STOCK MARKET PERFORMANCE: THE FIRM SIZE AND PRICE-EARNINGS RATIO OF SHARIAH AND NON-SHARIAH COMPLIANT SHARES

Nur Aina Iffah Zaini[1,a*], Nur Aliyah Mohd Faharuddin [b], Syazwina Rosman[c], Mohd Nazrin Iqmal bin Khairol[d] and Aida Salina Jailani[e]

[1]*Accounting Department, Kolej Poly-Tech MARA Bangi, Selangor, Malaysia*
[a]*ainaiffah02@gmail.com*
[b]*nuraliyah10@gmail.com*
[c]*syazwinaaa31@gmail.com*
[d]*niqmal5@gmail.com*
[e]*aidasalina@gapps.kptm.edu.my*

*Corresponding Author: *ainaiffah02@gmail.com*

Abstract**:** *Stock markets serve as vital components of financial markets, providing avenues for short and long-term capital investment. The coexistence of two entities, namely Shariah Compliant Shares (SCS) and Non-Shariah Compliant Shares (NSCS) as supervised by the Shariah Advisory Council of the Securities Commission of Malaysia (SACSCM) characterizes Malaysia as a unique financial market. Stock return is a good indicator of a company's performance, and many variables are said to have an impact on stock return. This study aims to investigate how firm size and price-earnings ratio would influence the stock return of a company. A total of 63 companies were selected consisting of 32 Shariah compliance companies and 31 conventional companies. Data from January 2018 until December 2022 were analyzed using descriptive statistics, correlation analysis, and regression analysis. This study discovered there is a significant negative relationship between firm size and stock return for SCS and NSCS indicating small companies often make higher returns than large companies. Meanwhile, the price-earnings ratio insignificantly affects the stock return, especially for NSCS. Whether the shares are Shariah compliant or Non-Shariah compliant, firm size has a more significant impact on stock return. To maximize shareholder wealth, the company will prioritize maintaining the optimal firm size, and investors will consider the firm size when planning their investment portfolios. The findings offer valuable insights for future research, companies, and investors seeking guidance on choosing shares for potentially higher returns.*

Keywords: Shariah Compliant Shares (SCS); Non-Shariah Compliant Shares (NSCS); stock return; firm size; price-earnings ratio (PER)

1. Introduction

Stock markets represent the financial markets associated with short and long-term capital. Corporations issue stocks to raise funds as their profitability alternatives over the long run. Investors prefer to invest their money into profitable investments wherein buyers place their stocks in anticipation of future dividend payments (Wai & Patrick, 1973). The coexistence of Shariah Compliant Shares (SCS) and Non-Shariah Compliant Shares (NSCS) as supervised by

the Shariah Advisory Council of the Securities Commission of Malaysia (SACSCM) characterizes Malaysia as a unique financial market. Islamic investment is centered on Shariah principles which forbid activities such as riba (interest), gharar (undue uncertainty), maysir (speculation), and the production of products and the delivery of services that are in opposition to Islamic principles (Reddy & Fu, 2014). Meanwhile, conventional financial holds that investors are logical wealth maximizers who follow basic financial principles and build their investment strategies solely based on risk-return analysis (Jamil, Hassan & Bujang, 2020).

SCS is believed to attract a broader spectrum of investors, leading to increased demand, particularly when these stocks demonstrate strong performance. Contrary to NSCS, despite potentially offering higher returns, the inability of Muslim investors to purchase them could impede the trading activity of such stocks. (Zandi, Razak & Hussin, 2014). Stock return is a good indicator of a company's performance and is influenced by various variables. For SCS, the most influential variables for return are firm size and total debt. Size effect or Size Effect Anomaly initially identified by Banz (1981) in the United States Stock Market supported by Hasnawati (2020), the firm size negatively impacts its stock return indicating that a small firm size typically generates higher returns compared to large firms. Conversely, for NSCS, returns appear to be predominantly influenced by variables such as price-earnings ratio (PER), interest rate, and inflation rate. (Rifin, Hassan, Abu Bakar & Sahudin, 2019).

Rana & Akhter (2015) indicates that due to factors such as industry weighting and size differences, the performance between SCS can be more complex than NSCS. Previous literature argued that there should not be much difference between SCS and NSCS performance, however, McGowan & Junaina (2010) propose that NSCS should outperform SCS (Reddy et al., 2014). Not much study has been done on NSCS and SCS that utilize firm size and PER as the variables that influence the stock return. Hence, the study of stock return as influenced by firm size and PER for SCS and NSCS is needed for the contribution to the field of study.

