# The Effect of Company Size, Exchange Rate and Earnings Per Share on Stock Returns

*by* Sigit Sanjaya

# The Effect of Company Size, Exchange Rate and Earnings Per Share on Stock Returns

Elfiswandi[1*], Cindy Angela[2], Muhammad Fikri Ramadhan[3]

[1,2,3]Department of Accounting, Faculty of Economics and Business, Universitas Putra Indondeia YPTK Padang

*elfiswandi@upiyptk.ac.id

**Abstract**

This study aims to examine and analyze the effect of firm size, exchange rate, earnings per share and capital structure as control variables on stock returns. All manufacturing companies listed on the Indonesia Stock Exchange for the period 2013 – 2017 are the population in this study. By using purposive sampling method, 100 companies were selected as samples in the study. The method of collecting data is library research and secondary data from the official publications of the Indonesia Stock Exchange and the official website of Bank Indonesia. Panel and regression methods are used as an analytical tool in this study. The results obtained in the study are, stock returns are significantly affected by firm size, exchange rates and earnings per share either partially or simultaneously. Meanwhile, when using capital structure as a control variable on stock returns, the results show that the variables of firm size, exchange rate and earnings per share are partially stated to have no significant effect.

## 1. Introduction

The fundamental condition of the Indonesian economy continues to strengthen. It can be seen that Indonesia's economic growth in 2017 was 5.07% or an increase of 0.05% compared to 2016 which was 5.02% based on the Central Bureau of Statistics (BPS). According to the Head of the Central Bureau of Statistics (BPS) (Suhariyanto, 2018), 2017 was Indonesia's highest economic growth since 2014. In addition, based on data from the Investment Coordinating Board (BKPM) (2018), the realization of investment in Indonesia in 2017 has succeeded in exceeding the target set by both foreign and domestic investment of Rp 692.8 trillion from the previous investment target of Rp 678.8 trillion.

The World Bank (World Bank) (2017) has also announced that Indonesia's ranking as a country that provides convenience in investing globally or the Ease of Doing Business (EODB) has experienced a significant increase, from 91 to rank 91. 72. This ranking is still far below that of neighboring countries, such as Singapore and Malaysia, which are at level 2 and 24 in the world. According to the World Bank Leader for the Country Program on Equitable Growth (Youngmei Zhou, 2017), Indonesia is still not doing the best in investment. The main obstacle in investing in Indonesia so far, according to (Thomas Trikasih Lembong, 2018) as the Head of the Investment Coordinating Board (BKPM) is the problem of overlapping, changing and contradictory regulations between ministries and institutions and regions that make it difficult for investors.

Meanwhile, investors in investing in Indonesia can do something wrong, including investing in the capital market. The capital market is a meeting place for parties in need of funds with those with excess funds (investors) through investment (Dwialesi and Darmayanti, 2016). In the capital market itself, there are several options for investing, one of which is investment investment in the form of shares (Adeputra and Wijaya, 2015). Stocks are the ones that are chosen by many investors in investing, because they can provide benefits to investors. The investment in the form of shares is in the form of buying shares of public companies (go public) by investors, the aim of which is to obtain profits that can be obtained through the acquisition of returns (returns) on the selected or desired shares (Risdiyanto and Suhermin, 2016). Thus, return is a significant expectation in determining the value of an investment (Badewin, 2017).

Return is the profit obtained by investors from investments invested in an investment (Aisah and Mandala, 2016). Hadi (2015) stated that return is an expected return on investment in stocks or several groups of shares in a portfolio. The amount of a company's stock return can be determined by reducing the stock price (closing price) with the closing price of the previous year, then divided by the stock price of the previous year. Therefore, an increase or decrease in stock prices will affect the company's stock return.

Thus, investors must understand that, apart from gaining profits, they also experience losses caused by increases or decreases in stock prices. So to avoid losses in making investments in the form of shares, investors must be able to analyze the state of the company's stock returns through its share price which is influenced by many factors. These factors can be external factors related to events outside the company and usually related to the socio-economic conditions of a country, as well as internal factors from within the company that can affect stock returns in an investment (Arisandi, 2014).

As well as the difference in the level of stock returns between small companies and large companies that are influenced by size. Based on the results of measurements made using total assets as firm size, it is known that large companies will generate higher returns when compared to medium and small companies. This is because the stock market price of small companies tends to be more sensitive to change, this is related to economies of scale and has a relatively small tendency to develop in difficult economic conditions (Hadi, 2015). In addition, the growth of large companies is relatively high compared to small companies (Putra and Dana, 2016). Therefore, large companies will provide a higher rate of return when compared to small-scale companies.

