ANALYST FUNDAMENTAL FACTORS DETERMINING SHARE PRICES IN SHARIA BANKING

NENI MEIDAWATI[1*], TASYA OKTAVIANI[2], EDY ANAN[3] & AMALIA SITI KHODIJAH[4]

[1,2]Faculty of Business and Economics, Islamic University of Indonesia Yogyakarta,
[3]Amikom Yogyakarta, [4]Cipasung University Tasikmalaya

ABSTRACT

This research aims to examine the factors influencing share prices in the sharia banking (TBK) sector listed on the Indonesia Stock Exchange (BEI) during the 2019-2023 period. The purposive sampling method was used in this study to obtain research data. The data used in this study consists of secondary data sourced from financial reports and quarterly reports. The independent variables in this research are the Debt-to-Equity Ratio (DER), Current Ratio (CR), Earning per Share (EPS), and Book Value per Share (BVPS), while the dependent variable is the Share Price (CP). This study uses a data sample of three sharia banking companies. For data processing and analysis, this research employs a panel data regression analysis test. The findings indicate that DER and EPS have a positive effect on Share Prices (CP), whereas CR and BVPS have no effect on Share Prices (CP). The implication of the research results is that investors do not care about the price and book value of shares, but are more concerned with information about the company's ability to pay off short-term liabilities and earnings per share, so that companies must really manage the company's finances in order to gain the trust of creditors and be able to generate profits by making operational efficiency of the company.

Keywords: Debt to Equity Ratio; Earnings per Share

1.0 INTRODUCTION

The banking sector has an important role in supporting business and economic growth, the role This covers almost every aspect economy. Central banks in modern economies serve to stabilize various important functions, including traditional and development functions. Central banks may fail to achieve their broad objectives if they cannot use conventional interest-based instruments to carry out their functions. However, thus, in system expected economy arranged based on Islamic principles, instruments the No can used; as a result, central banks in Muslim countries that run system Islamic finance is required adopt the same model very (Anwer et al., 2020). The banking sector is highly dependent on a country's economic growth, as it functions as an intermediary that helps mobilize and allocate public funds effectively. Investors choose to purchase shares in banking companies, including Islamic banks (Firmansyah & Setiyawan, 2022).

Banking financial performance is defined as the amount of funds collected from third parties and redistributed as financing or investment. Currently, Islamic finance is growing rapidly, with many institutions applying Islamic law to provide financial goods and services. Although Islamic stock investment No as big as investment share conventional at the time this, condition

This development impacts the prospects for Sharia stock investment in the capital market (Satria & Putri, 2021). The rapid growth of Sharia banking in Indonesia is evident in the increasing number of banks offering Sharia products (Saputra et al ., 2017). The capital market plays a crucial role in accelerating Indonesia's economic growth, serving as a financial and economic instrument comprised of various long-term financial instruments, such as stocks, bonds, and mutual funds. This is demonstrated by the increasing number of securities with large market capitalizations traded, particularly in the development of various industries, including the banking sector (Anggoro & Anggrainie, 2024).

Investors should carefully consider a company's stock situation before investing. This condition can be measured by looking at the stock price, which indicates mark Shares listed in a company. Share price increases can be influenced by various factors. Share price is a key indicator of a company's management success. If a company's share price continues to rise, investors or potential investors will believe that company they can manage its operations in a way effective. The taller level investor confidence, then the bigger the desire to invest. However, stock prices often fluctuate according to supply and demand levels. Capital market investors share the same goal: to profit from the difference between the purchase and sale prices of shares, known as capital gains, dividends, or stock returns. Investors and potential investors must calculate the expected rate of return and assess possibility various results potential, whether profitable or No. Investors analyze future prospects and potential to determine whether a company is competent and efficient. Stock price increases can be influenced by various factors. Financial ratios are one of many internal and external factors that influence stock activity in the capital market (Firmansyah & Setiyawan, 2022).

Ratio finances that can used For now performance finance company is Debt to Equity Ratio (DER) and Current ratio (CR) . DER shows the extent to which owner capital can cover debt to external parties and the ratio that measures the extent to which the company is financed by debt (Wahyuni & Hafiz, 2018). Research conducted by Lihawa et al . , (2021); Rahayu et al., (2024) and Rahayu & Triyonowati (2021), obtained proof that debt to equity ratio influential negative to stock prices, but according to Satria & Putri (2021); Yuliana & Hastuti (2020); Sinambela & Rialdy (2024); Sudiyono et al., (2023) and Qabajeh et al., (2024), stated No influential. CR used for measure the company's ability to pay its short-term debt. Research conducted by Hamzah (2020); Putri & Safitri (2024) and Rahayu & Triyonowati (2021) shows that that CR has an effect positive to stock prices, however Satria & Putri (2021) and Anggoro & Anggrainie (2024), stated that CR No influential.

