The Influence of Fundamental Factors, Technical Factors, and Risks Systematic of Stock Prices in Sectors Index Banking Infobank15 Listed On the Indonesia Stock Exchange 2015-2018 Period

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Article Info	ABSTRACT
	The purpose of this study is to determine: 1) The influence of fundamental factors, namely ROA (Return On Asset), ROE (Return On Equity), Debt to Equity Ratio (DER) and CR (Current Ratio) on stock prices in a banking sector, Infobank Index15 registered on the IDX in 2015-2018; 2) The influence of technical factors in the form of trends on stock prices in Banking sector Infobank15 Index listed on the IDX in 2015-2018; 3) The Effect of Systemic Risk (β) on stock prices in Banking sector Infobank15 Index listed on the IDX in 2015-2018. The population in this study encloses 15 companies in the Financial and Banking Sector in Infobank15 Index, as many as 15 companies from 2015 to 2018. Infobank15 Index measures the price performance of 15 banking stocks that have good fundamental factors and high trading liquidity. All members of the population are sampled in this study. Therefore, this research is a census research, sampling saturated. The results show that ROA (Return On Asset), ROE (Return On Equity), Debt to Equity Ratio (DER) and CR (Current Ratio) have no effect on stock prices in companies listed in Infobanks Index15. Stock trends have an effect on stock prices in companies listed in the Infobanks15 Index. Systemic risk as measured by stock beta has no effect on the stock price of companies listed in the Infobanks15 Index

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I. INTRODUCTION

In order to get maximum returns, investors have to consider the company that will be invested in. Investors can analyze it through Fundamental Analysis. In this analysis, the main approach used by securities analysts is on financial statement information. The information helps analysts make investment decisions. It is on the form of accounting information summarized in financial reports. '*Fundamental dapat bermanfaat untuk mengetahui pengaruh informasi akuntansi terhadap risiko investasi saham, dan diharapkan dapat memberikan manfaat bagi investor untuk memprediksi tingkat risiko investasi* (Puspita, 2015:4). The form of financial statement information is in the form of ratios. It is used to measure the company's financial performance published for investors' benefits. A financial report can be measured and interpreted by the ratios. There are several sub-ratios used in this study; ROA (Return on Assets), ROE (Return On Equity), DER (Debt to Equity Ratio), and CR (Current Ratio).

Systemic risk in the banking system is caused by a high correlation of bank failures in a country, a number or even a global country. In order to present a risk tolerance, banks have to be responsive in identifying, measuring, monitoring and controlling risks appearing in their business activities. Systemic risk can also occur in other parts of the financial sector and have an impact domestically and transnationally. Therefore, investors need various types of information for assessing the company's performance necessarily to make investment decisions. Investors need to

make an assessment of the stocks that will be chosen and determine whether the stock can provide an appropriate rate of return or the expected rate of return. Technical analysis is often contrasted with fundamental analysis. It is the study of economic factors that some analysts convince it can influence prices in financial markets. Technical analysts believe that the price already reflects the economic effects before investors realize it. '*Beberapa pedagang menggunakan salah satu dari teknikal atau fundamental, namun beberapa lainnya menggabungkan keduanya dalam melakukan analisis.*" (Harsono, 2013 : 46).

The performance of banking stocks continues to decline. Referring to the statistical data of the Indonesia Stock Exchange (IDX), BBRI, BMRI and BBCA shares are the biggest crushing shares of IHSG. Throughout 2015, BBRI, BMRI, BBCA and BBNI contributed to IHSG drop of 247.9 points or 22.4% of the total decrease in the JCI throughout 2015. Since the beginning of the year, the price of BBNI has dropped 35.41%, BMRI has dropped 30, 16%, BBRI is cut 28.76% and BBCA is corrected 12.57%. Until the end of the year, analysts predict that there will be no improvement in the performance of bank shares. The decline in banking stocks has occurred since rupiah continued to weaken against the US dollar. Investors expect an increase in the ratio of non-performing loans (NPL).

According to a data from the Financial Services Authority (OJK), based on that period, banking credit grew by 11.6% on an annual basis, slower than the 11.75% growth in credit in the fourth quarter of 2018. Meanwhile, Bank Indonesia (BI) predicts bank credit growth will increase in the third quarter of 2018 driven by optimism to strengthen economic conditions (katadata.co.id)

The current decrease in bank share prices triggered by pressure from rising interest rates, the trend of the rupiah weakening against the US dollar, and certainty from a trade war in which banks as the sector with the largest capitalization are also affected. The basis for the decrease in banking shares includes three things. In the last year, the share price of state-owned banks has gone up like BBTN. There are also economic conditions such as the trade war between the United States and China that lead to a recession.

