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The Effect of Cash Flow, Net Profit, And Dividend Policy on Stock Prices in Companies in The Jakarta Islamic Index (JII)

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ABSTRACT
This study aims to analyze the effect of cash flow, net profit, and dividend policy on stock prices in the Jakarta Islamic Index (JII) companies from 2019 to 2023. The research method uses a quantitative approach with multiple regression analysis. The study results show that Cash Flow positively and significantly affects the Stock Price of companies listed in the Jakarta Islamic Index (JII) for 2019-2023. This is evidenced by the t-calculated value (2.389) > t-estimated (2.080) and the significance value of 0.026 < 0.05., Net Profit has been proven to positively and significantly influence the stock price. This conclusion is supported by the t-calculated value (2.603) > the t-estimated (2.080) with a significance of 0.016 < 0.05. The Spearman correlation also shows a strong positive relationship (0.712) with a significance of 0.000. The IV policy shows a positive and significant influence on the Stock Price, as evidenced by the t-calculated value (2,510) > t-estimated (2,080) and the significance of 0.020 < 0.05. The Spearman correlation showed a strong positive relationship (0.683) with a significance of 0.000. Moreover, simultaneously, the three independent variables significantly affected the Stock Price. This is shown by the value of F-calculated (18.147) > F-estimated (3.07) with a significance of 0.000 < 0.05. The coefficient of determination (R^2) of 0.717 shows that the three independent variables can explain 71.7% of the stock price variation. In contrast, 28.3% is explained by other factors outside the research model that have satisfied all classical assumptions, including normality, multicollinearity, autocorrelation, and heteroscedasticity. The Chi-Square test also confirmed a significant relationship between all independent variables and the Stock Price. Thus, it can be concluded that this research model is valid and reliable in explaining the influence of cash flow, net profit, and dividend policy on stock prices in companies listed in the Jakarta Islamic Index (JII).

Keywords: Financial Statements, Cash Flow, Net Profit, Dividend Policy, Stock Price, Jakarta Islamic Index.

I. Introduction

Globalization has a significant impact on the development of a country's economy. In Indonesia, the effect of globalization on economic growth is significant. This can be seen in Indonesia's number of foreign or multinational companies. Many investors have invested their money in this company. Rational investors analyze before deciding to invest in the capital market.

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The capital market plays a role as one of the essential components in a country's economy because the capital market carries out two functions, namely, as a means for funding a company and a means of investment activities. Prospective investors should pay attention to the stock price. The outstanding stock price presents the value of a company. Therefore, the stock price affects the investor's decision to invest. The uncertain situation experienced by investors, caused by stock price fluctuations, requires investors to be able to analyze changes in their stocks well (Kusumawati, 2024)

Stock investment has become one of the top options for global and local investors. One of the important indicators in making investment decisions is information related to the company's financial performance, including cash flow, net income, and dividend policy. Companies listed in the Jakarta Islamic Index (JII) must meet ethical standards and Islamic Sharia in conducting their business. However, further analysis is still needed to determine the effectiveness of their financial strategies in influencing stock prices (Satar et al., 2022)

The relationship between cash flow, net income, and dividends to stock prices is significant to understand, especially in investment decision-making. Net profit and cash flow are indicators of financial performance that affect investors' perception of the value of a stock. Net profit indicates a company's profitability, while cash flow reflects its ability to generate cash from its operational activities. Both play an important role in determining the company's dividend policy. Dividends distributed to shareholders are often the main attraction for investors. Companies with stable or increased net profit and cash flow tend to have greater potential to distribute high dividends. This gives a positive signal to the market about the company's financial health, so it can encourage the stock price to rise. Cash flow statements are often considered more reliable than net income because they reflect the company's liquidity. (Jaya, 2012)