Another fundamental factor that can used by investors to evaluate performance the company that will be reflected in the price share is Earning per Share (EPS) (Fadillah et al., 2023) and Book Value per Share (BVPS). EPS measures amount the profits earned for each sheet share ordinary (Sinambela & Rialdy, 2024). Research results Firmansyah & Setiyawan (2022); Afrianita & Kamaludin (2022); Sudiyono et al., (2023); Puteri et al., (2025) and Yuliana & Hastuti (2020), stated that EPS has an effect positive to price shares, however Chaeriyah et al., (2020), stated that EPS does not influential to price shares. BVPS can used for determines how much money stakeholders will receive if the company is liquidated or how much money stakeholders will receive if all company assets are sold and debts are reduced (Kurniati & Priyanto, 2022). BVPS has an effect positive to price shares, increasingly tall Book Value Per Share (BVPS) shows the increasing success of a company in creating value for shareholders

(Saputro, 2019). BVPS does not influential on share prices (Puteri et al., 2025), However, Kurniati & Priyanto (2022) and Saputro (2019) stated own influence negative on Stock Prices.

2.0 LITERATURE STUDY

2.1 Signaling theory

Corporate management can send signals to investors to reduce information asymmetry in the stock market. Investors often lack complete knowledge of a company's internal situation, so they rely on signals provided by management, such as earnings announcements, dividend payments, or decisions to sell shares (Spence, 1973). Management's actions inform investors about the company's prospects. This is relevant to stock prices. Positive signals, such as high earnings announcements, dividend increases, or share repurchases, will increase investor confidence and stimulate demand for shares, which in turn will increase stock prices. Negative signals, such as dividend suspensions or loss announcements, will lower market perceptions of the company. company and press price shares, in other words, how investor 's view company very influence price stock (Brigham & Houston, 2011). The effectiveness of management signals significantly influences market perception and stock price movements, thus helping to understand how corporate actions can serve as signals to reduce information asymmetry between management and investors. Strong and consistent positive signals can increase investor confidence, influence risk perceptions, and impact directly on the price share.

2.2 Share Prices (CP)

Stock price is the price of a share on the market which indicates investment, funding and management decisions. assets created by investors. Investors must consider price shares because they can show the value of the company. If the price stock can rise increase mark company and welfare holder share in a way overall (Rahayu et al., 2024). One factor that encourages investors to invest their funds in the capital market is the stock price, which can reflect the rate of return on capital. To obtain dividends, investors buy shares and sell them at a higher price (capital gain). Stock prices are driven by the forces of supply and demand. Stock prices can change due to investor interest in the stock (Hermanto & Ibrahim, 2020).

Based on capital structure, funding provided by shareholders will be less if the DER is higher, which means third parties will provide more funding. Consequently, debt is greater if the DER is higher. Because interest payments are high, long-term debt can burden the company. DER shows the extent to which owner capital can cover external debt and a ratio that measures the extent to which the company is financed by debt. Furthermore, capital indicates the company's ability to meet obligations with existing capital (Wahyuni & Hafiz, 2018).

2.3 Current ratio (CR)

CR covers all assets current assets and current liabilities without distinguishing their liquidity levels, so it can be used as the basis for calculating the most important short-term liquidity. If current assets are greater than current liabilities, it can be estimated that when liquidation is carried out, current assets will have enough cash to win money. CR is a ratio that compares a company's current assets and short-term liabilities. Liabilities term short Current assets include trade payables, notes payable, bank loans, salaries payable, and other debts that must be paid

immediately. On the other hand, current assets include cash, accounts receivable, securities, inventory, and other current assets (Pratiwi et al., 2020; Putri & Ramadhan, 2023).

2.4 Earnings per Share (EPS)

EPS is the profit that will be received by investors every sheet the shares they Buy. EPS is net profit after tax. If a company's EPS is high, dividend distribution to shareholders will increase (Dika, 2020; Syahid et al., 2023). When companies generate greater profits, they have the capacity to distribute larger dividends, which makes the stock more attractive to investors. This creates confidence and attractiveness of long-term investments, especially for investors seeking steady income from dividends. A company's value can be measured by EPS, which is also a way to determine how well a company generates profits for its owners (Badruzaman, 2017).

2.5 Book Value per Share (BVPS)

BVPS calculated by multiplying shareholder equity by the number of shares outstanding, it indicates the extent to which a company is able to create value relative to the amount of capital invested. The higher the BVPS, the more successful the company is in creating value for its shareholders (Jefri et al., 2020).

2.6 The Effect of Debt-to-Equity Ratio on Stock Prices

DER is ratio A financial ratio used to measure the extent to which a company is financed by debt compared to shareholder equity. Der is an important indicator for assessing a company's financial health. A high DER indicates a riskier company, while a low DER indicates good financial management and stability. Consequently, both investors and creditors should consider this ratio before making investments or granting loans.

Study previously conducted by Lihawa et al., (2021); Rahayu et al., (2024) and Rahayu & Triyonowati (2021), stated DER has an impact negative and significant to price Stocks. Investors tend to avoid companies with unstable capital structures, especially if the company's debt is not being used productively. Consequently, the higher the DER, the greater the risk borne by investors, which can reduce investment interest and lead to lower stock prices.