The increase or decrease in the stock market price itself is not only influenced by internal factors but is also influenced by external factors related to the economic conditions of a country such as the exchange rate or exchange rate which is considered as the ratio of the value of the price comparison of a currency. compared to other currencies (Adeputra and Wijaya, 2015). During the last five years (2013 – 2017) until December 2018 it was discovered that there had been fluctuations in the USD transaction rate against the Rupiah as illustrated in the following graph:



**Figure 1**
**USD to Rupiah Transaction Rate**
**1 January 2013 – 7 December 2018**

If the rupiah exchange rate continues to weaken as happened from September to early November 2018 against the United States dollar (USD) which reached its highest level of up to 15,329 rupiah on October 11, 2018 using the Bank Indonesia

transaction rate, the demand for shares will also decline. In addition, the weakening of the rupiah against the United States dollar (USD) will have a significant impact on publicly listed manufacturing companies that depend on imported goods for their production factors. This is because the large import spending from the company will increase production costs which will reduce the company's profit. So that in the end, investors will be reluctant to invest and prefer to keep their funds in banks rather than investing in company shares (Arisandi, 2014). As a result, the company's stock market price will always decline and the company's stock return will decline (Hidayat, Setyadi and Azis, 2017). This condition is confirmed by the results of research (Mayfi and Rudianto, 2014), with the results of the exchange rate having a significant positive effect on stock returns. In contrast to the results of research conducted by (Hidayat, Setyadi and Azis, 2017) namely the exchange rate (exchange rate) does not have a significant effect on stock returns, meaning that an increase or decrease in the exchange rate of the rupiah against the value of the United States dollar (USD) cannot affect the increase or a decrease in the stock return of a company.

Meanwhile, other internal factors that are also considered to be able to influence the increase or decrease in stock returns are earnings per share (EPS), which is financial information that reflects the profits received by investors for each share owned (Badewin, 2017). The higher the level of earnings per share (EPS) generated by a company, the demand for the company's shares will be relatively high. This is because the company's high earnings per share (EPS) illustrates the company's ability to earn profits from shares. (Gunadi and Kesuma, 2015). The high demand for shares can push the company's share price to be relatively high (Janitra and Kesuma, 2015). Furthermore, the relatively high stock price will also trigger the creation of high stock returns. In other words, an increase in earnings per share will be followed by an increase in stock returns and vice versa.

Furthermore, the last internal factor of capital structure can affect stock returns which is used as a control variable. Capital structure is the ratio of how much the company depends on debt to finance the company's assets (Lestari, Andini and Oemar, 2016). The capital structure ratio can inform the company's dependence on debt. The debt to equity ratio is used to measure the capital structure, because the debt to equity ratio (DER) is a ratio that is able to provide an overview of the company's financial risk, so that it can provide an overview of the company's ability to pay debt with equity, as well as provide an overview of how much debt the company can guarantee by own capital.

The higher use of debt in corporate financing will be reflected in a high debt to equity ratio (DER), this will lead to higher earnings before interest and higher earnings per share. If earnings per share increase, it will have an impact on increasing stock returns

arwati and Sudiartha, 2016). So theoretically the debt to equity ratio (DER) has a positive effect on stock returns.

Investments made by investors, both short-term and long-term investments have the aim of getting a return (Rizal and Ana, 2016). Return is the profit received by investors for their investments (Hadi, 2015). (Fahmi, 2015) states that stock is proof of ownership of capital/funds in a company. Companies can sell their ownership rights in the form of shares (stock), so according to (Bodie, Kane and Marcus, 2014: 24) shares are evidence of investor ownership of a company. By owning shares, it means that investors have rights to the company's profits and assets as well as voting rights in the GMS, residual claims and the like (Hadi, 2015).

Furthermore, share ownership allows investors to get a large return (return) or profit (capital gain). However, the ups and downs of stock prices cause investors to experience losses (Fahmi, 2015). There are two advantages that will be obtained by investors investing in stocks (Darmadji and Fakhruddin, 2008), namely: a) The company's profits are distributed to shareholders in the form of: Dividend distribution with the approval of the shareholders in the General Meeting of Shareholders (GMS). The type of dividend distributed by the company can be in the form of cash dividends, stock dividends b) Capital gain, profit for investors obtained from buying and selling shares in the stock market. Capital gains are obtained if the purchase price is lower than the selling price of the shares in the capital market. However, if the opposite, then the investor will experience a capital loss. Thus, stock returns are the level of profit from investments carried out by investors (Hadi, 2015). In addition, return is also called the return on stock investments made by investors on trading.