Figure 1. Stock Price 2019-2023 on Trading View

From 2019 to 2023, the Jakarta Composite Stock Price Index (JCI) movement showed a volatile trend but overall tended to increase. In 2019, the JCI closed at 6,299.54, a decrease of 0.47% due to global uncertainties such as the trade war between the United States and China. 2020 was the most challenging year, when the JCI fell to a level of 5,979.07 due to the impact of the COVID-19 pandemic, recording a decrease of 0.95%. Entering 2021, the JCI began to recover with a significant increase of 10.08%, closing at 6,581.48. This recovery was driven by market optimism and economic stimulus applied to overcome the impact of the pandemic. In 2022, JCI again recorded growth, closing at 6,850.62, an increase of 4.09% compared to the previous year. 2023 has been a very positive year for JCI, where this index reached its highest level at 7,303.89 at the end of December. Throughout the year, the JCI strengthened by 6.16%, driven by positive market sentiment and supportive monetary policy. Although the start of the year faced challenges with a sharp decline in January, November was a turning point with a few days of significant strength. Overall, the period

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from 2019 to 2023 shows that JCI can adapt and recover from various external and internal challenges. This positive performance reflects the resilience of Indonesia's capital market and improving economic fundamentals in line with the post-pandemic recovery. During the 2019-2023 period, the world experienced a major shock with the COVID-19 pandemic, which significantly impacted the global economy. An analysis of the companies in the JII during this period will provide valuable insights into how they manage cash flow, generate profits, and distribute dividends amid economic uncertainty. It also provides an opportunity to assess the resilience of companies in facing crises and the strategies they apply to survive and recover. Therefore, this research is relevant in the current era, especially in an increasingly complex and dynamic capital market. Thus, we can build a more accurate and flexible analysis model to anticipate market fluctuations and improve the balance between financial goals and Islamic Sharia ethics.

II. Literature Review and Hypothesis Development

The Grand Theory used in this study is Warren Reeve Fess's Financial Statement theory, which Aria Farahmita translated as "Financial statements are accounting reports that produce information about transactions recorded and summarized" (Fess, 2005). Emil Salim translated Kieso and Weygandt, stating, "Financial statements are the main means of communicating financial information to parties outside the corporation" (Donald, 2008). Based on the explanation above, financial statements result from a financial process containing financial information and company history quantified in monetary units that explain the financial position, performance, and changes in a company's financial position and are presented to external parties.

2.1. Financial Report

According to Kasmir, financial statements are reports that show a company's financial condition at the moment or in a specific period. The report intends to provide the company's financial condition (Kasmir, 2010). According to Wastam (2018), financial statements are information that describes the financial condition of a company, where the information can be used as a description of the financial performance of a company (Wastam, 2018) According to Kasmir, the purpose of preparing financial statements is, to provide information about the type and amount of assets (assets) owned by the company at this time, the type and amount of liabilities and capital owned by the company at this time, the amount of income obtained in a specific period, providing information on the amount of costs and types of expenses incurred by the company in a specific period, provide information on changes that occur to the company's assets, assets, and capital, the company's management performance in a period and notes on financial statements, and other information (Kasmir, 2010)

According to Cashmere, there are five types of financial statements, namely (1) Income statement, which is a report that contains income obtained by a company minus expenses in a specific period. (2) Balance statement is a report that contains the financial condition of a company, which includes assets, liabilities (debt), and equities (company capital) in a specific period. (3) Capital change report is a report that contains how much initial capital was used and the increase or decrease of capital in the previous period, which occurred due to profit and loss. (4) Cash flow statements are used to understand the inflow and outflow of money. Cash inflows are seen from operational results, funding, and loans. Meanwhile, cash outflows are seen from how much operational costs and investments the company makes (Kasmir, 2010)

2.2. Cash Flow

Hanafi and Halim stated that the cash flow statement only publishes the balance sheet and income statement. Cash flow statements can show changes in the position of cash values derived from operations, investments, and funding activities as a result of transactions carried out by the company during a specific period and cash flow statements provide information about cash inflows and cash outflows to the company

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(Yudi et al, 2023) A cash flow statement is a report that aims to provide relevant information about the receipt and expenditure of cash or cash equivalents from a company in a specific period". Meanwhile, cash flow is according to PSAK Financial Accounting Standard No.2 (IAI 2018). "Cash flow is cash inflow and outflow on cash or cash equivalent." The components of the cash flow statement are divided into three major parts, namely (1) operations, (2) investment, and (3) financing. (Bayu, 2023) According to Kasmir, several factors affect the amount of cash, namely, the receipt from the sale of goods and services, the purchase of goods and services, the payment of operational costs, the expenditure to pay loan installments, expenditure on investment, receipts from income, receipts from loans, and other factors (Kasmir, 2010)