2. Literature Review

2.1 The Shariah Compliant Shares

The SCS follows the rules set out by Islamic law (Haseeb, Mahdzan and Wan Ahmad, 2023). The screening process for these stocks is designed to ensure that the companies' practices align with Shariah regulations. The screening procedures evaluate a variety of characteristics, including income source, debt levels, and adherence to ethical principles. The Shariah Advisory Council of the Securities Commission of Malaysia (SACSCM) mainly supervises SCS in Malaysia (Abu Bakar, Ramli, Omar & Hamzah, 2023). Haji Mohiddin, Abdul Ghadas & Ramli (2021) note that SACSCM handles the screening of shares to ensure they are Shariah law. According to Sa'adah (2022), SACSCM developed a two-tier screening process, which Bursa Malaysia uses to set guidelines for SCS.

2.2 The Non-Shariah Compliant Shares

According to Abu Bakar, Zaki, Jaafar, Abdul Ghani, & Abu Bakar (2023), NSCS do not align with Shariah principles and are considered non-halal for Muslim investors. These stocks include companies involved in activities prohibited in Islam, such as alcohol production, gambling, pork-related businesses, or interest-based financial services (Cindy, Leon & Purba, 2023). The Financial Services Act 2013 brought regulatory changes to Shariah screening

procedures in Malaysia, affecting restrictions on NSCS (Abu Bakar et al., 2023). These changes led to some companies losing their Shariah compliance and being excluded from the SCS list, while others gained compliance and were added to the SCS list.

2.3 The Stock Return

Stock return is financial gain or loss acquired by investors through their equity investments (Nugraha & Wirama, 2023). Santoso & Meidiaswati (2022) state that stock return can be influenced by multiple factors, including currency rates, inflation, return on assets, current ratio, debt-to-equity ratio, PER, liquidity, profitability, and business size. According to Hermuningsih, Maulida & Andriyanto (2022), investors use it to compare different investment options and evaluate a company's performance. Maximizing stock return is a primary objective for investors, as it signifies the value acquired from investments (Kerameyuda, Wiyono & Kusumawardhani, 2022). Bisara & Amanah (2015) state that if a company offers a high rate of return to investors, it indicates great performance, and convinces investors that the value of their shares would rise if they invested in the capital market. Investors can compare a company's rate of return with other companies by evaluating its stock return (Hartono, 2014). Stock returns reflect the expected future gains to compensate for the time, willingness, and risk involved in investing (Larasati, Subing & Mansur, 2023).

2.4 Firm Size and the Stock Market Return

Firm size relates to the extent or magnitude of a company, as well as the proportions of its activities and assets (Anjani & Yuliana, 2023). The size of a corporation has been found to positively impact its worth (Kerameyuda et al., 2022). Sastrawan, Perdhana, & Hendreo (2023) claimed that distinguished corporations with substantial total assets generally receive greater interest from investors and creditors, subsequently increasing the company's value. Firm size is additionally referred to as the market value of equity and serves as a measure of one firm's size (Al-Khazali & Zoubi, 2005).

Pandey (2001) argued that firm size was the only variable negatively related to stock return. Meanwhile, Lakonishok & Shapiro (1986) stated that firm size and stock return have a significant relationship. Reinganum (1981) and Basu (1983) discovered that firm size significantly affects stock return, with smaller firms frequently outperforming larger firms due to their lower market beta and equity market value. According to Cakici, Fabozzi, & Tan (2012) and Pandey (2001), firm size greatly influences a company's return where small firms usually earnings less than large firms. However, during the economic downturn, small firms might generate higher returns than large firms. Akwe & Garba (2019) and Mazviona & Nyangara (2014), found a significant positive relationship between firm size and stock return, opposing other researchers' findings.

2.5 Price-Earnings Ratio (PER) and the Stock Market Return

Price-earnings ratio (PER) is a widely used metric for evaluating a company's stock price, reflecting its ability to generate net income (Samsudin, Hidayat, Ramadhani, Safitri, Yulianti, Ferdiansyah, & Royhan, 2023). As stated by Susilo & Sapitri (2022), PER is crucial information for investors as it aids in the efficient planning and decision-making of investments. Investors and financial securities practitioners have extensively utilized PER to

identify which stocks can be profitably acquired. The PER is increasingly favored among investors since it is simpler to compute and understand. When valuing stocks, investors often rely on PER when recommending either to buy, hold, or sell shares (Liem & Basana, 2012). A higher PER value indicates stronger business performance. Due to the anticipation of bigger profits, investors are more likely to invest in companies with higher PER values (Larasati et al., 2023).