H 1: Debt to Equity Ratio has a negative effect on Stock Prices

The Effect of Current Ratio on Stock Prices

CR is ratio for measure condition liquidity something company. Low CR usually considered indicates liquidity problems and indicates that the company is unable to meet its short-term obligations (Hamzah, 2020). A high CR value show that the company cannot use its excess assets to facilitate profitable investments. Investors will realize that the company is losing money, which will reduce the demand for the company's stock price but will certainly just No will influence price share.

Study previously conducted by Hamzah (2020); Putri & Safitri (2024) and Rahayu & Triyonowati (2021), obtained proof that CR has an effect positive and significant to price shares. Positive and significant CR The impact of liquidity on stock prices reflects that a

company's liquidity plays a crucial role in determining its value in the eyes of investors. Companies with high liquidity demonstrate financial stability, dividend-paying ability, and growth potential to investors. This increases investor confidence, increases demand for shares, and ultimately drives up share prices.

H 2: Current Ratio has a positive effect on Stock Price

The Effect of Earnings per Share-on-Share Prices

EPS is influential positive to change price share something company (Sinambela & Rialdy , 2024; Fadillah et al., 2023; Puteri et al., 2025; Putri & Safitri , 2024). The rate of return received by investors or shareholders, whether in the form of dividends or capital gains, is influenced by the increase in earnings per share. If the EPS value of a company company increase, price Stocks also tend to rise, and if a company's EPS falls, share prices also tend to fall. This discourages investors from investing.

EPS level has an effect to change a company's stock price due to decreased investor interest in investing, which results in a decrease in the stock price. Earnings Per Share (EPS) can influence price shares (Sinambela & Rialdy, 2024; Dika & Pasaribu 2020; Octavianty & Aprilia, 2014).

H 3: Earnings per Share have a positive effect on share prices

The Influence of Book Value per Share on Stock Price

BVPS, is A ratio that shows the book value of a company received by each shareholder upon liquidation. BVPS is calculated by dividing total shareholder equity by the number of shares outstanding (Octavianty & Aprilia, 2014). BVPS indicates the amount of money a shareholder would theoretically receive per share if the company sold all of its outstanding shares. his assets and pay off all debt, with Thus, BVPS becomes an important indicator for investors to assess whether a company's shares are overvalued or undervalued in the market. Share prices are expected to rise as with improvement BVPS value (Kurniati & Priyanto, 2022). Research conducted by Saputro (2019) obtained proof that BVPS has an effect positive to price share.

H 4: Book Value per Share has a positive effect on Stock Price

3.0 METHOD

The research population of Islamic banking (TBK) listed on the Indonesia Stock Exchange from 2019 to 2023, with a sampling technique using purposive sampling, with criteria as follows:1) Publish report finance complete and 2) Report published in currency in the form of rupiah. Data collection using documentation study methods originating from financial reports and quarterly reports on the website www.idx.co.id and literature studies originating from journals, articles, books and previous research.

3.1 Definition and Measurement Variables Study

Stock price is the value of a stock certificate, indicating the wealth of a company selling its shares on the capital market. The forces of supply and demand in the market significantly

influence changes in stock prices. share reflect mark something company, if company reach good performance, then share company the will Lots in demand by investors (Chaeriyah et al., 2020). Stock prices is pricing the last price reported when securities were sold on the IDX. In this study, the authors used quarterly closing prices for five years. Data were taken from the website www.idx.co.id. as a capital market platform in Indonesia.

Debt to Equity Ratio (DER) is the ratio used for assess debt with equity (Qabajeh et al., 2024). Formula For calculating DER:

$$DER = Total\ Debt/Total\ Equity$$

Ratio liquidity (CR) shows the company's ability to meet short-term debts. This ratio can be calculated by dividing short-term liabilities by assets. smoothly (Neldi et al., 2023). Formula For calculate CR:

$$CR = Assets\ current\ /\ Liabilities\ Fluent$$

Earnings Per Share (EPS) is a ratio used to measure the level of profitability of an organization or company. can counted with compare profit clean company with amount share commonly circulating (Rahayu et al., 2024). Formula For calculating EPS is as following:

$$EPS = Profit\ net\ /\ Total\ share\ common\ in\ circulation$$

Book Value per Share (BVPS) is a ratio used to compare shareholder equity to the number of shares outstanding. In other words, this ratio indicates how much money shareholders would receive if the company were liquidated, or how much money shareholders would receive if all of the company's assets were sold at their book value. Furthermore, the BVPS value can be used by investors to determine book value (Saputro, 2019). To calculate BVPS, the following formula is used: is as following:

$$BVPS = Total\ capital/\ Amount\ sheet\ share$$

Data analysis uses a panel data regression analysis model; the panel data regression model used in this study is as follows:

$$CP = \alpha 1 + \beta CP1DER1it + \beta CP2CR2it + \beta CP3EPS3it + \beta CP4BVPS4it + \varepsilon 1it$$

Information:

DER   = Debt to Equity
CR   = Current Ratio
EPS   = Earnings Per Share
BVPS = Book Value Per Share
ε = Standard Error (Error)
i   = Entity (Company)
t   = Time (Period)

4.0 RESULTS

Data analysis is tested with using analysis tests multiple linear regression, with moreover formerly assumption testing classic. Data analyzed based on samples obtained as in Table 1 and Descriptive Analysis get results as in Table 2.

