

Factors Affecting Stock Prices With Dividend Policy as an Intervening Variable in Mining Companies Listed on The IDX

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Abstract

This study aims to determine and analyze the factors influencing stock prices with dividend policy as an intervening variable in mining companies listed on the Indonesia Stock Exchange. The objects in this study are stock prices, dividend policy, current ratio, debt-to-asset ratio and net profit margin. This research was conducted at Mining Companies listed on the Indonesia Stock Exchange. The research method used in this research is associative. The data used in this research is secondary data. The population in this study were 63 companies, samples obtained through purposive sampling method, namely 21 companies for a period of 5 years with 5 research variables. The data analysis technique used in this study is path analysis by testing direct and indirect effects. The results of the direct effect research show that the current ratio has no significant effect on dividend policy, the debt to asset ratio has a significant effect on dividend policy, the net profit margin has a significant effect on dividend policy, the current ratio has no significant effect on stock prices, debt to asset ratio has no significant effect on stock prices, the net profit margin has a significant effect on stock prices, dividend policy has a significant effect on stock prices. The results of the study show that the current ratio has no significant effect on stock prices with dividend policy as an intervening variable, debt to asset ratio has a significant effect on stock prices with dividend policy as an intervening variable, and net profit margin has a significant effect on stock prices with dividend policy as an intervening variable.

Keywords: Stock Prices, Dividend Policy, Mining Companies

How to Cite:

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1. Introduction

The impact of competition in the business world makes entrepreneurs compete to increase profits and maintain the survival of their companies; for that, the company needs capital, and capital against it can come from debt and equity. The benchmark for company management that shows the value of a company's achievements can be seen from its stock price; according to Jogiyanto (2017: 143) stock prices are prices that occur in the stock exchange market at certain times which are determined by the demand and supply of market participants in the

capital market.

According to Yudistira and Adiputra (2020: 177) factors that affect stock prices come from internal and external factors that cause this stock price to increase or decrease. If the company earns large profits, it will be able to distribute dividends in large quantities, stock prices are expected to increase, and shares will be in great demand so that they will experience an increase in stock prices, and vice versa.

External factors are factors that come from outside the company, such as political and security situations, changes in currency rates, rising bank interest rates and so on that cause a sense of security to invest so that many investors will buy shares. In contrast, internal factors or fundamental factors are factors originating from within the company that reflect financial conditions related to company performance. Financial performance can be seen from the company's financial statements, by looking at the financial statements, an analysis can be carried out to determine the condition of the company's overall financial performance. According to J. Fred Weston in Cashmere (2019: 106) to measure company performance can be done using financial ratio analysis. Some financial ratio analyses include profitability, liquidity and solvency ratios.

Current ratio is a liquidity ratio used to show the company's ability to fund the company's operations and meet its short-term obligations by comparing the amount of current assets and current debt owned by the company (Rudianto, 2021: 183). Debt to asset ratio is a solvency ratio that compares the amount of debt and the amount of company assets, the higher this ratio will be the greater the demand for the company's management to fulfill its various obligations to creditors, both in the form of obligations to pay regular loan interest and to return the principal at a certain time regardless of the amount of income earned by the company in a period (Rudianto, 2021: 200).

According to Ariani (2021: 66), net profit margin measures a company's profitability in generating net profit at a certain level of sales after considering all costs and income taxes. Net profit margin is useful for net sales results over a certain period and is used to measure net profit for every dollar of company sales. Wijaya (2017: 461), stated that dividend policy is analogous to a sustainable puzzle, where dividend policy is a puzzle that is difficult and dilemmatic to be decided by management where this policy is an important financing policy for the company and impacts stock prices.

This research was conducted on mining companies listed on the Indonesia Stock Exchange. Based on data from the Central Statistics Agency (BPS), the contribution of mining in Indonesia to national economic growth fluctuates every year. In 2018, the mining contribution was 8.07%, then decreased by 0.81% in 2019 and due to the impact of the Covid-19 pandemic, this mining company also decreased again by 1.63% in 2020. Hence, the mining company's contribution was only 6.44%. In 2021, the contribution of mining companies began to grow positively by 8.98%, in line with increasing national economic growth. It continued to increase by 3.24% from the previous year so its contribution to national economic growth was 12.22%. The following is data on average stock prices, current ratio, debt-to-asset ratio, net profit margin and dividend policy in mining companies presented in graphic form:

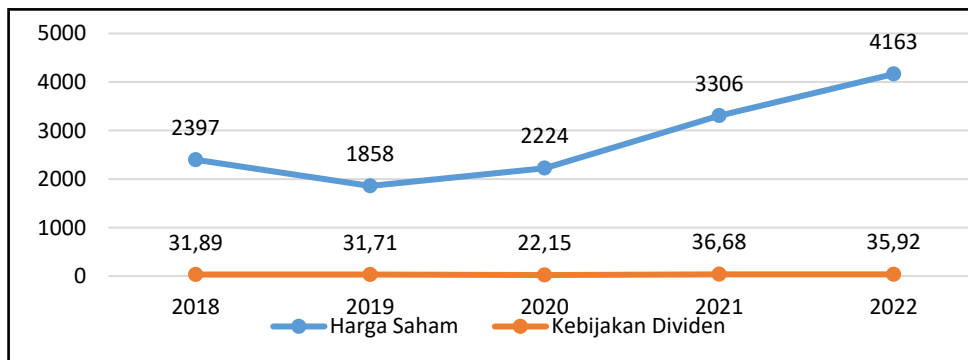


Figure 1. Chart of average stock prices and dividend policy

Source: Data processed, 2023

Stock price movements in mining companies sampled for the 2018-2022 period experience fluctuations or instability every year. In connection with the fluctuations in stock prices above, there is another phenomenon that is also in the spotlight, namely regarding dividend policy. Changes in the dividend policy that the company distributes to shareholders, do not follow changes in share prices. In 2019, when the stock price fell but the dividends distributed increased, on the contrary, in 2020 when the stock price rose, the amount of dividends distributed actually decreased. This indicates that changes in stock prices that rise and fall are not solely a reference for setting a company's dividend policy.