The gain or loss in investing in the form of shares, is very dependent on the ability of investors to analyze the state of the company's stock returns through its share price which is influenced by many factors, such as company size (company size). Because in general, investors are more focused on shares of companies with large assets in the hope of obtaining large returns (Setiyono and Amanah, 2016). In addition, the share price of small companies tends to be more sensitive to changes related to the economic sector and has a relatively smaller tendency to develop in difficult economic conditions such as when the exchange rate declines. Meanwhile, if the company does not have sufficient funds to finance its production and operational activities caused by the decline in the rupiah exchange rate, the company can borrow funds from other parties (creditors). However, if the company always uses debt in financing the company's assets (capital structure) is high, then the investors consider the company's performance is not good. This is because a high ratio of the company's capital structure can indicate a larger total debt composition (Lestari, Andini

and Oemar, 2016). Thus, if the company's profit decreases and the level of debt owned by the company increases but is not supported by a high total capital, the demand for shares will decrease which has an impact on the decline in the company's share price, so that the stock return also decreases.

However, if the company is able to generate high profits or net income per share (earnings per share), then the level of demand for shares in the company will increase. Because, the company's high earnings per share (EPS) illustrates that the company's net profit after tax distributed to shareholders is also high (Badewin, 2017). So that investors will be interested in investing in the company by buying company shares. In the end, the company's stock price will return high and the company's stock return will also increase. Thus, the factors that influence company's stock return are company size (company size), exchange rate (exchange rate/exchange rate), earnings per share (EPS) and capital structure.

Firm size is measured by total assets. Thus, the greater the total assets of the company, the greater the size of the company (Aisah and Mandala, 2016). In addition, according to (Setiyono and Amanah, 2016), the greater the total assets of the company, it indicates that the company is relatively more stable and able to generate greater profits. As well as reflecting the company's performance is also increasing to be able to finance its funding needs in the future (Pratiwi and Putra, 2015). Meanwhile, according to (Raningsih and Putra, 2015), firm size can be used to represent the financial characteristics of a company that shows the size of the wealth (assets) owned by a company.

The exchange rate (exchange rate) according to (Fahmi, 2017:216) is the value of a country's currency compared to the value of other countries' currencies. Meanwhile, according to (Hidayat, Setyadi and Azis, 2017) the exchange rate (exchange rate) is an exchange rate or price of foreign currency against other currencies. The exchange rate (exchange rate) is also the ratio of the price of a currency compared to other traded currencies (Adeputra and Wijaya, 2015). Furthermore, according to (Suyati, 2015), in the monetary approach (monetary approach), the exchange rate (exchange rate) is defined as the price at which foreign currency (foreign currency / foreign money) is traded against the domestic currency and is related to demand and the money supply itself.

Earnings per share (EPS) is the ratio between net income after tax (net income after tax) to the number of shares issued by the company (out standing share) (Hadi, 2015). Meanwhile, according to (Fahmi, 2015) earnings per share (EPS) is the share of profits for shareholders from each share owned.

The capital structure ratio is used to find out how much the company is financed with debt (Fahmi, 2017). According to (Lestari, Andini and Oemar, 2016), capital structure analysis (leverage) is a tool used to measure the ability of a company to meet all debt

3

obligations if the company is liquidated. according to (Sutriani, 2014) capital structure is a tool to measure how much the company depends on debt in financing the company's assets. The capital structure is used to measure the company's ability to meet long-term obligations (Parwati and Sudiartha, 2016).

According to (Mariani, Yudiaatmaja and Yulianthini, 2016), capital structure is a ratio used to measure how much a company's assets are financed by debt. Capital structure is the ratio of the ratio of total debt to equity. In this study, the capital structure can be proxied by the debt to equity ratio (DER), which is the ratio used to assess debt to all company equity and is useful for assessing the feasibility and financial risk of the company concerned (Putra and Dana, 2016).

According to (Mariani, Yudiaatmaja and Yulianthin, 2016), the debt to equity ratio (DER) can reflect the company's ability to pay debt with equity (own capital). Because in the calculation, the debt to equity ratio (DER) is obtained by dividing the debt by own capital.

Based on the framework presented, the following hypotheses can be developed.