Table 1. Details of Sample Criteria Selection

Sample Criteria	Number of Companies
Sharia banking companies (TBK) listed on the Indonesia Stock Exchange from 2019 to 2023.	4
Islamic banking companies (TBK) that do not meet the criteria	(1)
Number of Islamic banking companies (TBK)	3
Observation year	5
Quarterly Report	4
Total sample size	60

Table 2. Results of Descriptive Statistical Analysis

	Mean	Median	Maximum	Minimum	Std. Dev.	Observations
CP	1,430,733	1,537.5	4,250	50	1,308,208	60
DER	4,765	4.75	9.61	0.63	2,953	60
CR	0.9145	0.86	1.65	0.22	0.532	60
EPS	50,843	33,805	230	-21.08	58,239	60
BVPS	526,967	570,495	1,339.12	59.56	392,212	60

Chow Test from results data processing in Table 3, shows that mark The Cross-Section Chi-Square Probability is 0.031. Because the value probability This more small of 0.05, then the selected model is Fixed Effect Model. Next, the Hausman test was conducted, as shown in Table 4, showing that mark Probability Cross-Section Chi-Square of 0.010<0.05, then the selected model is the Fixed Effect Model, so no further testing is required.

Table 3. Chow Test Results

Effects Test	Statistics	D f	Prob.
Cross section F	3,247	(2.53)	0.0468
Cross section Chi Square	6,935	2	0.031

Table 4. Hausman Test Results

Test summary	Chi-square statistic	Chi Sq. df	Prob

Chi-square statistic			
Random cross section	9,172	2	0.010

4.1 Assumption Test Results Classic

Based on Table 5, the results of the analysis show that the coefficient between the independent variables is less than 0.85, and no value exceeds this limit. This indicates that there is no happen problem Multicollinearity. Heteroscedasticity test results as in Table 6, all variables own mark probability more from 0.05, so that can conclude that the regression model No contain heteroscedasticity. Normality test as seen in Graph 1, the results analysis show that mark probability bigger from 0.05, namely 0.720, so the research data normally distributed.
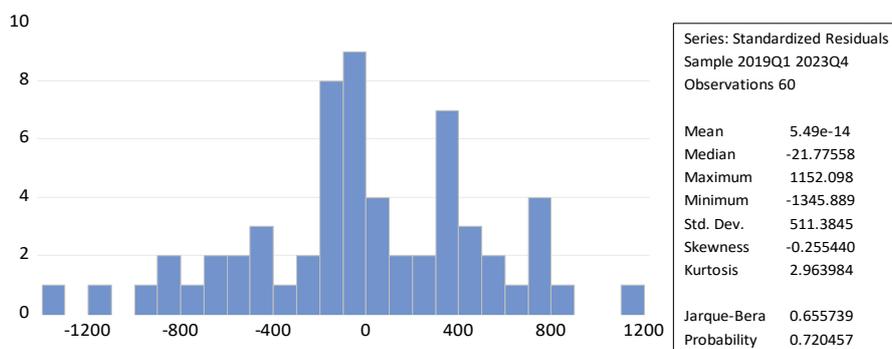
Table 5. Multicollinearity Test Results

	DER	CR	EPS	BVPS
DER	1,000	-0.478	-0.356	-0.360
CR	-0.0478	1,000	0.760	0.791
EPS	-0.356	0.760	1,000	0.749
BVPS	-0.360	0.791	0.749	1,000

Table 6. Heteroscedasticity Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob
C	504,545	363,592	1,388	0.171
DER	-8,829	27,740	-0.318	0.751
CR	-7,315	394,481	-0.0185	0.985
EPS	-0.644	1,026	-0.628	0.533
BVPS	-0.054	0.163	-0.333	0.741

The F test or model test as in Table 8, is used for know whether the regression model used is suitable or not. From the calculation results, the value obtained is probability of 0.000 more small from 0.05, then from the model in this study is suitable for use.

Series: Standardized Residuals	
Sample 2019Q1 2023Q4	
Observations 60	
Mean	5.49e-14
Median	-21.77558
Maximum	1152.098
Minimum	-1345.889
Std. Dev.	511.3845
Skewness	-0.255440
Kurtosis	2.963984
Jarque-Bera	0.655739
Probability	0.720457

Graph 1 Normality Test Results

Table 7. Results of Panel Data Regression Analysis

Variable	Coefficient	Std. Error	Prob	Conclusion
DER	139.65	56.12	0.02	H1 is not supported
CR	406.28	797.99	0.61	H2 is not supported
EPS	4.00	2.08	0.04	H3 supported
BVPS	0.01	0.33	0.98	H4 is not supported

Based on Table 7, the equation regression as following:

