 0.824419$ which means all Independent Variables; Debt to Euity Ratio (DER), Return on Assets (ROA), Earning per Share (EPS), and Market Share (MS) can provide the value of ups and downs of the telecommunication company's Stock Return of 82.44%, while the remaining 17.56% factor others that cannot be included in this model. While the determination coefficient value adjusted $R^2 = 0.721996$, which means after the degree of freedom (degree of freedom), all Independent Variables in this study can be used to generate a profit of 72.19%.

Hypothesis testing
Simultaneous Significance Test (Test Statistics F)

Research conducts significant simultaneous testing (overall significance) on a regression equation based on hypothesis testing. can be seen the value of constant C has a coefficient of -68.20540 so that it can be interpreted that as a whole independent variables negatively affect the dependent variable. Prob value (F-statistic) is 0.000973 smaller than α = 0.05, which means that H0 is rejected and Ha is accepted. This shows that the independent variables Debt to Euity Ratio (DER), Return On Assets (ROA), Earning per Share (EPS), and Market Share (MS) have a significant effect jointly on the stock returns of telecommunication companies studied with confidence level of 82 percent

Partial Test

Partially based on Table 4 it can be seen that the influence between the independent variables on the dependent variable is as follows:

- Debt to Equity Ratio (DER), has a positive β coefficient of 0.801206 with a tcount of 2.327395 and a significance value of 0.0344 smaller than 0.05 so that the first hypothesis can be accepted. This means that the variable Debt to Equity Ratio has a positive and significant effect on Price to Book Value of cigarette companies.
- Return on Assets (ROA), has a positive β coefficient of 0.454126 with a tcount of 6.928861 and a significance value of 0.0000 smaller than 0.05 so that the second hypothesis can be accepted. This means that the Return on Assets variable is proven to have a positive and significant effect on the Price to Book Value of cigarette companies.
- Current Ratio (CR) has a negative β coefficient of -0.004547 with a tcount of -0.498090 and a significance value of 0.6256 greater than 0.05 so that the third hypothesis is not acceptable. This means that the Current Ratio variable is proven to be insignificant. Price to Book Value of tobacco companies.
- Market Share has a positive β coefficient of 0.225746 with a tcount of 0.656290 and a significance value of 0.5216 greater than 0.05 so that the fourth hypothesis cannot be accepted. This means that the Market Share variable is proven to be insignificant Price to Book Value of cigarette companies.

DISCUSSION

Effect of DER on Stock Returns

The results of the t test on the DER variable obtain a tcount of 4.667788 with a significant value of 0.0005 <0.05, so H1 is accepted. This means that DER individually has a positive and significant effect on stock returns. DER can measure the ability of the company's own capital to be used as a guarantee of all debt. The results of this study are in accordance with Yolanda [29], the results of his research say that DER has a positive and significant influence on stock returns.

Effect of ROA on Stock Returns

The results of the t test on the ROA variable obtain a tcount of 4.472282 with a significant value of 0.0008 <0.05, so H2 is accepted. This means that ROA individually has a positive and significant effect on stock returns. The high ROA value is better for the company, but the company is able to manage the existing investment to generate profits. The results of this study in accordance with the research of Endri [30] the results of the study said that ROA has a positive and significant influence on stock returns.

Effect of EPS on stock returns

The results of the t test on the EPS variable obtain a tcount of -1.462192 with a significant value of 0.1694> 0.05 so that H3 is accepted. This means that EPS individually has a positive and significant effect on stock returns. This shows that the increase and decrease in stock returns is influenced by the amount of EPS, namely the profit received by each share. The results of this study are supported by the results of Margaretha dan Irma [31] research which says EPS does not have an influence on stock returns.

Effect of MS on stock returns

The results of the t test on the MS variable obtain a tcount of -0.959767 with a significant value of 0.3561> 0.05, so H1 is accepted. This means that MS individually has a positive and significant effect on stock returns. This shows that telecommunication companies have not been able to handle their market share properly, seen from changes that occur from sales revenue, it can be concluded from these changes that there may be a change in consumer tastes, or a shift in consumer interest. The results of this study are consistent with research conducted by Lau [32] which states that Market Share has a positive and significant effect on Stock Returns.

CONCLUSION

Based on the results of the research and discussion previously stated, the research conclusions are as follows:

- Variable Debt To Equity Ratio (DER) and Return On Assets (ROA) have a positive and significant effect on Stock Returns of telecommunications companies
- Variable Earning per Share (EPS) and Market Share (MS) have a negative and insignificant effect on the Stock Return on telecommunication companies
- But overall Debt to Euity Ratio (DER), Return on Assets (ROA), Earning per Share (EPS), and Market Share (MS) affect the Stock Return. From the results of the F test shows the F-statistical probability value of 0.000973 <0.05, it can be concluded that Ha is accepted and Ho is rejected means Debt to Euity Ratio (DER), Return on Assets (ROA), Earning per Share (EPS) , and Market Share (MS) together have a significant effect on Stock Returns.

This research is expected to provide various benefits for the parties involved, including:

- For cigarette companies listed on the Stock Exchange that profitability is important to pay attention to increase the value of the company. Companies can do this by increasing the company's ability to make profits through all available sources, sales, cash, assets and capital.
- For investors profitability is not the only factor used to increase the value of the company, but investors must pay attention to the capital structure and liquidity and market share of the company.
- For similar companies, the results of research on cigarettes listed on the IDX can be used as a comparison, so that it can be known the advantages and disadvantages so that improvements can be made to increase the value of the company.

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