Several previous studies have linked the current ratio with stock prices. Research conducted by Wardani (2018) shows the results that the current ratio affects stock prices. Conversely, research conducted by Siampa, Murni and Rogi (2020) shows that the current ratio has no effect on stock prices. Another factor that can also affect stock prices is the debt to asset ratio. Research by Pane, et al (2021) shows that the debt to asset ratio affects stock prices. While research conducted by Wijaya (2017) shows that debt to asset ratio has no effect on stock prices. The last variable that also links stock prices with net profit margin is Hendri's (2015) research which shows the results that net profit margin affects stock prices. Meanwhile, research conducted by Ariani (2021) shows that net profit margin has no effect on stock prices. Research conducted by Aini (2017) concluded that dividend policy affects stock prices because when the dividend policy paid is higher than expected is a signal to investors that company management expects future profits to increase, this will cause a positive reaction so that stock prices rise. Research by Latifah and Suryani (2020) shows that dividend policy has no effect on stock prices.

Several previous studies have linked the current ratio with dividend policy. Research conducted by Yasa and Wirawati (2016) shows the results that the current ratio affects dividend policy. Conversely, research conducted by Rahayu and Hari (2016) shows that the current ratio has no effect on dividend policy. Another factor that can also affect dividend policy is the debt to asset ratio. Sanjaya's research (2020) shows that debt to asset ratio affects dividend policy. While research conducted by Putri (2017) shows that debt to asset ratio has no effect on dividend policy. The last variable that also links dividend policy with net profit margin is Melani and Napisah's (2022) research which shows that net profit margin affects dividend policy. Meanwhile, research conducted by Nugraha, Kusno and Finanto (2021) shows that net profit margin has no effect on dividend policy.

2. Literature Review

Bogna Kazmierska, Jozwiak (2015) The paper examines determinants of dividend policy of non-financial companies listed on Warsaw Stock Exchange. The main goal of this paper is to examine cash dividend payments of Polish-listed companies. In this study, panel data analysis is applied to investigate the determinants of dividend policies of Polish companies. The paper also explains the impact of different factors on dividend policy on the Polish market. Moreover, it examines whether the same factors (profitability, liquidity, size, leverage of the firm) affect dividend payout decisions on the Polish market as in developed countries.

Ayu Rahmania Putri (2017) This research is meant to examine the influence of debt policy (which is proxy by Debt to Asset Ratio), profitability (which is proxy by Return on Asset), liquidity (which is proxy by Current Ratio), and investment opportunity (which is proxy by Price Earnings Ratio) to the dividend policy (which is proxy by Dividend Payout Ratio). The population is all companies which are engaged in the field of property and real estate sub sector which are listed in Indonesia Stock Exchange (IDX). This research is useful not only for company decision makers in setting the right dividend policy but also for shareholders in making investment decisions.

Albertus Karjono (2019) This study is to determine the effect of cash ratio, net profit margin, debt to equity ratio, and firm size on dividend policy in manufacturing companies listed on the IDX in the 2013-2017 period. Cash ratio, net profit margin, debt to equity ratio, and firm size are common determinants in dividend payment decisions or policies. The more liquid a company is and the increase in cash ratio can also increase investor expectations of the company's ability to distribute dividends, companies with high profitability with more stable profits can manage the company's greater cash flow allowing for an increase in dividend payments. , companies with a high debt-to-equity ratio have high transaction costs, and are in a weak position to pay higher dividends to avoid external funding costs.

Asih Puji Lestari dan Aris Susetyo (2020) This study aims to determine the effect of Net Profit Margin, Earnings Per Share, Debt Equity Ratio and Price Book Value on Stock Prices through Dividend Payout Ratio as an Intervening Variable. This research was conducted on companies listed on the High Dividend 20 Index listed on the Indonesia Stock Exchange (IDX) in 2014-2018. In his research, it shows that increasing sales that are not followed by increasing net income can reduce the percentage of NPM. Net profit itself is influenced by expenses and costs which in fact continue to increase. In trading stocks, earnings per share can affect Stock Prices, because investors always pay attention to the growth of the company's earnings per share so that it can affect the ups and downs of Stock Prices. The logical relationship that can be put forward that companies that have a capital structure derived from high debt will have an impact on potential investors, where potential investors and investors will turn or prefer companies with a low level of leverage because potential investors and investors will choose companies with a low level of risk. Share Price is not measured by how much DPR is given to shareholders, but by the amount of PBV owned by IDX HIDIV20 company. When the company has a high PBV value, the Stock Price is also high.