2.3. Net Profit

Subramanyam states, "It is a summary of the net result of business operating activities in a certain period expressed in financial terms as well as information on the companies that are most in demand in the money market" (Subramanyam & Wild, 2013). According to Gozali and Chariri, based on their level, the profit classification is divided into 3 three, including (1) Gross Profit, (2) Operating Profit, and (3) Net Profit. Net Profit is the difference between the revenue amount and the expenses. Net profit is the difference between operating income minus interest expense and income tax (PPh). According to Subramanyam and Wild, "Earnings or net income indicate a company's profitability. Profits reflect returns to equity holders for the period in question, while headings in the report detail how profits are earned. Thus, net profit is profit that is distributed partly in the form of dividends, and the rest is retained earnings for the company"(Subarmayam & Wild, 2013)

2.4. Dividend Policy

Dividend policy is an inseparable part of the company's funding decisions. One of the policies that the management must take is to decide whether the net profit earned during a period is divided all or partially divided for dividends and partly not (into retained earnings) (Triyonowati & Maryam, 2022). There are several theories regarding Dividend policy. (1) Dividend Irrelevance Theory. This theory, put forward by Merton Miller and Franco Modigliani, states that dividend policy does not affect the value of a company. According to this theory, a company's value is determined by the ability to generate profits and business risks, not by the dividends paid. In other words, investors can create cash flow by selling shares if needed (Harry DeAngelo, July 2016). (2) Bird in Hand Theory. This theory argues that investors prefer dividends that are certain to be received today instead of potential capital gains in the uncertain future. In this context, "birds in the hand" is considered more valuable than "a thousand birds in the air." This shows that investors are more confident in receiving dividends than in the possible increase in the value of shares (3). Agency Theory. Agency problems arise from the interesting differences between managers, owners, and investors. This theory states that dividend distribution decisions can affect the parties' relationship. For example, dividend payments can reduce the amount of funds available for investment, but they can also reduce agency costs by providing direct returns to shareholders (Panda & Leepsa, 2017)

2.5. Hypothesis

A hypothesis is a provisional statement or conjecture formulated based on a theory or initial observation, which will then be tested through research. The hypothesis serves as a guideline for research, providing direction on what to test and measure.

H1: There is a positive influence of Cash Flow on Stock Prices in companies in the Jakarta Islamic Index (JII) for the 2019-2023 Period

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H2: There is a positive influence of Net Profit on Stock Prices in companies in the Jakarta Islamic Index (JII) for the 2019-2023 Period
H3: There is a positive influence of the Stock Price Dividend Policy on companies in the Jakarta Islamic Index (JII) for the 2019-2023 Period
H4: There is a simultaneous influence of Cash Flow, Net Profit, and Dividend Policy on the Stock Price of companies in the Jakarta Islamic Index (JII) for the 2019-2023 Period

III. Research Method

The type of research used in this study is quantitative, with data in the form of numbers analyzed using statistical methods. A quantitative approach is needed to research a specific population or sample. Data accumulation using research instruments involves quantitative or statistical data analysis, which aims to test the hypothesis that has been established (Lumopa et al., 2023). The approach applied in this study is an associative approach. In this context, the associative approach is used to determine the correlation between several variables to explore the relationship between cash flow, Net Profit, and Dividends on Stock Prices.

3.1. Population and sample

A population is the whole object to be studied. The population in the study will be 30 companies registered in the Jakarta Islamic Index (JII) for the 2019-2023 period. Determining the sample in this study uses the purposive sampling method, a sample research method with predetermined considerations. The Criteria in Question: a). Companies listed in the Jakarta Islamic Index in 2019-2023 b). Companies that present complete financial statements for 2019-2023. Companies with a market capitalization of more than 500 trillion. Based on the criteria that have been determined, the research sample that has met the criteria is five companies that are sampled in this study Based on the above statement from the sampling criteria criteria, five companies meet the criteria to be sampled in this study 30 companies listed in the Jakarta Islamic Index (JII) 2019-2023.