H₁: Firm size has a significant effect on stock returns
H₂: The exchange rate has a significant effect on stock return
H₃: Earnings per share has a significant effect on stock return

## 2. Method

The dependent variable is a variable that is influenced by the independent variable (Sugiyono, 2016). The dependent variable, also known as the dependent variable, is a responsive variable. The dependent variable is always measured and not manipulated, but observed through the results generated by the treatment or treatment of a situation, object, person and everything that can be observed (Setyosari, 2015). In this study, the dependent variable is stock return. According to (Fahmi, 2015) Stock return is a change in stock prices, which means that the higher the stock price changes, the higher the resulting return. Stock returns generated by the company, can be measured by subtracting the stock price at a certain time by the previous stock price divided by the stock price of the previous period. Thus, the stock return can be calculated using the following model:

$$R_{it} = \frac{P_{it} - P_{i(t-1)}}{P_{i(t-1)}}$$

Information :
$R_{it}$ is stock return
$P_{it}$ is the current stock price (closing price), and
$P_{i(t-1)}$ is the stock price of the previous period.

The independent variable is a variable that is thought to affect the dependent variable. Independent variables are referred to as independent variables, influencing variables, namely factors that are measured, manipulated, or selected to determine the relationship between observed or observed phenomena. Independent or independent variables are presumed causes that cause changes to the results (Setyosari, 2015). In this study, the independent variables were used as follows:

firm size is obtained from the total assets on the balance sheet. Thus, this variable uses the natural logarithm of the company's total assets expressed in percentage terms. So that in this study, researchers used a formula that can systematically be formulated as follows:

$$Ln\,TA = Ln\,(Total\,Asset)$$

The exchange rate (exchange rate) is a comparison of currency with the value of other countries' currencies (Fahmi, 2017: 216). In this study, the exchange rate is used as an independent variable by comparing the exchange rate of a foreign currency, namely the United States dollar (USD) against the Indonesian currency, namely the rupiah (IDR). Thus, the exchange rate in this study was measured using units of rupiah. Thus, to find out the amount of the USD/IDR exchange rate during 2013 – 2017, the researchers used data through the Jakarta Interbank Spot Dollar Rate (JISDOR) reference rate from the Bank Indonesia report as the midpoint of the BI transaction rate for USD/IDR published on the official website. Bank Indonesia in the form of monthly data or time series. Manual calculations can also be performed to determine the value of the USD/IDR middle exchange rate through data from Bank Indonesia transaction rates with the following formula:

$$Middle\,Rate = \frac{Selling\,rate + Buying\,Rate}{2}$$

Earnings per share (EPS) is a comparison of net income after tax (net income after tax) to shares issued by the company (outstanding share) (Hadi, 2015: 134). So to determine the amount of earnings per share (EPS) of a company, it can be seen in the year-end financial statements and calculated using the following formula:

$$EPS = \frac{Net\,Income\,After\,Tax}{Outstanding\,Shares}$$

In this study, capital structure is used as a control variable. Capital structure is a ratio used to find out how much the company is financed with debt (Fahmi, 2017). Therefore, in this study, the capital structure is proxied by the debt to equity ratio (DER) which is defined as the ratio for assessing debt to all company equity and is useful for providing general

4

instructions regarding the feasibility and financial risk of the company concerned (Putra and Dana, 2016). Thus, to determine the amount of debt to equity ratio (DER) of a company, the following formula is used:

$$DER = \frac{Total\ Liabilities}{Total\ Shareholders\ Equity}$$

## 3. Results and Discussion
**Results**

The normality test aims to determine whether the residual model is normally distributed or not. Normality test can be reached by using the Jarque-Bera Test (JB test). The residual is said to be normally distributed if it has a probability above or equal to 0.05. normality test in this study, can be shown as follows:
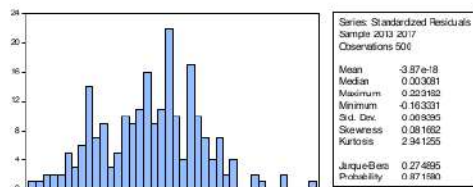


**Figure 2**
**Normality Test Histogram Results**

Based on Figure 2 above, it can be seen that the Jarque-Bera value obtained in this study is 0.274895 with a probability of 0.871580. Because the probability value is 0.871580 > 0.05, it can be said that the residuals in this research model are normally distributed.