Yovita Ariani (2020). This research was conducted to see the stock price of retail companies during the pandemic which was associated with the company's NPM, CR and EPS. This financial performance will be a consideration for investors to buy company shares so that in the end it affects the stock price which is the price in the stock exchange market, especially

during the pandemic. The results of his research show that NPM that does not partially affect stock prices in the retail industry can indicate that investors not only see NPM as an indicator of company performance in investing in shares but can be influenced by other indicators. The effect of each CR and EPS on stock prices can indicate that investors consider these indicators in investing so that in turn it can affect the company's share price. The results of this study can be input for retail industry players to always pay attention to these two indicators in order to attract investors who can ultimately increase the company's stock price.

Pane dkk (2021) This study analyzes the effect of Debt to Asset Ratio, Return on Asset, Current Ratio on stock prices in Consumer Goods Industry Sector Companies listed on the IDX with samples used in research as many as 25 manufacturing sub-sector companies on the IDX for the 2015-2019 period. Research shows that the Debt to Asset Ratio has no effect on stock prices because a high Debt to Asset Ratio can indicate a high risk to the company because the company has a greater responsibility in paying off obligations to third parties. Return on Asset describes the amount of return on investment made by shareholders so that the amount of return on assets describes the company's prospects in the future, and can provide consideration for investments that investors will make. A current ratio that has no effect on stock prices indicates that companies still do not have the ability to balance the benefits and costs of debt, so additional debt tends to lower stock prices.

2.1 Dividend Policy

Dividend policy is a decision taken by the company whether the profits obtained will be distributed to shareholders as dividends or will be retained in the form of retained earnings for investment financing in the future (Sartono, 2016: 281). The image of corporate survival is shown by the act of dividend payment where regular dividend payments increase public confidence resulting in an increase in the company's market value (Ajao and Robinson, 2022: 30). The measurement of dividend policy consists of dividends per share and earnings per share, with the following formula:

$$\text{Dividend Payout Ratio} = \frac{\text{Dividend Per Share}}{\text{Earnings Per Share}}$$

2.2 Stock Price

Hartanto (2018: 22) stated that stock prices are units of value or bookkeeping in various financial instruments that refer to the ownership of a company or a form of company ownership in the capital market. Stock price measurement is determined from the closing price of the stock (closing price) with the following formula:

$$\text{Stock Price} = \text{closing price}$$

2.3 Current Ratio

According to Sawir (2017: 8) suggests the current ratio as the most common measure used to determine the ability to meet short-term obligations because this ratio shows how far the demands of short-term creditors are met by assets that are estimated to be cash in the same period as debt maturity. The current ratio measurement consists of current assets and current liabilities with the following formula:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

2.4 Debt to Asset Ratio

Hartanto (2018: 22) stated that stock prices are units of value or bookkeeping in various financial instruments that refer to the ownership of a company or a form of company ownership in the capital market. Debt to asset ratio measurement consists of total debt and total assets, with the following formula:

$$\text{Debt to Asset Ratio} = \frac{\text{Total Liabilities}}{\text{Total Asset}}$$

2.4 Net Profit Margin

Net profit margin is a measure of profit by comparing profit after interest and tax compared to the sales of a company (Kasmir, 2019: 202). The measurement of net profit margin consists of profit after tax and sales, with the following formula:

$$\text{Net Profit Margin} = \frac{\text{Earning After Tax}}{\text{Sales}}$$

2.5 Frameworks

Based on the analysis of theoretical foundations, the relationship between variables and previous research that tested how much influence the current ratio, debt to asset ratio, and net profit margin have on stock prices with dividend policy as an intervening variable, the framework of thought can be seen in the following figure:

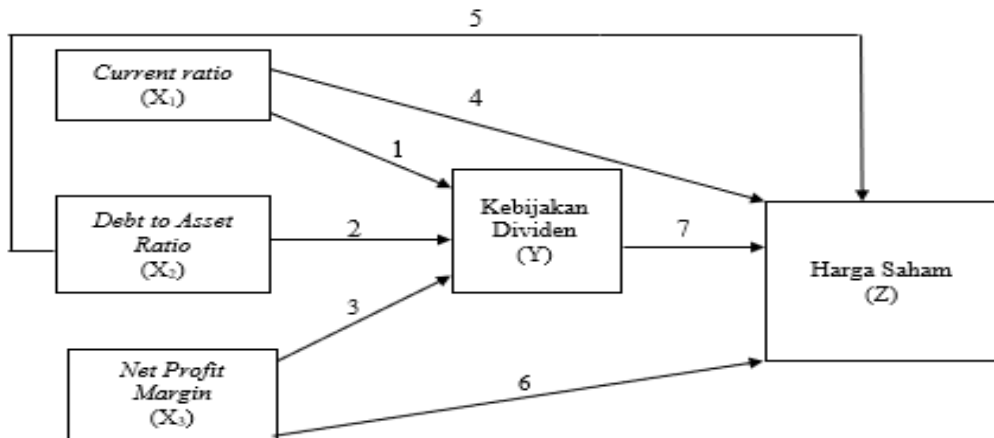


Figure 2. Frameworks

Source: Researcher, 2023.

3. Research Method

The object of this study is stock price, dividend policy, current ratio, debt to asset ratio and net profit margin. This research was conducted on Mining Companies listed on the Indonesia Stock Exchange, where the data is in the form of financial statements for the 2018-2022 period which are published and can be accessed on the IDX website. The type of research that corresponds to this study is associative research. The population in this study is the financial statements of mining companies listed on the Indonesia Stock Exchange. The total population in this study was 63 Mining Companies. Sampling was taken by purposive sampling method. Purposive sampling 21 companies meet the criteria, namely, mining companies listed on the stock

exchange in the 2018-2022 period, have conducted IPOs in the research year and mining companies that have not suffered losses, suspensions or delistings on the Indonesia Stock Exchange in the 2018-2022 period.