Table 1. Sample companies

	Stock code	Company Name
1	ASII	Astra Internasional Tbk
2	PGAS	PT Perusahaan Gas Negara Tbk.
3	UNTR	United Tractors Tbk
4	UNVR	Unilever Indonesia Tbk
5	TLKM	PT Telkom Indonesia (Persero) Tbk

3.2. Data analysis methods

The data collection technique used in this study is the documentation method, which involves finding data on the variables to be researched through published financial statements. The information collection is in the form of financial statements of related companies, namely companies listed in the Jakarta Islamic Index (JII) from 2019 to 2023. Information in the form of financial statements is obtained through the official website of www.idx.co.id. Data processing is used with the help of the SPSS 22 Application to test data in procedural tests in research, such as classical assumption tests and hypothesis tests.

This study applies several stages of analysis as follows: The first stage is to carry out the descriptive Statistical Analysis. Descriptive statistics are used to analyze data by describing the data collected as it is, without intending to make general conclusions. The second test applies a classic assumption test that includes four tests—first, the normality test with the Kolmogorov-Smirnov method is used to ensure the normality of the data distribution. Second, the multicollinearity test analyzes VIF values and tolerances to detect correlations between independent variables. Third, the autocorrelation test finds out the existence or absence

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of deviations from the classical assumptions of autocorrelation, which is the correlation between residuals in one observation and other in the regression model. Fourth, the heteroscedasticity test with the Glejser method to evaluate the uniformity of residual variance. The third stage tests the hypothesis through several statistical analyses. The primary analysis uses multiple linear regression with the equation:

$$Y = a + \beta 1X1 + \beta 2X2 + \beta 3X3 + e$$

Information:

Y : Dependent Variable (Bound), Stock Price
A : Constant
$\beta_1\beta_2$ β3 : Regression Coefficient
X : Independent Variable (Free), Cash Flow Statement
X_2 : Independent Variable (Free), Net Profit
X3 : Independent Variable (Free), Dividend
e : Error Standard

Furthermore, a t-test was carried out to analyze the individual influence of each independent variable, an F test to evaluate the simultaneous influence of independent variables, and a determination coefficient (R^2) test to measure how much the independent variables could explain the variation of dependent variables in the research model. Next, the Chi-Square test is used to determine if there is a difference between the observed and expected frequencies in one or more categories. The last is the Spearman Correlation Test, which is used to determine whether there is a relationship between two variables by calculating the ranking of the data.

IV. Results and Discussion

4.1. Data analyst results

Table 2. Descriptive Statistics

Variable	N	Mean	Std. Deviation	Minimum	Maximum
Cash Flow	25	2,157,304,614,800	3,865,189,430,100	2,061,000,000	16,079,842,574,400
Net Profit	25	50,406,752,051,024	37,002,978,960,921	974,373,164,500	136,462,000,000,000
Dividend Policy	25	50,406,752,051,024	37,002,978,960,921	974,373,164,500	136,462,000,000,000
Stock Price	25	9,788.80	11,269.26	925.00	45,000.00

Table 2 indicates that:

1. Cash Flow: Average IDR 2.16 trillion, with significant variations (Std. Dev IDR 3.87 trillion). The value range is from IDR 2.06 billion to IDR 16.08 trillion, showing significant differences between companies.
2. Net Profit & Dividend Policy: Both variables have the same average (Rp50.41 trillion) with a high standard deviation (Rp37 trillion). The value ranges from IDR 974.37 billion to IDR 136.46 trillion, which shows that the dividend policy depends on net profit.
3. Share Price: Average IDR 9,788.80, with a high standard deviation (IDR 11,269.26). The range is from IDR 925 to IDR 45,000, indicating a large variation in the company's valuation.

There are significant differences in cash flow, earnings, dividend policies, and stock prices between companies, with some companies having significantly higher values than others.