Panel data regression in this study aims to determine the effect of firm size, exchange rate, earnings per share and capital structure on stock returns of manufacturing companies on the Indonesia Stock Exchange in 2013 - 2017. Prior to the model selection test, the data in this study had passed from the classical assumption test so that the estimation results are consistent and unbiased. Furthermore, based on the model selection test that has been carried out using the Chow test and the Hausman test, it is obtained that the model that should be used is the fixed effect model.

The t-test aims to test the independent variables partially affect the dependent variable. This test is done by looking at the probability value <0.05 then H0 is rejected and Ha is accepted. Meanwhile, if the probability value > 0.05 then H0 is accepted and Ha is rejected. The results of testing for fixed effects without control variables are in table 1, while the results of testing for fixed effects with control variables are in table 2 below:

**Table 1. Estimated Results of Fixed Effect without Control Variable**

| Variable | Coefficient | t-Statistic | Prob. |
|---|---|---|---|
| X1_FS | 0.149166 | 7.262006 | 0.0000 |
| X2_ER | -2.39E-06 | -3.739541 | 0.0002 |
| X3_EPS | 0.000125 | 4.019995 | 0.0001 |
| C | -4.193064 | -7.181122 | 0.0000 |
| Effects Specification | | | |
| Cross-section fixed (dummy variables) | | | |
| R-squared | 0.999235 | | |
| Adjusted R-squared | 0.999039 | | |
| F-statistics | 5087.105 | | |
| Prob(F-statistic) | 0.0000 | | |

*Processed by researchers (2021)*

**Table 2. Estimated Results of Fixed Effect with Control Variable**

| Variable | Coefficient | t-Statistic | Prob. |
|---|---|---|---|
| X1_FS | 0.116763 | 6.919014 | 0.0000 |
| X2_ER | -8.44E-07 | -1.589715 | 0.1127 |
| X3_EPS | -9.42E-06 | -0.347954 | 0.7281 |
| X4_LEV | 0.221427 | 14.24914 | 0.0000 |
| C | -3.553217 | -7.441924 | 0.0000 |
| Effects Specification | | | |
| Cross-section fixed (dummy variables) | | | |
| R-squared | 0.999495 | | |
| Adjusted R-squared | 0.999363 | | |
| F-statistics | 7603.44 | | |
| Prob(F-statistic) | 0.0000 | | |

*Processed by researchers (2021)*

The estimation results of the panel data regression model in table 1 without using control variables in this study are as follows:

$$Y\_SR = -4.193064 + 0.149166 X1\_FS_{it} - 2.39E{-}06 X2\_ER_{it} + 0.000125 X3\_EPS_{it}$$

The estimation results of the panel data regression model in table 2 with using control variables in this study are as follows:

$$Y\_SR = -3.553217 + 0.116763 X1\_FS_{it}\ 8,4407 X2\_ER_{it} - 9,4206 X3\_EPS_{it} + 0,221427 X4\_LEV_{it}$$

**Discussion**

The results of the analysis show that firm size has a regression coefficient of 0.149166 and a t statistic of 7.262006 with a probability value of 0.0000 <0.05. Because the probability value small from the 5% significance level, this shows that the company size variable partially has a significant effect on stock returns in manufacturing companies on the Indonesia Stock Exchange in 2013 - 2017.

The results of this study are in line with research conducted by Rizal and Ana (2016) which states that company size has a positive effect on stock returns. This is also in line with the theory which states that the greater the total assets of the company indicates that the company will be more able to generate profits, where the greater the company's profits, the greater the dividends that will be distributed so that the return that investors will receive will also be greater. In addition, research conducted by Lestari, Andini and Oemar (2016) and Putra and Dana (2016) also obtained consistent results that company size was declared to have a significant effect on stock returns.

The results of the analysis show that the exchange rate shows a regression coefficient value of -2.39E-06 and t statistic of -3.739541 with a probability value of 0.0002 <0.05. Because the probability value is small from the 5% significance level, it shows that the exchange rate variable partially has a significant effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 - 2017.

The results of this study are in line with research conducted by Suyati (2015) which states that the exchange rate (exchange rate) of the rupiah / US dollar has a significant effect on stock returns, which means that an increase or decrease in the exchange rate of the rupiah against the United States dollar can significantly affect the increase or decrease in the stock return of a company. In addition, research conducted by Mayfi and Rudianto (2014) also obtained results that are in line with stating that the exchange rate (exchange rate) has a significant effect on stock returns.

The results of the analysis show that earnings per share show a regression coefficient value of 0.000125 and a t statistic of 4.019995 with a probability value of 0.0001 <0.05. Because the probability value is small from the 5% significance level, it shows that the earnings per share variable partially has a significant effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 - 2017.