CP= 185.28 + 139.65*DER + 406.28*CR + 4.00*EPS + 0.01*BVPS + [CX=F]

Table 8. F Test Results

R-squared	0.847	Mean dependent var	1,430,733
Adjusted R-Squared	0.830	SD dependent var	1,308,208
SE of regression	539,555	Akaike info criterion	15,529
Sum squared residual	1,542,933.4	Schwarz criterion	15,773
Log likelihood	-458,860	Hannan-Quinn criter.	15,624
F-statistic point	48,974	Durbin-Watson stat	0.840
Prob(F-statistic)	0,000		

Based on Table 8, the results of the coefficient of determination analysis test can be seen from the Adjusted R-squared value, with the selected panel data regression model, namely the Fixed Effect Model. The Adjusted R-squared value obtained was 0.847 or 84.7 % . This indicates that 84.7 % of the variation in Stock Price (CP) can be explained by the independent variables, namely Debt-to-Equity Ratio (DER), Current Ratio (CR), Earning Per Share (EPS), and Book Value Per Share (BVPS) used in the regression model. Meanwhile, the remaining 15.3 % is influenced by other factors outside the model, or by variables that were not included in the study, but have been controlled through application of the Fixed Effect Model.

5.0 DISCUSSION

5.1 The Effect of Debt-to-Equity Ratio on Stock Prices

Based on the results of the t-test in table 7, DER has influence positive towards CP. This finding is not in accordance with hypothesis H1, which states that DER has influence negative CP. Therefore, the higher the DER, the higher the stock price, and vice versa. This study's findings contradict the assumption that a high DER can negatively impact stock returns due to increased financial risk. However, if a company is able to manage its debt well and allocate loan funds to profitable projects, investors will remain interested in investing in that company's stock.

Well-managed debt can drive company growth and increase profitability, thus attracting more investors. Der ratio (DER) can also signal management's confidence in taking calculated risks, ultimately contributing to higher stock prices. These findings suggest that DER does not always negatively impact stock price valuation. For Islamic banking companies (TBK), using debt as a financing strategy can be considered without overly worrying about its negative impact, as long as the funds obtained are managed efficiently to improve financial performance. Meanwhile, for investors, these results indicate that companies with high DER do not necessarily carry greater risk. Conversely, if a company is able to optimize its use of debt to create added value for shareholders, this can actually be a promising investment opportunity.

The results of this study are in line with research previously conducted by Adikerta & Abundanti (2020) who stated that DER has influence positive, but results This contradictory with study Lihawa et al., (2021); Rahayu et al., (2024) and Rahayu & Triyonowati (2021), who obtained that DER has influence negative on Stock Prices. Research results No in line with research conducted by Dika & Pasaribu (2020); Hermanto & Ibrahim (2020); Anggreani & Sudarsi (2023); Pratiwi et al., (2020); Qabajeh et al., (2024); Sinambela & Rialdy (2024); Satria & Putri (2021); Sudiyono et al., (2023) and Yuliana & Hastuti (2020), who stated that DER, no influential to price share.

5.2 The Effect of Current Ratio on Stock Prices

Based on the results of the t-test in table 7, CR does not own influence significant on CP. This finding contradicts hypothesis H2, which states that CR has a positive influence on stock prices. These results indicate that CR does not significantly contribute to stock price changes. High or low CR levels do not significantly impact a company's stock price movements. This is likely due to investors not paying much attention to short-term liquidity when making investment decisions. Instead, they prefer focus on indicators profitability, such as EPS, especially in sectors that have stability finance tall.

Although liquidity the company being measured with CR considered important, it turns out is not the main factor that investors pay attention to when assessing stock prices. One of the reasons mainly are investors tend to more focus on indicators finance others, such as EPS or growth company, compared to short-term liquidity. For Islamic banking companies (TBK), increasing CR alone is not enough to attract investors. Instead, companies need to prioritize strategies that can increase profitability, such as strengthening EPS and long-term performance. Meanwhile, for investors, these results indicate that CR is not the primary factor in investment decisions, and therefore, other financial aspects that have a greater influence on stock price movements should be considered.

Research result This in line with study previously conducted by Lihawa et al., (2021); Pratiwi et al., (2020); Anggreani & Sudarsi (2023); Satria & Putri (2021), and Anggoro & Anggrainie (2024) stated that that CR does not have influence on Stock Prices. However, the results This contradictory with Hamzah's research (2020), Putri & Safitri (2024) and Rahayu & Triyonowati (2021), who received proof that CR has influence positive on Stock Prices.

5.3 The Effect of Earnings per Share-on-Share Prices

Based on the results of the t-test in table 7, it can be concluded that EPS has an effect positive on Stock Prices. Hypothesis H3, which states that EPS has a positive effect on stock prices, is accepted. This result indicates that when a company's EPS increases, its stock price tends to rise, and vice versa. High EPS reflects good company profitability, thus increasing the stock's attractiveness to investors.