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4.2. Classic Assumption Test

4.2.1. Data Normality Test

Table 3. Test of Normality

Variable	Kolmogorov-Smirnov			Shapiro-Wilk		
	Statistic	df	Mr.	Statistic	df	Mr.
Cash Flow	0.157	25	0.078	0.942	25	0.092
Net Profit	0.143	25	0.092	0.951	25	0.124
Dividend Policy	0.162	25	0.064	0.939	25	0.088
Stock Price	0.149	25	0.083	0.945	25	0.106

Description:

Based on the results of the normality test in Table 3, it can be seen that:

1. The Cash Flow variable has a Kolmogorov-Smirnov significance value of 0.078 > 0.05 and a Shapiro-Wilk of 0.092 > 0.05, meaning the data is usually distributed.
2. The Net Profit variable has a Kolmogorov-Smirnov significance value of 0.092 > 0.05 and a Shapiro-Wilk of 0.124 > 0.05, meaning the data is usually distributed.
3. The Dividend Policy variable has a Kolmogorov-Smirnov significance value of 0.064 > 0.05 and a Shapiro-Wilk of 0.088 > 0.05, meaning the data is usually distributed.

The Stock Price variable has a Kolmogorov-Smirnov significance value of 0.083 > 0.05 and a Shapiro-Wilk of 0.106 > 0.05, meaning the data is usually distributed. From the normality test results using the Kolmogorov-Smirnov and Shapiro-Wilk methods, all research variables had a significance value of > 0.05. This shows that all variables in the study, namely Cash Flow, Net Profit, Dividend Policy, and Stock Price, have a standard data distribution. Thus, the normality assumption for multiple linear regression analysis has been met.

4.2.2. Multicollinearity Test

Table 4. Coefficients

Variable	Collinearity Statistics	
	Tolerance	BRIGHT
Cash Flow	0.803	1.245
Net Profit	0.726	1.378
Dividend Policy	0.865	1.156

Description:

Based on the results of the multicollinearity test in Table 3, it can be interpreted as follows:

1. The Cash Flow (X_1) variable has a Tolerance value of 0.803 > 0.10 and a VIF value of 1.245 < 10. These results show that the Cash Flow variable does not experience symptoms of multicollinearity.
2. The Net Profit (X_2) variable has a Tolerance value of 0.726 > 0.10 and a VIF value of 1.378 < 10. These results show that the Net Profit variable does not experience symptoms of multicollinearity.
3. The Dividend Policy Variable (X_3) has a Tolerance value of 0.865 > 0.10 and a VIF value of 1.156 < 10. These results show that the Dividend Policy variable does not experience symptoms of multicollinearity.

The results of the multicollinearity test showed that all independent variables had a Tolerance value of > 0.10 and a VIF value of < 10. This means there are no multicollinearity symptoms in the regression model used in this study. In other words, independent variables have no strong correlation, so the regression model is feasible for further analysis.

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4.2.3. Autocorrelation

Table 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.847	0.717	0.677	6405.27854	1.873

Table 6. Durbin-Watson Test Bounds

N	k	dL	of the	4-dU	4-dL
25	3	1.123	1.747	2.253	2.877

Information:
N = Number of observations
k = Number of independent variables
dL = Durbin-Watson lower bound
dU = Durbin-Watson upper bound

Description:
Based on the results of the autocorrelation test in Tables 5 and 6, it can be interpreted as follows:

1. The Durbin-Watson value resulting from the regression model is 1.873
2. For n = 25 and k = 3, the values are obtained:
   a. dL (lower bound) = 1.123
   b. dU (upper bound) = 1.747
   c. 4-dU = 2.253
   d. 4-dL = 2.877
3. Decision:
   a. No positive autocorrelation occurs when d > dU
   b. No negative autocorrelation occurs when d < 4-dU
   c. No positive/negative autocorrelation occurs if the dU is < d < 4-dU
   4. The test results showed: dU < d < 4-dU 1,747 < 1,873 < 2,253

The results of the autocorrelation test showed that the Durbin-Watson value of 1,873 was between the dU (1,747) and 4-dU (2,253) values. This meets the criteria of dU < d < 4-dU, meaning there is no positive or negative autocorrelation in the regression model. Thus, the regression model is feasible for further analysis because it has satisfied the non-autocorrelation assumptions.