Pandey (2001) indicated a significant and positive correlation between PER and stock return. Besides, Rifin et al., (2019) found that PER for both SCS and NSCS has a positive significant relationship with the stock return. For NSCS, PER has a negative significant relationship with stock performance (Rifin et al., 2019). Campbell and Shiller (1987), also affirmed that the PER is strongly correlated with long-term stock return. Investors and potential investors use PER to project the forthcoming earnings of a company, which will subsequently be allocated to shareholders as dividends down the line. This aligns with research conducted by Safitri, Mertha, Wirawati & Dewi, (2020), Kumar (2017), Meriç, Kamışlı & Temizel (2017) and Risdiyanto & Suhermin (2016) conclude that PER has a positive and significant effect on stock return. Contrary to Verawaty, Jaya & Mandela's (2015) research, the findings show that the PER does not have much effect on stock return.

2.6 Conceptual Framework

Based on the literature review, Figure 1 illustrates the conceptual framework. Firm size and PER as the independent variables, and the dependent variable is the stock return for SCS and NSCS.

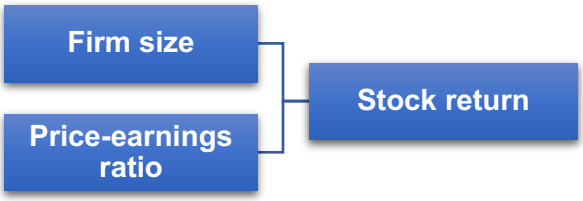

Figure 1. The Conceptual Framework

3. Methodology

This study aims to investigate the influence of firm size and PER on a company's stock return. A total of 63 shares were selected during this investigation consisting of 32 newly classified SCS and 31 newly classified NSCS as referred to the List of Shariah Compliant Securities by the SACSCM published in 2018. The data on firm size and PER were collected from the data stream provided by Universiti Kebangsaan Malaysia, while daily stock prices were collected from Bursa Malaysia.

The stock return is calculated by using the daily stock price based on the formula adapted from (Bintara & Tanjung, 2019), where R_t is the stock return, P_t is the current stock price, and P_{t-1} is the share price of the previous period.

$$R_t = \frac{P_t - P_{t-1}}{P_{t-1}} \quad (1)$$

The data from January 2018 until December 2022 were analyzed using descriptive analysis, correlation analysis, and regression analysis. A correlation analysis is used to measure

the degree or the strength of association between two variables (Pallant, 2013). It is used to examine the relationship between firm size and PER towards the stock return for SCS and NSCS. Regression analysis is used to determine how much of the variance in the stock return for SCS and NSCS can be explained by firm size and PER.

4. Results

4.1 Descriptive Analysis

Table 1. The Result of Descriptive Analysis

Variable	Minimum	Maximum	Mean	Standard Deviation
Shariah Compliant Shares (SCS) n = 160				
Stock return	-1.17	2.81	0.2478	0.60696
Firm size	12720976.92	3042000000.0	341957305.66	487941126.71
PER	-3400	389.80	-10.4772	280.30605
Non-Shariah Compliant Shares (NSCS) n = 155				
Stock return	-2.77	7.44	0.4034	1.08526
Firm size	10214729.00	10359894922	408170643.33	1152027329.4
PER	-125.42	179.25	10.6415	40.27351

4.2 Correlation Analysis

Correlation analysis aims to analyze the relationship between firm size and PER with the stock return for SCS and NSCS.

Table 2. The Result of Correlation Analysis

	Stock return		Firm size		PER	
	SCS	***NSCS***	***SCS***	***NSCS***	***SCS***	***NSCS***
Stock return	1	1	-0.196*	-0.103	-0.130	-0.028
Firm size			1	1	0.086	0.055
PER					1	1

*. Correlation is significant at the 0.05 level (2-tailed).

Table 2 shows the correlation analysis result between the independent variable and the dependent variable, according to Cohen (1998, pp. 79-81) as cited in Pallant (2013, p.139). Focusing on SCS, there is a significant small negative relationship between the firm size and stock return, $r = -0.196$, $n = 160$, $p < 0.01$, and PER, $r = -0.130$, $n = 160$. This indicates that an increase in firm size and PER will decrease the stock return. For NSCS, there is a small negative relationship between the firm size and stock return, $r = -0.103$, $n = 155$, and no relationship with PER, $r = -0.028$, $n = 155$. This suggests that an increase in firm size will decrease the stock return.

4.3 Regression Analysis

The following results examine the degree to which the stock return for SCS and NSCS is influenced by firm size and PER.