Current ratio (X_1) is a ratio used by Mining Companies listed on the IDX in 2018-2022 to measure the company's ability to pay current debt with indicators of current assets and current liabilities, Debt to Asset Ratio (X_2) is a ratio used to measure how much assets of Mining Companies listed on the IDX are financed by debt with indicators of total debt and total assets. Net profit margin (X_3) is a ratio that interprets the level of efficiency of Mining Companies listed on the IDX, namely the extent of the company's ability to make sales in a certain period to maximize the company's profit with profit after tax and sales indicators. Dividend policy (Y) is a policy that must be taken by management in Mining Companies listed on the IDX in determining whether the profits obtained by the company will be distributed to shareholders or retained for the company's financing purposes with indicators of dividends per share and earnings per share. The share price (Z) is the price formed according to demand and supply in the stock buying and selling market and is usually the closing price of Mining Companies listed on the IDX with closing price indicators.

The analysis design used in this study is path analysis with a mediation model or intervening variable. Path analysis with a mediation model or intervening variable where the presence of variable Y as an intermediate variable will change the influence of variable X on variable Z . This influence can decrease or increase. This model is used to calculate direct effect, indirect effect and total effect.

The path analysis of the mediation model in this study uses three independent variables (X_1 , X_2 and X_3) which function as exogenous independent variables, variable Y as an intermediate endogenous and variable Z as an endogenous dependent. The path analysis research model on this equation is as follows:

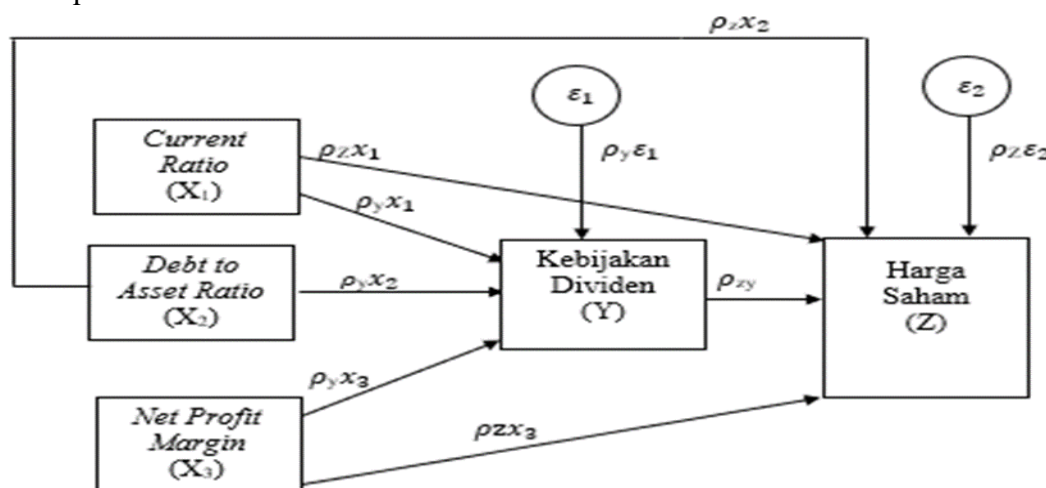


Figure 3. Research Model

Source: Researcher, 2023.

The path diagram above consists of two structural equations, of which X_1 , X_2 and X_3 are exogenous variables while Y and Z are endogenous variables. Based on the explanation above, the following is the structural equation of path analysis:

$$\text{Equation 1: } Y = \rho_{yx_1}X_1 + \rho_{yx_2}X_2 + \rho_{yx_3}X_3 + \varepsilon_1$$

$$\text{Equation 2: } Z = \rho_{zx_1}X_1 + \rho_{zx_2}X_2 + \rho_{zx_3}X_3 + \rho_{zy}Y + \varepsilon_2$$

4. Findings and Discussions

4.1 Path Analysis of Direct Influence Paths X to Y

The results of the direct effect of variables X to Y can be seen in the table below:

Table 1. Regression Test Results Model I Direct Effect X to Y

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.306 ^a	.094	.067	29.13871

a. Predictors: (Constant), NPM, CR, DAR

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	47.914	6.994		6.851	.000
CR	-.951	1.427	-.065	-.666	.507
DAR	-18.904	9.098	-.203	-2.078	.040
NPM	33.924	14.900	.217	2.277	.025

a. Dependent Variable: DPR

Source: Processing Data

Based on the results of the analysis test, in Table 1 of the summary model, shows an R Square value of 0.094 or 9.4%, this shows the influence given by the current ratio, debt to asset ratio and net profit margin is 9.4% while the remaining 90.6% is influenced by other variables that are not studied in this study such as liquidity, company size, institutional ownership, debt policy and so on. To find the value of ε_1 can use the formula $\varepsilon_1 = \sqrt{(1 - R \text{ square})}$ so that the resulting ε_1 produced in the coefficient of the model I path diagram is $\varepsilon_1 = \sqrt{(1 - 0.094)} = 0.952$

Based on the table above, in the coefficient table it can be concluded that the value of the coefficient for the current ratio is -0.065, for the value of the debt to asset ratio coefficient of -0.203 and for the net profit margin the value of the coefficient is 0.217. so that the model equation for model I is:

$$Y = \rho_{yx_1}X_1 + \rho_{yx_2}X_2 + \rho_{yx_3}X_3 + \varepsilon_1$$

$$Y = -0.065 X_1 - 0.203 X_2 + 0.217 X_3 + 0.952$$

In addition, in Table 1 the coefficient can also be seen the value of the sig current ratio is 0.507 which means the value of the sig > 0.05 so that it can be concluded that the current ratio does not have a significant effect on dividend policy, for the value of the sig debt to asset ratio is 0.040 which means the value of the sig < 0.05 so that it can be concluded that the debt to asset ratio has a significant effect on dividend policy and for the value of the sig net profit margin is

0.025 which means the value of the sig < 0.05 so it can be concluded that net profit margin has a significant effect on dividend policy.