Based on the introduction, the researcher aims to conduct a study entitled "The Influence of Fundamental Factors, Technical Factors and Systemic Risk on Stock Prices in Banking Sector, the Infobank15 Index listed on Indonesia Stock Exchange 2015-2018"

2. LECTURE STUDY

1. Fundamental Factors

"*Saham adalah salah satu bentuk efek yang diperdagangkan dalam pasar modal. Saham merupakan surat berharga sebagai tanda pemilikan atas perusahaan penerbitnya. Saham juga berarti sebagai tanda penyertaan atau pemilikan seorang atau badan dalam suatu perusahaan terbuka. Saham menarik bagi investor karena berbagai alasan. Bagi beberapa investor, membeli saham merupakan cara untuk mendapatkan kekayaan besar (*capital gain*) yang relatif cepat. Sementara bagi investor yang lain, saham memberikan penghasilan yang berupa dividen. Adapun jenis-jenis saham antara lain saham biasa (*common stock*) saham preferen (*preferren stock*) dan saham komulatif preferen (*commulative preferren stock*).*" (Riyanto, 2005:240).

These are respective types of capital market instrument;

a. Common stock

Common stocks are stocks that place the most junior shareholders to the rights of the company's assets when the company is liquidated and as the most junior to the dividend distribution rights. b. Preferred Stock Preferred stock is a stock that has advantages over common stock. The rights of preferred stock that take precedence over common stock are emphasized by the word prefer (an English word means to prefer). The rights that take precedence are the right to receive dividends and the right to share assets as a result of the company liquidation (dissolution). c. Valuation

In a short term, the valuation of the stocks sometimes can be inappropriate with the price of the stocks in market, while the stock price in a long term tends to comply its actual valuation. Investors who take value investing will be more interested to buy a stock when the ratio between the price of book value and the share earnings indicates a smaller number. This lead the stock prices drives higher.

2. Technical factors

"*Analisis teknikal adalah teknik untuk memprediksi arah pergerakan saham dan indikator pasar saham lainnya berdasarkan pada data pasar historis seperti informasi harga dan volume. Penganut analisis teknikal berpendapat bahwa dalam kenyataannya harga bergerak pada suatu *trend* tertentu , dan harga tersebut akan terjadi berulang-

ulang. Pergerakan harga dapat dilukiskan sebagai suatu rangkaian gelombang yang terjadi sepanjang waktu. Dalam rangkaian gelombang juga terdapat riak (rangkaian gelombang yang lebih kecil) yang juga terjadi secara berulang. Seni dari analisis teknikal adalah untuk mencoba mengidentifikasi perubahanperubahan *trend* pada tahap awal dan menjaga investasi atau bentuk perdagangan hingga mencukupi bukti yang menunjukkan bahwa *trend* tersebut berbalik. Dalam analisis teknikal , bukti disajikan melalui berbagai indikator dan prinsip dasar antara lain pola-pola (*pattern*), garis *trend* (*trendline*), rata-rata pergerakan, dan momentum harga." (Tandelilin, 2017: 393).

There are several techniques using charts (charting) that investors can use as a basis to make investment decisions. The techniques are The Down Theory, chart stock patterns, moving average analysis, and relative strength analysis.

1. Primary trend, namely stock price movements over a long period of time (several years).
2. Secondary (intermediated) trend, namely stock price movements occur during stock movements in the primary trend. This secondary movement appears as a deviate movement of the primary movement. It usually occurs in weeks or months.
3. 3.Minor trend or day to day movement is the fluctuation of stock prices. It often occurs every day.

1. Systemic Risk

Systemic risk is referred to as market, general, systemic, or general risk. Systemic risks are generally systematic and are difficult to avoid. The examples of systemic risk are an increase in interest rates (interest rate risk), an increase in inflation (purchasing power / inflationary risk), and high market volatility (market risk).

2. Research Hypothesis

The research hypothesis is as follows:

a. H1 = there is a significant influence between fundamental factors on stock prices
b. H2 = there is a significant influence between technical factors on stock prices c H3 = there is

   a significant influence between systemic risk on stock prices

3. METHODS

In this study, the researcher measure the influence of fundamental factors, technical factors, as well against the stock prices. The research variables examined in this study are divided into two main variables, namely the independent variable (X) which consists of three variables, namely Fundamental Factors (X1), Technical Factors (X2), and Systemic Risk (X3), and the dependent variable (Y) which consists of one variable, namely the Stock Price.