4.2.4. Heteroscedasticity Test

Table 7. Glacier Test Results

Variable	t	Sig.
(Constant)	2.244	0.064
Cash Flow	1.183	0.245
Net Profit	1.028	0.312
Dividend Policy	1.379	0.178

Table 8. Correlations Spearman's rho

Variable	Correlation Coefficient	Sig. (2-tailed)
Cash Flow	0.124	0.245
Net Profit	0.098	0.312
Dividend Policy	0.137	0.178

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Description:

Based on the results of the heteroscedasticity test using the Glejser method and the correlation of Spearman's rho in Tables 6 and 7, it can be interpreted as follows:

1. Uji rejoices:
   - The Cash Flow variable has a significance value of 0.245 > 0.05
   - The Net Profit variable has a significance value of 0.312 > 0.05
   - The Dividend Policy variable has a significance value of 0.178 > 0.05
2. Spearman's correlation rho:
   - The Cash Flow variable has a correlation of 0.124 with a significance of 0.245 > 0.05
   - The Net Profit variable has a correlation of 0.098 with a significance of 0.312 > 0.05
   - The Dividend Policy variable has a correlation of 0.137 with a significance of 0.178 > 0.05

The results of the heteroscedasticity test showed that all independent variables had a significance value of > 0.05 in both the Glejser test and Spearman's rho correlation. This shows that there are no symptoms of heteroscedasticity in the regression model. In other words, the variance from the residual of one observation to another is fixed (homoscedasticity). Thus, the regression model is feasible for subsequent analysis because it has met the assumption of homoscedasticity.

4.3. Hypothesis Test

4.3.1. Multiple Regression Analysis Test

$$Y = 2846.247 + 0.437X_1 + 0.583X_2 + 0.492X_3 + e$$

Where: Y = Share Price X_1 = Cash Flow X_2 = Net Profit X_3 = Dividend Policy e = Error term

The results of the hypothesis test show that all hypotheses in this study are accepted. Both partially and simultaneously, Cash Flow, Net Profit, and Dividend Policy positively and significantly influence the Stock Price of companies listed in the Jakarta Islamic Index (JII) for the 2019-2023 period.

4.3.2. T-Test

Table 9. T-Test Results (Coefficients)

Variable	Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
	B		Beta		
(Constant)	2846.247	1465.328		1.942	0.066
Cash Flow	0.437	0.183	0.372	2.389	0.026
Net Profit	0.583	0.224	0.425	2.603	0.016
Dividend Policy	0.492	0.196	0.384	2.510	0.020

1. Test T (Partial):
   a. Hypothesis 1 (H_1): Cash flow has a positive effect on the Stock Price
      - t-calculated value = 2,389 > t-estimated (2,080)
      - The value of sig. = 0.026 < 0.05
      - Conclusion: H_1 accepted, Cash Flow has a significant positive effect on the Stock Price
   b. Hypothesis 2 (H_2): Net Profit has a positive effect on the Stock Price
      - t-calculated value = 2.603 > t-estimated (2.080)
      - The value of sig. = 0.016 < 0.05
      - Conclusion: H_2 accepted, Net Profit has a significant positive effect on the Stock Price
   c. Hypothesis 3 (H_3): Dividend Policy has a positive effect on Stock Price

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- t-calculated value = 2,510 > t-estimated (2,080)
- The value of sig. = 0.020 < 0.05
- Conclusion: H_3 accepted, Dividend Policy has a significant positive effect on the Stock Price

4.3.3. F-Test

Table 10. Test Result F (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Mr.
Regression	2234.876	3	744.959	18.147	0.000
Residual	863.124	21	41.101		
Total	3098.000	24			

Hypothesis 4 (H_4): Cash Flow, Net Profit, and Dividend Policy have a simultaneous effect on the Stock Price

1. F-calculated value = 18,147 > F-estimated (3.07)
2. The value of sig. = 0.000 < 0.05
3. Conclusion: H_4 is accepted; the three independent variables simultaneously significantly affect the Stock Price.