These results are in line with previous research conducted by Setiyono and Amanah (2016) and Mayfi and Rudianto (2014) regarding earnings per share (EPS) on stock returns which state that earnings per share (EPS) have a significant effect on stock returns. In addition, research conducted by Gunadi and Kesuma (2015) is also in line with this study which states that earnings per share (EPS) have a significant effect on stock returns.

The results of the F test in this study can be seen in table 1 which shows that the statistical F value obtained is 5087.105 and the probability value is 0.000000 with an error rate of 0.05. Thus, the results obtained indicate that the probability value generated is 0.000000 < 0.05. This value indicates company size, exchange rate and earnings per share simultaneously have a significant effect on stock returns of manufacturing companies on the Indonesia Stock Exchange in 2013 - 2017.

The results of the analysis show that the capital structure with a regression coefficient of 0.221427 and a t statistic of 14,24914 with a probability value of 0.0000 <0.05. Because the probability value is small from the 5% significance level, this value shows that capital structure has a significant effect on stock returns of manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.

The results of this study are in line with research conducted by Sutriani (2014) which states that capital structure partially has a positive and significant effect on stock returns. In addition, research conducted by Setiyono and Amanah (2016) also obtained the same results.

The results of the analysis before using capital structure as a control variable, show that the size of the company has a t-statistic value of 7.262006 with a probability value of 0.0000 <0.05. Meanwhile, the results of the analysis after using capital structure as a control variable show that firm size has a t-statistic value of 6.919014 with a probability value of 0.0000 <0.05. Because the statistical t value of company size decreased after using capital structure as a control variable even though the probability value was small from a significance level of 5%, this indicates that capital structure is not a control variable (controlling) company size on stock returns. Thus, the company size variable partially has no significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 - 2017.

The results of the analysis before using capital structure as a control variable, show that earnings per share has a t-statistic value of 4.019995 with a probability value of 0.0001 <0.05. Meanwhile, the results of the analysis after using capital structure as a control variable show that the exchange rate has a t-statistic value of -0.347954 with a probability value of 0.7281 > 0.05. Because the statistical t value of earnings per share has decreased after using capital structure as a control variable and the probability value is large from a significance level of 5%, this indicates that capital structure is not a control variable (controlling) of earnings per share on stock returns. Thus, the earnings per share variable partially has no significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 - 2017.

The results of the F test in this study can be seen in table 2 which shows that the statistical F value obtained is 7603.440 and the probability value is 0.000000 with an error rate of 0.05. Thus, the results obtained indicate that the t-statistical value has increased after using capital structure as a control variable and the resulting probability value of 0.000000 <0.05 this value indicates that company size, exchange rate, earnings per share simultaneously have a significant effect. on stock returns by using capital

structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.

## 4. Conclusion

After conducting a simple study of 100 manufacturing companies listed on the Indonesia Stock Exchange for the last five years, starting from 2013, 2014, 2015, 2016 and 2017, the results of the description of the effect of company size, exchange rate, earnings per share and capital structure as control variables on stock return can be concluded as follows:

1. The firm size variable has a significant positive effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
2. The exchange rate variable partially has a significant effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
3. The earnings per share variable has a significant negative effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
4. Company size, exchange rate and earnings per share simultaneously have a significant effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
5. The capital structure variable which is the control variable (controller) partially has a significant effect on stock returns in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
6. The company size variable partially has no significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
7. The exchange rate variable partially has no significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
8. The earnings per share variable partially has no significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.
9. Company size, exchange rate, earnings per share simultaneously have a significant effect on stock returns using capital structure as a control variable (controlling) in manufacturing companies listed on the Indonesia Stock Exchange in 2013 – 2017.

## References

Aisah, Ayu Nurhayani dan Kastawan Mandala. 2016. *Pengaruh Return on Equity, Laba perlembar saham, Ukuran perusahaan dan Operating Cash Flow Terhadap Return Saham*. E-Jurnal Manajemen Unud Volume 5 Nomor 11. Universitas Udayana (Unud), Bali.

Arisandi, Meri. 2014. *Pengaruh ROA, DER, CR, Inflasi dan Kurs Terhadap Return Saham (Studi Kasus Industri Makanan dan Minuman yang Terdaftar di BEI Periode 2008 – 2012)*. Jurnal Dinamika Manajemen Volume 2 Nomor 1. Universitas Jambi, Jambi.