4. RESULTS AND DISCUSSION

1. Return On Assets (ROA)

ROA in financial companies in the banking sector Infobanks15 Index listed on the Indonesia Stock Exchange for the 2015-2018 period has tended to fluctuate since 2016. This can be seen from the average results of 15 companies. In 2016 the average was 1.51, the increase in 2017 was 1.55 and in 2018 it was 1.24. This shows that the company have to utilize its assets effectively to generate returns, because the higher the ROA the maximum the net income a company earn. This means, the assets the company has is converted properly in order to generate profits for the company itself. In this case, ROA help in calculating the efficiency of a company compared to its assets.

2. Return On Equity (ROE)

ROE as the sample in a study has decreased each year. The decline in ROE can affect the company's ability turn low in generating the returns. ROE can decrease due to the very large company's equity the same time as the profit increases (the increase in equity is greater than the profit). It means that the company is unable to maximize its resources (equity) to generate high profits. It also indicates that the company is unable to satisfy the interests of the shareholders. A company necessarily have the ability improving its performance in generating profits. An investor should avoid companies with low ROE values.

3. Debt to Equity Ratio (DER)

Debt to Equity Ratio in the financial industry companies in the banking sector, the Infobanks15 Index listed on the Indonesia Stock Exchange for the period 2015 - 2018, tends to decline. This proves a positive indication, because the smaller the DER value the smaller the proportion of debt used in the company's operations. This is one of the considerations investors can do before investing. Investors have to mind analyzing DER when the total debt is greater than the equity.

4. Current Ratio (CR)

Current Ratio in the financial industry companies in the banking sector Infobanks15 Index listed on the Indonesia Stock Exchange for the period 2015-2018 tends to fluctuate. In average, company has a Current Ratio that fluctuates each year. This shows that the ratio used to measure the company's ability to cover short-term obligations or debt is varies. The company will cover its debt when it makes profit in the same year. On the other hand, the company is unable to pay its own liabilities in the same year when the company gets loss. In the other words, the available current assets to cover short-term liabilities are not fulfilled.

5. Technical factors

Stock prices can change at any time. It depends on the time market opens and closes. Stock prices can move, go up and down, and even cannot move. The movements occur are caused by buying and selling activities. Every time the stock closes it is called the closing market price. If the market closing prices are aggregated during the 200 stock exchange closing days, it is an average called the 200 exchange day moving average. If the exchange is daily executed, it is a line called the 200 stock exchange day price movement line, known as the Moving Average 200 (MA200). This means that the price above the average 200 stock exchange days show a growth and vice versa. Once a company moves above its 200-day trading day, the stock continues to strengthen. Once it moves under 200 days, the stock continues to weaken. However, a company can only recover when its stock movement survives and returns above 200 trading days.

6. Systemic Risk

Low beta value causes low potential return. Investors who intend to get higher profit look for stocks in high beta value, while investors who concern about the investment safety factors look for stocks in low beta value. Stock beta refers to an indicator of risk level in the stock against the market risk level. The benefit of finding out stock beta is that investors can assess the level of sensitivity of a stock to existing market risks. A stock with less than one beta indicates the stock price sensitivity is smaller than the Composite Stock Price Index (IHSG). The issuer's stock which has more than one beta indicates a price change level or its volatility is above the market. An issuer's stock beta can be negative or below zero. This illustrates that the movement of the issuer's share up or down price is inversely proportional to the movement o IHSG. The stock price increase when IHSG slopes. Otherwise, the issuer's stock price is corrected when IHSG increase.

7. Stock Prices

Stock prices in banking companies listed on Infobank15 have increased every year. This shows the stock prices of the companies sampled in this study rise during the 2015-2018 period. The best day to sell stocks will probably within the rising price, called profit taking. This might be the right time to sell the stock. However, if the stock price has decreased, investors can sell the stock by setting up a cut loss. Cut loss happens when a company sells the stock price lower than the purchase price, thus it experiences a loss. This can prevent greater losses due to the falling prices.

5. CONCLUSION

Based on the results of the research carried out in the previous chapter, the following conclusions are:

1. Fundamental factors do not affect stock prices in the Banking sector Infobank15 Index listed on the IDX in 2015-2018. These results do not provide support for the hypothesis one which states that there is a significant influence between fundamental factors on stock prices. The opposite direction indicates that stock investors tend to ignore fundamental factors. The changes in fundamental factors are not followed by the changes in stock prices.

2. Technical factors as measured by stock trends have an effect on stock prices in the banking sector, Infobank15 Index listed on the IDX in 2015-2018. These results provide support for hypothesis two that there is a significant influence between technical factors on stock prices. The positive direction indicates that the increase in the stock trend will be followed by the stock price, and vice versa.

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