4.2 Path Analysis of Direct Influence Path X to Z

The results of direct influence (direct effect) variable X to Z can be seen in the Table below:

Table 2. Model II Regression Test Results Direct Effect of X to Z

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.259 ^a	.067	.030	5743.30332

a. Predictors: (Constant), DPR, CR, NPM, DAR

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	2099.742	1668.331		.211
	CR	7.390	281.898	.003	.979
	DAR	-1671.828	1831.123	-.093	.363
	NPM	3948.641	3011.300	.130	.033
	DPR	30.180	19.612	.156	.027

a. Dependent Variable: Harga Saham

Source: Processing Data.

Based on the results of the analysis test, in Table 2 in the model summary section, shows an R Square value of 0.067 or 6.7%, this shows the influence given by the current ratio, debt to asset ratio and net profit margin is 6.7% while the remaining 93.3% is influenced by other variables that are not studied in this study such as inflation, interest rates, rupiah exchange rate, company growth and so on. To find the value of ε_2 can use the formula $\varepsilon_2 = \sqrt{(1-R \text{ square})}$ so that the resulting ε_1 produced in the coefficient of the model I path diagram is $\varepsilon_2 = \sqrt{(1-0.067)} = 0.967$.

Based on the table above, in the coefficient table it can be concluded that the value of the coefficient for the current ratio is 0.003, for the value of the debt to asset ratio coefficient of -0.093, for the net profit margin, the value of the coefficient is 0.130 and for the value of the dividend policy coefficient of 0.156 so that the equation model for this model II is:

$$Z = \rho_{zx_1}X_1 + \rho_{zx_2}X_2 + \rho_{zx_3}X_3 + \rho_{zy}Y + \varepsilon_2$$

$$Z = 0,003 X_1 - 0.093 X_2 + 0.130 X_3 + 0.156 Y + 0.967$$

In addition, in the coefficient table, it can also be seen that the value of the sig current ratio is 0.979 which means the value of the sig > 0.05 so that it can be concluded that the current ratio does not have a significant effect on the stock price, for the value of the sig debt to asset ratio is 0.363 which means the value of the sig > 0.05 so that it can be concluded that the debt to asset ratio does not have a significant effect on the stock price, For the GIS Net Profit Margin value is 0.033 which means the GIS value < 0.05 so it can be concluded that the Net Profit

Margin has a significant effect on the stock price, in the dividend policy the GIS value shows 0.027 which means the GIS value < 0.05 so it can be concluded that the dividend policy has a significant effect on the stock price.

From equation I and equation II in the results of the path analysis above, a path diagram is obtained as follows:

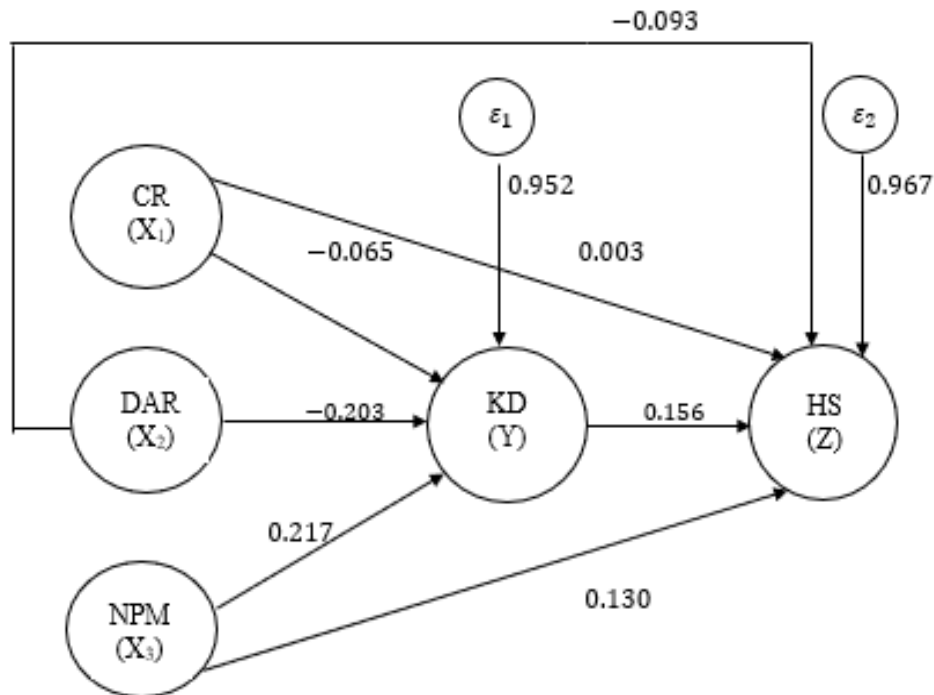


Figure 3: Path Analysis Model

Sources: Data processed by researchers, 2023.