Badewin. 2017. *Pengaruh Laba perlembar saham (EPS) dan Debt Equity Ratio (DER) Terhadap Return Saham*. Jurnal Akuntansi dan Keuangan Volume 6 Nomor 2. Universitas Islam Indragiri Tembilahan, Riau.

Bodie, Zvi, Alex Kane dan Alan J. Marcus. 2014. *Manajemen Portofolio dan Investasi*, Buku 1 (Edisi 9). Jakarta : Salemba Empat.

Darmadji Tjiptono dan Hendy M. Fakhruddin. 2008. *Pasar Modal di Indonesia* Buku 1 (Edisi 2). Jakarta: Salemba Empat.

Dwialesi, Juanita Bias dan Ni Putu Ayu Darmayanti. 2016. *Pengaruh Faktor – Faktor Fundamental Terhadap Return Saham Indeks Kompas 100*. E-Jurnal Manajemen Unud Volume 5 Nomor 9. Universitas Udayana (Unud), Bali.

Fahmi, Irham. 2015. *Manajemen Investasi*, Buku 1 (Edisi 2). Jakarta : Salemba Empat.

Fahmi, Irham. 2017. *Analisis Kinerja Keuangan*, Buku 1 (Edisi 1). Bandung : Alfabeta.

Gunadi, Gd Gilang dan I Ketut Wijaya Kesuma. 2015. *Pengaruh ROA, DER, EPS Terhadap Return Saham Perusahaan Food and Beverage di BEI*. E-Jurnal Manajemen Unud Volume 4 Nomor 6. Universitas Udayana (Unud), Bali.

Hadi, Nor. 2015. *Pasar Modal*, Buku 1 (Edisi 2). Yogyakarta : Graha Ilmu.

Hasibuan, Malayu S.P.. 2011. *Dasar – Dasar Perbankan*. Jakarta : PT Bumi Aksara.

Hidayat, La Rahmad, Djoko Setyadi dan Musdalifah Azis. 2017. *Pengaruh Inflasi dan Suku Bunga dan Nilai Tukar Rupiah serta Jumlah Uang Beredar Terhadap Return Saham*. Forum Ekonomi Volume 19 Nomor 2. Universitas Mulawarman, Samarinda.

Janitra, Putu Vito Veda dan I Ketut Wijaya Kesuma. 2015. *Pengaruh EPS, ROI dan EVA Terhadap Return Saham Perusahaan Otomotif di BEI*. E-Jurnal Manajemen Unud Volume 4 Nomor 7. Universitas Udayana (Unud), Bali.

Jaya, Ketut Asmara. 2015. *Pengaruh Loan to Deposite Ratio, Return on Assets, Capital Adequacy Ratio, Nilai tukar dan Interest Rate Terhadap Return Saham*. Jurnal Akuntansi Volume 19 Nomor 3. STIE Sailendra, Jakarta.

Lestari, Kurnia, Rita Andini dan Abrar Oemar. 2016. *Analisis Likuiditas, Struktur modal, Profitabilitas, Aktivitas, Ukuran Perusahaan dan Penilaian Pasar Terhadap Return Saham (pada Perusahaan Real Estate dan Property di BEI) Periode Tahun 2009 – 2014*. Jurnal of

Accounting Volume 2 Nomor 2. Universitas Pandanaran Semarang, Semarang.

Mariani, Ni Luh Lina Mariani, Fridayana Yudiaatmaja dan Ni Nyoman Yulianthini. 2016. *Pengaruh Profitabilitas dan Struktur modal Terhadap Return Saham*. E – Journal Bisma Volume 4. Universitas Pendidikan Ganesha, Singaraja.

Mayfi, Fathimah dan Dudi Rudianto. 2014. *Analisis Pengaruh Faktor Internal dan Eksternal Perusahaan Terhadap Return Saham*. Jurnal MIX Volume IV Nomor 3. Universitas Padjajaran, Bandung dan Universitas Bakrie, Jakarta.

Parwati, R.R. Ayu Dika dan Gede Mertha Sudiartha. 2016. *Pengaruh Profitabilitas, Struktur modal, Likuiditas dan Penilaian Pasar Terhadap Return Saham pada Perusahaan Manufaktur*. E – Jurnal Manajemen Unud Volume 5 Nomor 1. Universitas Udayana (Unud), Bali.