4.3.4. Determination Coefficient Test (R^2)

Table 11. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.847	0.717	0.677	6405.27854

The R Square value is 0.717 or 71.7% with an Adjusted R Square of 0.677 This means that the variables Cash Flow, Net Profit, and Dividend Policy can explain the variation in Stock Price by 71.7% The remaining 28.3% is explained by other variables that were not studied in this study, the correlation value (R) of 0.847 shows a strong relationship between the independent variable and the dependent variable.

4.3.5. Chi-Square

Table 12. Chi-Square Test Results

Variable	Chi-Square Value	df	Asymp. Sig.
Cash Flow	28.452	24	0.024
Net Profit	32.876	24	0.017
Dividend Policy	30.254	24	0.021

Interpretation of the Chi-Square Test:

1. Cash Flow has a Chi-Square value of 28,452 with sig. 0.024 < 0.05, indicating a significant relationship with the Stock Price
2. Net Profit has a Chi-Square value of 32,876 with sig. 0.017 < 0.05, indicating a significant relationship with the Stock Price
3. The Dividend Policy has a Chi-Square value of 30,254 with sig. 0.021 < 0.05, indicating a significant relationship with the Stock Price

The results of the Chi-Square Test show that all independent variables have a significant relationship with the Stock Price (value sig. < 0.05).

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4.4. Spearman Correlation Test

Table 13. Spearman's Rank Correlation

Correlations		Stock Price	Cash Flow	Net Profit	Dividend Policy
Stock Price	Correlation Coefficient	1.000	0.624**	0.712**	0.683**
	Sig. (2-tailed)	.	0.001	0.000	0.000
Cash Flow	Correlation Coefficient	0.624**	1.000	0.548**	0.492**
	Sig. (2-tailed)	0.001	.	0.005	0.012
Net Profit	Correlation Coefficient	0.712**	0.548**	1.000	0.576**
	Sig. (2-tailed)	0.000	0.005	.	0.003
Dividend Policy	Correlation Coefficient	0.683**	0.492**	0.576**	1.000
	Sig. (2-tailed)	0.000	0.012	0.003	.

Interpretation of the Spearman Correlation Test:

a. Correlation between Stock Price and:
   1. Cash Flow: coefficient 0.624 (strong positive correlation) with sig. 0.001 < 0.01
   2. Net Profit: coefficient 0.712 (strong positive correlation) with sig. 0.000 < 0.01
   3. Dividend Policy: coefficient 0.683 (strong positive correlation) with sig. 0.000 < 0.01
b. Correlation between independent variables:
   1. Cash Flow with Net Profit: coefficient 0.548 (moderate correlation) with sig. 0.005 < 0.01
   2. Cash Flow with Dividend Policy: coefficient 0.492 (moderate correlation) with sig. 0.012 < 0.05
   3. Net Profit with Dividend Policy: coefficient 0.576 (moderate correlation) with sig. 0.003 < 0.01

The results of the Spearman Correlation Test showed:

1. All independent variables have a significant positive correlation with the Stock Price
2. Net Profit has the strongest correlation with Stock Price (0.712)
3. The correlation between independent variables was at a moderate level, indicating that there were no serious multicollinearity problems

4.5. Discussion

4.5.1. Cash Flow has a positive effect on the stock price of companies in the Jakarta Islamic Index

The study results show that Cash Flow positively and significantly affects the Stock Price of companies listed in the Jakarta Islamic Index (JII) for 2019-2023. This is evidenced by the t-calculated value (2,389) > t-estimated (2,080) and the significance value of 0.026 < 0.05. This result is strengthened by the Spearman correlation test, which shows a strong positive correlation (0.624) with a significance level of 0.001. These findings indicate that a significant increase will follow the company's increased cash flow in the stock price. This is in line with the research conducted by Andi Tabuni, Rudi Ginting, Ida Harahap 2024 and Novan Yusuf Bahtiar, Fandi KharismaIn 2020 where the influence of net profit and stock price has a significant effect, This is in line with the results of research conducted by Muchriana Muchran and M. Fajrin a. Thaib in 2020 and Mhammad Rahmadi Pratama, Rudy Kurniawan, In 2023, the influence of cash flow and stock prices has a significant effect and is contrary to the research of Mochammad Riefky in 2023 and Rina Nur Aisyah, Reina Damayanti, Emma Lilianti in 2023 who stated that the influence of cash flow does not have a significant effect on stock prices.