Based on Figure 3 we can see the direct influence of its significance value in the following table:

Table 3. Significance of direct influence between variables ($\alpha=5\%$)

Influence between variables		t-Count	Significance value	Decision
CR	→ Dividend Policy	-0.666	0.507	Insignificant
DAR	→ Dividend Policy	-2.078	0.040	Significant
NPM	→ Dividend Policy	2.277	0.025	Significant
CR	→ Stock Price	0.026	0.979	Insignificant
DAR	→ Stock Price	0.913	0.363	Insignificant
NPM	→ Stock Price	2.311	0.033	Significant
Dividend Policy → Stock Price		2.539	0.027	Significant

Source: Data processed by Researchers, 2023.

4.3 Path Analysis of Indirect Paths of Influence

Table 4. Indirect Influence Regression Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	2203.697	969.864		2.272	.025
CR*DPR	4.381	5.684	.078	0.771	.443
DAR*DPR	13.538	43.635	.008	2.081	.036
NPM*DPR	81.922	45.321	.190	2.808	.014

a. Dependent Variable: Harga Saham

Source: Processing data

Table 5. Significance of indirect influence between variables ($\alpha=5\%$)

Influence between variables	Intervening	t-Count	Significance value	Decision
CR → Stock Price	Dividend Policy	0.771	0.443	Insignificant
DAR → Stock Price	Dividend Policy	2.081	0.036	Insignificant
NPM → Stock Price	Dividend Policy	2.808	0.014	Significant

Source: Data processed by Researchers, 2023.

4.4 Total Effect

To clarify the role of intervening variables it is necessary to calculate their total influence, as follows:

Table 6. Direct Influence, Indirect Influence and Total Influence

No.	Flow	Intervening Variables	Direct Effect	Indirect Effect	Total Effect
1.	CR → Stock Price	Dividend Policy	0.003	$-0.065 \times 0.156 = -0.01014$	-0.00714
2.	DAR → Stock Price	Dividend Policy	-0.093	$-0.203 \times 0.156 = -0.031668$	-0.12466
3.	NPM → Stock Price	Dividend Policy	0.130	$0.217 \times 0.156 = 0.033852$	0.16385

Source: Researchers' Calculations based on Test Results, 2023.

Based on Table 6 above, it can be seen that the direct influence of the current ratio on stock prices is 0.003, the indirect influence of the dividend policy is -0.01014 so that the effect of the current ratio on stock prices with a dividend policy of -0.00714 means that the dividend policy is unable to strengthen the influence of the current ratio on stock prices.

The direct effect of debt to asset ratio on stock price is -0.093, indirect influence with dividend policy is -0.031668 so that the effect of debt to asset ratio on stock price with dividend policy is -0.12466 meaning that dividend policy is able to strengthen the effect of debt to asset ratio on stock price.

The direct effect of net profit margin on stock price is 0.130, indirect influence on dividend policy is 0.03385 so that the effect of net profit margin on stock price with dividend policy of 0.16385 means that dividend policy is able to strengthen the effect of net profit margin on stock price.

4.5 Discussion

4.5.1 The effect of the current ratio on dividend policy in Mining Sector Companies listed on the Indonesia Stock Exchange.

The results of tests conducted on the current ratio show the value of $t_{hitung} < t_{tabel}$ **So it can be concluded that H_{01} Accepted and H_{a1} rejected**, Where this means that the current ratio directly does not affect dividend policy. Significant Value $t > \text{sig } \alpha$, this illustrates that there is no significance in the effect of the exogenous variable (X) on the intervening endogenous variable (Y). So the first hypothesis in this study was rejected.

From the results of the study, it is proven that the current ratio directly has no effect on dividend policy. The direct effect between the current ratio on dividend policy in this study is negative, but this influence is not significant, meaning that the negative influence of CR does not have a strong impact on decreasing dividend policy. The lack of influence of the current ratio on dividend policy shows that the results of this test do not support the theoretical results in the research of Yasa and Wirawati (2016), on the contrary, the results of this test support the results of Rahayu and Hari's (2016) research.

4.5.2 The effect of debt to asset ratio on dividend policy in Mining Sector Companies listed on the Indonesia Stock Exchange

The results of tests conducted on the debt to asset ratio show the value of $t_{hitung} > t_{tabel}$ **So it can be concluded that H_{02} rejected and H_{a2} accepted**, Where this means that the debt to asset ratio directly affect dividend policy. Significant Value $t < \text{sig } \alpha$, this illustrates that there is significance in the effect of the exogenous variable (X) on the intervening endogenous variable (Y). So the second hypothesis in this study was accepted.

From the results of the study, it is proven that the debt to asset ratio directly affects dividend policy. The direct effect of debt to asset ratio on dividend policy is negative, with a significant effect, meaning that the negative effect of debt to asset ratio can have a strong impact on decreasing dividend policy. This result is in line with research conducted by Sari (2018), which shows that debt to asset ratio affects dividend policy.

4.5.3 The effect of net profit margin on dividend policy in Mining Sector Companies listed on the Indonesia Stock Exchange

The results of tests conducted on the net profit margin show the value of $t_{hitung} > t_{tabel}$ **So it can be concluded that H_{03} rejected and H_{a3} accepted**, Where this means that the net profit margin directly affect dividend policy. Significant Value of $t < \text{sig } \alpha$, this illustrates that there is significance in the effect of the exogenous variable (X) on the intervening endogenous variable (Y). So the third hypothesis in this study was accepted.