The results of this study align with signaling theory, where high EPS provides a positive signal to investors about a company's performance. Investors tend to be more attracted to shares of companies with high EPS because it reflects the company's ability to generate profits that can be distributed to shareholders. For Islamic banking companies (TBK), improving financial performance is crucial to driving EPS increases. This can be achieved through increased operational efficiency, business expansion, or sustainable growth strategies. Meanwhile, for investors, these results confirm that EPS is a key factor in investment decision-making. Therefore, companies with stable or consistently increasing EPS can be more attractive investment options.

The results of this study are in line with research previously conducted by Badruzaman (2017); Fadillah et al., (2023); Hermanto & Ibrahim (2020); Yuliana & Hastuti (2020); Puteri et al., (2025); Putri & Safitri (2024); Rahayu et al., (2024); Sinambela & Rialdy (2024); Saputro (2019) and Sudiyono et al., (2023), which stated that EPS has influence positive on Stock Prices. However, results study No in line with research conducted by Kurniati & Priyanto (2022), that EPS has an effect negative to price shares and Hamzah (2020); Syahid et., (2023); Chaeriyah et al., (2020) and Pratiwi et al., (2020), who stated No There is influence between EPS and price share.

5.4 The Effect of Book Value per Share on Stock Price

Based on the results of the t-test in table 7, it can be concluded that BVPS does not own influence significant on Stock Prices. Findings This contradictory This is consistent with hypothesis H4, which states that BVPS has a positive effect on stock prices. A high or low BVPS level does not directly affect a company's stock price. Although BVPS reflects a company's book value, investors tend to consider other factors, such as profitability, EPS, growth prospects, or market conditions, when making investment decisions. This suggests that historical book value does not always reflect a company's true market value.

A company's book value is not always the primary indicator for investors in assessing stock prospects. Most investors focus more on short-term profit potential than on book value, which tends to be static. Therefore, the results of this study indicate that in the Islamic banking sector, BVPS is not the primary factor influencing stock prices. Islamic banking companies (TBK) cannot rely solely on increasing BVPS to attract investors but must consider other more influential factors, such as financial performance, business innovation, and expansion strategies. For investors, these findings demonstrate that BVPS is not the sole benchmark for investment analysis. Therefore, they need to consider other, more relevant financial indicators when making investment decisions.

The results of this study are in line with research previously conducted by Puteri et al., (2025) and Fadillah et al., (2023), which states that BVPS does not influential on Stock Prices. However, this result contradicts research Kurniati & Priyanto , (2022), who stated that BBPS

has an influence negative to price shares and Saputro (2019) who found that Book Value per Share (BVPS) has influence positive on Stock Prices.

6.0 CONCLUSION

The purpose of this study is to examine the influence of Debt-to-Equity Ratio, Current Ratio, Earnings per Share, and Book Value per Share on stock prices in the Islamic Banking Sector listed on the Indonesia Stock Exchange (IDX) for the 2019-2023 period. Based on data analysis, evidence is obtained that Debt-to-Equity Ratio and Earnings per Share has a positive effect on stock prices, but the Current Ratio and Book Value per Share has no effect on stock price. DER can be an indicator of company management's confidence in managing risk effectively, thus contributing to share price increases. Meanwhile, a high EPS (Earnings Per Share) sends a positive signal to investors regarding the company's performance. Investors tend to be more attracted to stocks with high EPS because it reflects the company's ability to generate profits that can be distributed to shareholders.

The research findings contribute to strengthening Signaling Theory, demonstrating that DER and EPS are responded to by financial statement users. Islamic banking companies (TBK) listed on the Indonesia Stock Exchange can provide information or signals to users of the financial statements they produce to reduce information uncertainty. in accordance with objective company banking Sharia (TBK) listed on the Indonesia Stock Exchange in order to provide users of financial reports as parties who receive signals, so that they can influence their decision making.

The data available to fully examine all Islamic banking sectors on the IDX is limited and not comprehensive. all banking sectors Sharia listed on the relevant IDX with the research data conducted. Therefore, it is necessary to consider the conventional banking sector for further research.

REFERENCE

1. Anwer, Z., Khan, S & Bakar, M, A. (2020). Sharīʿah-compliant central banking practices: lessons from Muslim countries' experience. ISRA International Journal of Islamic Finance, 12(1), pp. 7-26. DOI 10.1108/IJIF-01-2019-0007
2. Adikerta , IMA, & Abundanti , N. (2020). The Influence Inflation, Return on Assets, and Debt to Equity Ratio in Stock Prices. E- Journal Management, 9(3), pp. 968-987. DOI: https://doi.org/10.24843/EJMUNUD.2020.v09.i03.p08
3. Afrianita, N., & Kamaludin, F. (2022). The Effect of Earnings Per Share (EPS), Price Earnings Ratio (PER), & Price Book Value (PBV) on Stock Prices of Pharmaceutical Companies Listed on the IDX for the 2016-2020 Period. Indonesian Journal of Social Sciences, 3(9), pp 1236–1248. http://jss.publikasiindonesia.id.
4. Anggreani , J. P & Sudarsi , S. (2023). The Effect of Debt Equity Ratio (DER), Return to Assets (ROA), and Current Ratio (CR) on Industrial Stock Prices Manufacturers Listed on the Indonesia Stock Exchange 2018-2020. Kompak : Jurnal Scientific Computerization Accounting, 16(1), pp 78–88. DOI: https://doi.org/10.51903/kompak.v16i1.1053.