Putra, Ferdinan Eka dan Paulus Kindangen. 2016. *Pengaruh Return on Asset (ROA), Net Profit Margin (NPM) dan Laba perlembar saham (EPS) Terhadap Return Saham Perusahaan Makanan dan Minuman yang Terdaftar di Bursa Efek Indonesia (Periode 2010 – 2014)*. Jurnal EMBA Volume 4 Nomor 4. Universitas Sam Ratulangi, Manado.

Putra, I Made Gunartha Dwi dan I Made Dana. 2016. *Pengaruh Profitabilitas, Struktur modal, Likuiditas dan Ukuran Perusahaan Terhadap Return Saham*. E-Jurnal Manajemen Unud Volume 5 Nomor 11. Universitas Udayana, Bali.

Raningsih, Ni Kadek dan I Made Pande Dwiana Putra. 2015. *Pengaruh Rasio – Rasio Keuangan dan Ukuran Perusahaan Terhadap Return Saham*. E-Jurnal Akuntansi Unud Volume 13 Nomor 2. Universitas Udayana (Unud), Bali.

Risdiyanto dan Suhermin. 2016. *Pengaruh ROI, EPS dan PER Terhadap Return Saham*. Jurnal Ilmu dan Riset Manajemen Volume 5 Nomor 7. STIESIA Surabaya, Surabaya.

Rizal, Noviansyah dan Selvia Roos Ana. 2016. *Pengaruh Laba Akuntansi dan Arus Kas serta Ukuran Perusahaan Terhadap Return Saham*. Jurnal Spread Volume 6 Nomor 2. STIE Widya Gama Lumajang, Jawa Timur.

Setiyono, Erik dan Lailatul Amanah. 2016. *Pengaruh Kinerja Keuangan dan Ukuran Perusahaan Terhadap Return Saham*. Jurnal Ilmu dan Riset Akuntansi Volume 5 Nomor 5. STIESIA Surabaya, Surabaya.

Setyosari, Punaji. 2015. *Metode Penelitian Pendidikan & Pengembangan*, Buku 1 (Edisi 4). Jakarta : Prenadamedia Group.

Sugiyono. 2016. *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung : Alfabeta.

Sukamulja, Sukmawati. 2017. *Pengantar Pemodelan Keuangan dan Analisis Pasar Modal*, Buku 1 (Edisi 1). Yogyakarta : Andi.

Sutriani, Anis. 2014. *Pengaruh Profitabilitas, Struktur modal dan Likuiditas Terhadap Return Saham dengan Nilai Tukar Sebagai Variabel Moderasi pada Saham LQ – 45*. Journal of Business and Banking Volume 4 Nomor 1. STIE Perbanas, Surabaya.

Suyati, Sri. 2015. *Pengaruh Inflasi, Tingkat Suku Bunga dan Nilai Tukar Rupiah / US Dollar Terhadap Return Saham Properti yang Terdaftar di Bursa Efek Indonesia*. Jurnal Ilmiah UNTAG Semarang Volume 4 Nomor 3. Universitas 17 Agustus 1945 (UNTAG), Semarang.

Trihendradi. 2013. *Step by Step IBM SPSS 21: Analisis Data Statistik*. Yogyakarta : Andi.

Umar, Husein. 2014. *Metode Penelitian untuk Skripsi dan Tesis Bisnis*, Buku 1 (Edisi 2). Jakarta : PT RajaGrafindo Persada.

Warjiyo, Perry dan Solikin M. Juhro. 2016. *Kebijakan Bank Sentral*, Buku 1 (Edisi 1). Jakarta : PT Rajagrafindo Persada.

Widodo. 2017. *Metodologi Penelitian Populer & Praktis*, Buku 1 (Edisi 1). Jakarta : PT RajaGrafindo Persada.

# The Effect of Company Size, Exchange Rate and Earnings Per Share on Stock Returns

| 7 | Internet Source | 1% |

| 8 | core.ac.uk<br>Internet Source | 1% |

| 9 | Enung Nurhayati, Amir Hamzah, Helmi Nugraha. "Stock return determinants in Indonesia", Indonesia Accounting Journal, 2021<br>Publication | 1% |

| 10 | www.ijbmi.org<br>Internet Source | 1% |

| 11 | Nur Azizah, Indah Yuliana. "Profitability and Company Size on Stock Prices with Debt-to-Equity Ratio as a Moderating Variable", European Journal of Business and Management Research, 2022<br>Publication | 1% |

| 12 | Submitted to Udayana University<br>Student Paper | 1% |

| Exclude quotes | Off | Exclude matches | < 1% |
| Exclude bibliography | On | | |