From the results of the study, it is proven that net profit margin directly affects dividend policy. The direct effect of net profit margin on dividend policy is positive, with a significant effect, meaning that the positive effect of net profit margin can have a strong impact on improving dividend policy. This result is in line with research conducted by Melani and Napisah (2022), which shows that net profit margin has an effect on dividend policy.

4.5.4 The effect of current ratio on stock price in Mining Sector Companies listed on the Indonesia Stock Exchange.

The results of tests conducted on the current ratio show the value of $t_{hitung} < t_{tabel}$

So it can be concluded that H_{04} Accepted and **H_{a4}** rejected, Where this means that the current ratio directly does not affect stock price. Significant Value $t > \text{sig } \alpha$, this illustrates that there is no significance in the effect of the exogenous variable (X) on the endogenous dependent variable (Y). So the fourth hypothesis in this study was rejected.

From the results of the study, it is proven that directly the current ratio has no effect on stock prices. The direct influence between the current ratio on stock prices is positive, with an insignificant effect, meaning that the positive influence of the current ratio does not have a strong impact on increasing stock prices. The value of the current ratio that is too high is not necessarily good because this shows that many company funds are idle which in turn can reduce company profits, a low current ratio will result in a decrease in the company's stock price. This also illustrates that the company has not been able to use its excess assets to invest where the investment can add a profit and if the company cannot use its excess current assets, of course investors will see that the company is experiencing losses, then the demand for share prices in the company will decrease and of course this will not affect the stock price.

The lack of influence of the current ratio on stock prices shows that the results of this test do not support the theoretical results in the research of Wardani (2018), Ariani (2021) and Parmuji (2021) where the results of the study show that the current ratio affects stock prices, on the contrary, the results of Siampa, Murni and Rogi (2020) research in this test support the results of research which shows that the current ratio has no effect on stock prices..

4.5.5 The effect of debt to asset ratio on stock price in Mining Sector Companies listed on the Indonesia Stock Exchange.

The results of tests conducted on the debt to asset ratio show the value of $t_{hitung} < t_{tabel}$
So it can be concluded that H_{05} Accepted and **H_{a5}** rejected, Where this means that the debt to asset ratio directly does not affect stock price. Significant Value $t > \text{sig } \alpha$, this illustrates that there is no significance on the direct effect of the exogenous variable (X) on the endogenous dependent variable (Y). So the fifth hypothesis in this study was rejected.

Based on the results of the study, it is proven that directly the debt to asset ratio has no effect on stock prices. The direct effect of debt to asset ratio on Stock Price is negative, with an insignificant effect, meaning that the negative influence of debt to asset ratio does not have a strong impact on the decline in Stock Price. The lack of effect of debt to asset ratio on stock price shows that the results of this test do not support the theoretical results in the research of Pane, et al (2021), on the contrary, the results of Wijaya's research (2017), in this test support the results of this study. This result is in line with research conducted by Wijaya (2017), which shows that debt to asset ratio has no effect on stock prices.

4.5.6 The effect of net profit margin on stock price share price in Mining Sector Companies listed on the Indonesia Stock Exchange

The results of tests conducted on the net profit margin show the value of $t_{hitung} > t_{tabel}$
So it can be concluded that H_{06} rejected and **H_{a6}** accepted, Where this means that the net profit margin directly affect stock price. Significant Value of $t < \text{sig } \alpha$, this illustrates that there is significance in the effect of the exogenous variable (X) on the intervening endogenous variable (Y). So the sixth hypothesis in this study was accepted.

Based on the results of the study, it is proven that directly net profit margin affects stock prices. The direct effect of net profit margin on stock price is positive, with a significant influence,

meaning that the positive influence of net profit margin can have a strong impact on increasing stock price. This result is in line with research conducted by Hendri (2015), which shows that net profit margin affects stock prices.

4.5.7 The effect of dividend policy on stock price in Mining Sector Companies listed on the Indonesia Stock Exchange.

The results of tests conducted on the dividend policy show the value of $t_{hitung} > t_{tabel}$. **So it can be concluded that H_{06} rejected and H_{a6} accepted**, Where this means that the dividend policy directly affect stock price. Significant Value of $t < \text{sig } \alpha$, this illustrates that there is significance in the effect of the intervening endogenous variable (Y) on the endogenous dependent variable (Z). So the seventh hypothesis in this study was accepted.

Based on the results of the study, it is proven that dividend policy directly affects stock prices. The direct influence of dividend policy on stock prices is positive, with significant influences, meaning that the positive influence of dividend policy can have a strong impact on increasing stock prices. The higher the declared dividend policy value, it will tend to increase the value of the company's stock price, on the other hand, the low value of the dividend policy will reduce the value of the company's stock price. This result is in line with research conducted by Aini (2017) and Bulutoding (2018) which shows that dividend policy affects stock prices.

4.5.8 The effect of current ratio on stock price with dividend policy as an intervening variable in Mining Sector Companies listed on the Indonesia Stock Exchange.

The results of tests conducted on the current ratio to stock price with dividend policy as an intervening variable, show the calculated value of $t_{hitung} < t_{tabel}$. **So it can be concluded that H_{08} Accepted and H_{a8} rejected**, Where this means that indirectly the current ratio does not affect stock price through dividend policy as an intervening variable. Significant Value $t > \text{sig } \alpha$, this illustrates that there is no significance in the indirect effect of the exogenous variable (X) through intervening endogenous variable (Y) on the endogenous dependent variable (Z). So the eighth hypothesis in this study was rejected.