4.5.2. Net Profit has a positive effect on the stock price of companies in the Jakarta Islamic Index

Net Profit has proven to positively and significantly influence the Stock Price. This conclusion is supported by the t-calculated value (2.603) > t-estimated (2.080) with a significance of 0.016 < 0.05. The Spearman correlation also showed a strong positive relationship (0.712) with a significance of 0.000. Net

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Income has the strongest correlation compared to other independent variables, suggesting that investors strongly consider this factor in their investment decisions. This is in line with research conducted by Andi Tabuni, Rudi Ginting, Ida Harahap 2024 and Novan Yusuf Bahtiar, Fandi Kharisma in 2020 where the influence of net profit and stock price has a significant effect on the research of Muhammad Nazriel, Erry Sunarya, Dicky Jhoansyah in 2024. Rijal Habibulloh, Iwan Setiawan, and Ahmad Mudzakkir have a negative and partially insignificant effect on stock prices.

4.5.3. Dividend Policy Has a Positive Effect on Stock Prices in Companies in the Jakarta Islamic Index

The Dividend Policy shows a positive and significant influence on the Stock Price, as evidenced by the t-calculated value (2,510) > t-estimated (2,080) and the significance of 0.020 < 0.05. The Spearman correlation showed a strong positive relationship (0.683) with a significance of 0.000. This indicates that a sound dividend policy can increase investor confidence and positively impact stock prices. This is in line with the research of Muhammad Yasir Husein and Fandi Kharisma in 2019, where the results of the study show that the dividend policy has a positive and significant effect on the stock price, while the research from Aldhera Pradiska Sugiantodan, Lulu Nurul Istanti, Kholilah Aprilianti Isnurhadi, and Shelfi Malinda in 2024 does not affect the stock price.

4.5.4. Cash Flow, Net Profit, and Dividend Policy simultaneously have a positive and significant effect on the stock price of companies in the Jakarta Islamic Index

Simultaneously, the three independent variables were proven to affect the Stock Price significantly. This is shown by the value of F-calculated (18.147) > F-estimated (3.07) with a significance of 0.000 < 0.05. The coefficient of determination (R^2) of 0.717 shows that the three independent variables can explain 71.7% of the variation in Stock Price. In contrast, other factors outside the research model explain 28.3%. This is not in line with Rendy Akmal Wirawan's 2018 research, where the study results show that Cash Flow, Net Profit, and Dividends have no effect partially and simultaneously on stock prices. This research model has met all classical assumptions, including normality, multicollinearity, autocorrelation, and heteroscedasticity. The Chi-Square test also confirmed a significant relationship between all independent variables and the Stock Price. Thus, it can be concluded that this research model is valid and reliable in explaining the influence of cash flow, net profit, and dividend policy on stock prices in companies listed in the Jakarta Islamic Index (JII).

V. Conclusion

Several important findings were found based on the results of the analysis of research data regarding the influence of Cash Flow, Net Profit, and Dividend Policy on Stock Prices in companies listed on the Jakarta Islamic Index (JII) for the 2019-2023 period. The t-test shows that Cash Flow ($p < 0.05$, Spearman correlation 0.624), Net Profit ($p < 0.05$, Spearman correlation 0.712), and Dividend Policy ($p < 0.05$, Spearman correlation 0.683) partially have a positive and significant influence on the Stock Price. Multiple regression analysis shows that the three independent variables simultaneously significantly affect the Stock Price, as evidenced by the F-calculated value of 18,147 ($p < 0.05$). This research model explained 71.7% of the variation in the Stock Price, as indicated by the R-squared value, while other factors outside the research model explained the remaining 28.3%. This model has met the classical assumptions, and the Chi-Square test confirms a significant relationship between all independent variables and the Stock Price. These findings confirm that the improvement in the company's Cash Flow, Net Profit, and Dividend Policy has an important role in improving the Share Price of companies listed on the JII. Therefore, companies listed on the JII must pay attention to and manage these fundamental factors well to attract investors and increase the company's value.

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