5. Anggoro, PD, & Anggrainie, N. (2024). The Effect of ROA, EPS, CR, DER, and TATO Ratios on Stock Prices of Banking Subsectors Listed on the Indonesia Stock Exchange in 2019–2023. Journal of Financial and Business Accounting, 2(2), pp. 633–641.

6. Badruzaman, J. (2017). The Effect of Earnings Per Share on Stock Prices. Journal of Accounting, 12(1), pp 101–110. DOI: 10.37058/ jak.v 12i1.298.

7. Brigham, EF, & Houston, JF (2011). Fundamentals of Financial Management Translation (10th ed.). Salemba Four.

8. Chaeriyah , I., Supramono ., & Aminda, R. S. (2020) . The Influence Earning Per Share (EPS) and Return On Investment (ROI) To Price Share on Sector Banking.MANAGER : Journal Knowledge Management, 3(3), pp. 403-412. http://ejournal.uikabogor/index.php/Manager/index

9. Dika, MF, & Pasaribu, H. (2020). The Effect of Earnings Per Share, Return on Assets, and Debt to Equity Ratio on Stock Prices. Nominal: Brometer Research Accounting and Management, 9(2), pp 258-274. DOI: 10.21831/nominal. v9i2.31436.

10. Fadillah, A. N ., Nurhayati , Immas ., & Aminda , R . S . (2023). The Influence of Fundamental and Technical Aspects on Banking Company Stock Prices 2019-2021. Journal of Economics, Management, and Business (JEMB) , 2 (2), pp. 278–285. DOI: https://doi.org/10.47233/jemb.v2i2.114.

11. Firmansyah, G., & Setiyawan, S. (2022). The Influence of Fundamental Factors on Stock Prices of Islamic Banking Companies on the Indonesia Stock Exchange for the 2018-2020 Period (Quarterly). Bandung Conference Series: Business and Management, 2 (1), pp 429-435. DOI: https://doi.org/10.29313/bcsbm.v2i1.1751.

12. Hamzah, AR (2020). The Effect of CR and EPS on Stock Prices in Pharmaceutical Companies on the IDX for the 2015-2018 Period. Owner (Research and Accounting Journal) , 4 (2), pp 648. DOI: 10.33395/ owner.v 4i2.299.

13. Hermanto, A., & Ibrahim, IDK (2020). Analysis of the Effect of Return on Equity (ROE), Earnings per Share (EPS), Debt to Equity Ratio (DER), and Dividend Payout Ratio (DPR) on Stock Prices in Manufacturing Companies Listed on the Indonesia Stock Exchange in 2018. Target: Jurnal Management Business, 2(2), pp. 179–194. DOI: https://doi.org/10.30812/target.v2i2.960.

14. Jefri, J., Siregar, ES, & Kurnianti, D. (2020). The Effect of ROE, BVPS, and Stock Trading Volume on Stock Returns. PROFIT Journal of Economic Education and Economics Studies, 7 (2), pp. 101–112. DOI: https://doi.org/10.36706/jp.v7i2.11875.

15. Kurniati , I., & Priyanto, A. A. (2022). The Effect of Earning Per Share (EPS) and Book Value Per Share (BVPS) on the Share Price of PT Telekomunikasi Indonesia TBK for the 2012-2021 Period. Formosa Journal of Sustainable Research, 1(3), pp 425–440. DOI: https://doi.org/10.55927/fjsr.v1i3.910.

16. Lihawa , F., Murni, S., & Saerang, IS (2021). Analysis of the Influence of Internal Factors on Stock Prices of Companies Included in the Jakarta Islamic Index (JII). EMBA Journal, 9 (4), pp. 1165-1177. DOI: https://doi.org/10.35794/emba.v9i4.37231.

17. Neldi, M., Hady, H., Elfiswandi., & Lusiana. (2023). The Determinants of Price Earnings Ratio: Evidence From Indonesia. JOURNAL OF LAW AND SUSTAINABLE DEVELOPMENT, 11(4), pp 1-21. DOI: https://doi.org/10.55908/sdgs.v11i4.1003.