Based on the results of the study, it is proven that indirectly the current ratio does not affect the stock price with dividend policy, with indicators of current assets and current liabilities, namely if the value of the company's current assets is able to meet the company's current obligations. Because if the company has too many current obligations that must be met, then the dividends distributed will be limited or restrained to cover the current obligations that must be fulfilled by the company. So that the decline in dividend policy will have an impact on reducing the company's stock price which is considered less profitable for shareholders. The indirect influence between the current ratio on stock prices and dividend policy as an intervening variable is negative, with an insignificant effect, meaning that the negative influence of the current ratio on stock prices with dividend policy as an intervening variable has little impact on the decline in stock prices.

4.5.9 The effect of debt to asset ratio on Stock Price with dividend policy as an intervening variable in Mining Sector Companies listed on the Indonesia Stock Exchange

The results of tests conducted on the debt to asset ratio to stock price with dividend policy as an intervening variable, show the calculated value of $t_{hitung} > t_{tabel}$. **So it can be concluded that H_{09} rejected and H_{a9} accepted**, Where this means that indirectly the debt to asset ratio affects stock price with dividend policy as an intervening

variable. Significant Value $t < \text{sig } \alpha$, this illustrates that there is significance on the indirect effect of the exogenous variable (X) through intervening endogenous variable (Y) on the endogenous dependent variable (Z). So the ninth hypothesis in this study was accepted.

The indirect influence between debt to asset ratio on stock price through dividend policy as an intervening variable is positive, with a significant influence, meaning that the positive influence of debt to asset ratio on stock price with dividend policy as an intervening variable has a strong impact on increasing stock prices.

This result is in line with research conducted by Ariani, Andini and Santoso (2018) showing that the debt to asset ratio affects stock prices with dividend policy as an intervening variable, because the higher the value of the debt to asset ratio, the more likely the company will distribute profits well, due to healthy management, so that it can provide benefits to shareholders or investors. However, the results of this study are not in line with research conducted by Stevanus (2017) showing that the debt to asset ratio does not affect dividend policy because the level of debt owned by the company is not a consideration in dividend distribution decisions, so it cannot affect stock prices.

4.5.10 The effect of net profit margin on Stock Price with dividend policy as an intervening variable in Mining Sector Companies listed on the Indonesia Stock Exchange

The results of tests conducted on the net profit margin to stock price with dividend policy as an intervening variable, show the calculated value of $t_{hitung} > t_{tabel}$. **So it can be concluded that H_{10} rejected and H_{a10} accepted**, Where this means that indirectly the net profit margin affects stock price with dividend policy as an intervening variable. Significant Value $t < \text{sig } \alpha$, this illustrates that there is significance on the indirect effect of the exogenous variable (X) through intervening endogenous variable (Y) on the endogenous dependent variable (Z). So the tenth hypothesis in this study was accepted.

The indirect influence between net profit margin on stock price and dividend policy as an intervening variable is positive, with a significant influence, meaning that the positive effect of net profit margin on stock prices with dividend policy as an intervening variable has a strong impact on increasing stock prices. This result is in line with research conducted by Lestari and Susetyo (2020) which shows that net profit margin affects stock prices with dividend policy as an intervening variable, because the higher the net profit margin value, the profit can be distributed properly to shareholders through dividends distributed, so that it can have a strong impact on increasing stock prices. However, the results of this study are not in line with research conducted by Kurniawan and Ariawan (2022), which shows that net profit margin has no effect on dividend policy, because every increase in sales is not always accompanied by an increase in profits, and high profits are not necessarily accompanied by high dividend distribution, because it depends on how the company agrees to allocate the profits generated, Therefore, the stock price can only be influenced by the dividend policy itself

5. Conclusion

1. Based on the results of research and discussion, it can be concluded that: The direct influence of the current ratio on dividend policy is negative, but this influence is insignificant, meaning that the negative influence of the current ratio does not have a strong impact on the decline in dividend policy.
2. The direct effect of debt to asset ratio on dividend policy is negative, but this effect is

insignificant, meaning that the negative effect of debt to asset ratio does not have a strong impact on decreasing dividend policy.

3. The direct effect of net profit margin on dividend policy is positive and significant, meaning that the positive effect of net profit margin can have a strong impact on improving dividend policy.
4. The direct effect of the current ratio on stock prices is positive, but this influence is insignificant, meaning that the positive influence of the current ratio does not have a strong impact on increasing stock prices.
5. The direct effect of debt to asset ratio on stock price is negative, but this effect is insignificant, meaning that the negative effect of debt to asset ratio does not have a strong impact on stock price decline.
6. The direct effect of net profit margin on stock prices is positive and significant, meaning that the positive effect of net profit margin can have a strong impact on increasing stock prices.
7. The direct effect of dividend policy on stock prices is positive and significant, meaning that the positive influence of dividend policy can have a strong impact on increasing stock prices.
8. The indirect effect of the current ratio on stock prices with dividend policy is positive, but this influence is insignificant, meaning that the positive influence of the current ratio through dividend policy does not have a strong impact on increasing stock prices.
9. The indirect effect of debt to asset ratio on stock prices with dividend policy is positive and significant, meaning that the positive influence of debt to asset ratio can have a strong impact on increasing stock prices.
10. The indirect effect of net profit margin on stock prices with dividend policy is positive and significant, meaning that the positive effect of net profit margin can have a strong impact on increasing stock prices.

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