18. Octavianty, E., & Aprilia, F. (2014). The Effect of Earnings Per Share (EPS), Book Value Per Share (BVS), Return on Equity (ROE), and Debt to Equity Ratio (DER) on the Stock Prices of State-Owned Enterprises Listed on the IDX. Scientific Journal of

Management and Accounting Faculty Economics (JIMAFE) , 6(2), pp 7-15. DOI: 10.34203/jimfe. v6i2.459

19. Puteri, NMAA, Nurdin, E., & Asni , N. (2025). EPS, BVPS, Stock Price: Study Research on the Food and Beverages Subsector. Value Journal Scientific Accountancy Finance and Business, 6(1), pp. 69-83. DOI: https://doi.org/10.36490/value.v6i1.1628

20. Pratiwi, SM, Miftahuddin , M., & Amelia, WR (2020). The Effect of Current Ratio (CR), Debt to Equity Ratio (DER), and Earnings Per Share (EPS) on Stock Prices at PT. Indofood Sukses Makmur Tbk. Scientific Journal Management and Business (JIMBI), 1(2), pp 20-30. DOI: http://jurnalmahasiswa.uma.ac.id/index.php/jimbi

21. Putri, F., & Safitri, H. (2024). The Effect of Return on Equity, Debt to Equity Ratio and Current Ratio on Stock Returns with Inflation as A Moderating Variable in The Property & Real Estate Sector for the Period 2020-2022. EKOMBIS REVIEW: Scientific Journal of Economics and Business, 12 (3), pp. 2567-2580. DOI: https://doi.org/10.37676/ekombis.v12i3.6045

22. Putri, LA, & Ramadhan, MI (2023). The Effect of Liquidity Ratios and Profitability Ratios on Stock Prices. Owner, Research & Accounting Journal, 7(2), pp. 1113–1123. DOI: 10.33395/ owner.v 7i2.1344

23. Qabajeh , M., Almajali, D., Natour, ARA, Alqsass, M., & Maali, H. (2024). The Impact Of Capital Structure And Profitability on Share Price: Empirical Study (Based On Jordanian Traditional Banks). General Management, 25 (200), pp. 136-142. DOI: 10.47750/QAS/25.200.14

24. Rahayu., Ernitawati, Y & Nasiruddin (2024). Debt To Equity Ratio, Net Profit Margin, and Earning Per Share on Non-Banking Stock Prices Listed in the IDX30 Index on the Indonesia Stock Exchange for the 2020-2022 Period. Scientific Journal of Economics and Management, 2 (06), pp 960-975. DOI: https://doi.org/10.61722/jiem.v2i6.2135.

25. Rahayu, LP & Triyonowati . (2021). Influence Liquidity, Profitability, And Solvency on the Stock Prices of LQ-45 Companies. Journal Science and Research Management, 10(5), pp. 1-15.

26. Sinambela , RA, & Rialdy, N. (2024). The Effect of Fundamental Analysis and Systematic Risk on Stock Prices in the Islamic Capital Market. Al-Kharaj: Journal of Islamic Economics, Finance & Business, 6(7), pp. 5501-5514. DOI: https://doi.org/10.47467/alkharaj.v6i7.3031.

27. Saputro , D. (2019). The Effect of Return on Assets, Earnings per Share, and Book Value per Share on Stock Prices. Jurnal Samudra Ekonomi dan Bisnis , 10 (2), pp. 124-132. DOI: https://doi.org/10.33059/jseb.v10i2.1305

28. Satria , C., & Putri, YS (2021). The Influence of Financial Ratios on Stock Prices of Islamic Banks Listed on the Indonesia Stock Exchange. Islamic Banking: Journal of Islamic Banking Thought and Development, 6 (2), pp. 299–320. DOI: https://doi.org/10.36908/isbank.v6i2.182

29. Saputra , M., Priyatni, E., Djalil, M, A., & Suryani, A, I. (2017). Influence of Capital Adequacy, Third Party Fund, and Non-Performing Financing to Profitability Through Financing (Study on Sharia Commercial Bank Listed In Bank Indonesia). International Journal of Social Science and Economic Research, 2 (09), pp. 4591-4605. https://ijsser.org/view_past2017.php?issue=9

30. Spence, M. (1973). Job Market Signaling. The Quarterly Journal of Economics, 87 (3), pp. 355.

31. Sudiyono , RN, Hartati, R., Ningtyas, AA, Sasono, I., & Ramawati, N. (2023). The Effect of Earnings Per Share, Debt to Equity Ratio, and Return on Equity on Stock Prices in Lq45 Companies Listed on the Indonesia Stock Exchange in 2018-2021. JUBISMA: Journal Business Management and Accounting, 5 (1), pp. 1–10. DOI: https://doi.org/10.58217/jubisma.v5i1.80

32. Syahid , H.A., Djuwita, D., Bakhri, S., & Agustin, A. (2023). Return on Equity, Earning per Share, and Stock Price in Sharia Consumer Companies. Journal of Sharia Accounting and Tax, 1(2), pp. 124-133. DOI: https://doi.org/10.70095/jsat.v1i2.14.

33. Wahyuni, SF, & Hafiz, MS (2018). The Effect of CR, DER, and ROA on DPR in Manufacturing Companies on the IDX. Jesya (Journal of Economics & Sharia Economics) , 1 (2), pp. 25–42. DOI: 10.36778/jesya. v1i2.18

34. Yuliana & Hastuti , RT (2020). The Effect of DER, ROE, ROA, NPM, and EPS on Stock Prices of Manufacturing Companies. Journal Multiparadigm Accountancy Tarumanagara , 2, pp. 1568-1577. DOI: 10.24912/jpa. v2i4.9334.