Table 3. The Result of Regression Analysis

	R	R^2	Sig. F	Coefficient		p-values Sig	
				Firm size	PER	Firm size	PER
Shariah Compliant Shares (SCS) n = 160							
Stock return	0.227	0.051	0.016	-0.186	-0.114	0.018	0.144
Non-Shariah Compliant Shares (NSCS) n = 155							
Stock return	0.106	0.011	0.425	-0.102	-0.023	0.208	0.781

Table 3 displays the findings of a regression analysis. The correlation coefficient, R = 0.227 for SCS indicates a small relationship between independent and dependent variables. According to the coefficient of determination, $R^2 = 0.051$, which signifies that 5.1% of the variation in stock return may be explained by the firm size and PER. The independent variables were shown to be insufficient to explain the dependent variable because less than 60%. However, the total equation is significant, $p < 0.05$. An increase in the firm size significantly reduces the stock return by 0.186, $p < 0.05$, and an increase in the PER reduces the stock return by 0.114 units. PER insignificantly contributes to the stock return since $p > 0.05$.

The R = 0.106 for NSCS indicates a small relationship between independent and dependent variables. $R^2 = 0.011$, signifies that the independent variables were shown to be insufficient to explain the variation in the dependent variable. The total equation is insignificant, $p > 0.05$. An increase in the firm size and PER reduces the stock return by 0.102 and 0.023 respectively. The firm size and PER insignificantly influence the stock return, $p > 0.05$.

5. Discussion and Conclusion

Based on descriptive analysis, NSCS recorded higher stock returns during the observation period than SCS as concurred by McGowan et al., (2010) and Reddy et al. (2014). The higher standard deviation of NSCS indicates higher risk faced by the company. The finding contrasts with Ling, Abdul-Rahim & Said (2020) argued that SCS is riskier due to less diversification than NSCS. NSCC has larger firm size contradicts the literature's finding stating that smaller sizes yield higher returns than larger ones (Hasnawati, 2020). In contrast, SCS has a higher PER, reflecting the confidence and informed investors have in SCS's potential for profitability growth despite the company managing its financial sources and financing by following Shariah values and regulations. Investors are tempted to invest in companies with higher PER values because they anticipate better earnings from stronger business performance (Larasati et al., 2023).

Correlation analysis indicates that increasing firm size decreases stock return for both SCS and NSCS, consistent with Lakonishok et al., (1986) who found firm size and stock return have a significant relationship. According to Cakici et al., (2012) and Pandey (2001), firm size

significantly affects a company's return, with small firms tend to generate higher earnings than large firms. However, studies by Akwe et al., (2019) and Mazviona et al., (2014), contradict these findings showing a significant positive relationship between stock return and firm size. Larger firms may face challenges in maintaining high profitability which can negatively impact the stock return (Meidiaswati & Arif, 2022). Research suggests a negative relationship exists between firm size and stock return volatility for complex firms, indicating that larger boards may reduce volatility and potentially lower stock returns (Hou & Van Dijk, 2018). Additionally, higher liquidity levels in larger firms may negatively affect stock return (Astakhov, Havranek & Novak, 2019).

SCS with a greater PER provides lower returns. The negative relationship between PER and stock return arises when investors overestimate the firm's growth potential when PER is high (Basu & O'Shea, 2014) result in inflated pricing and disappointment when growth expectations are not met. The correlation between PER and stock return can be impacted by market risk, size, value, and momentum. This aligns with past research such as Barbee, Jeong & Mukherji (2008), Liem et al., (2012) and Akhtar (2021) who found that PER is statistically insignificant with stock return. No relationship between stock return and PER for NSCS implies that the stock performance is not influenced by PER contrary to Rifin et al., (2019), Pandey (2001), Safitri et al., (2020), Kumar (2017), Meriç et al., (2017).

Regression analysis signifies that regardless of being SCS or NSCS, the company and investor must consider another factor that affects a stock return besides firm size and PER. Uwubanmwen & Obayagbona (2012) and Njoki (2014) found that firm size has no significant effect on stock return. Conversely, Albaity & Ahmad (2011) and Rifin et al., (2019) discovered that firm size is the most significant variable in explaining returns as approved by this study. It is suggested that SCC and NSCC should focus on maintaining the optimum level of firm size to enhance the stock return following the theory of size effect. The insignificant effect of PER on stock return is supported by Sodikin & Wuldani (2016) suggest PER may not reliably indicate future stock return. Given that inflation can affect PER by reducing the value of future cash flows of stock due to the decrease in purchasing power. Therefore, high inflation makes investors view a stock's future growth potential as less valuable, reducing their willingness to pay a premium for expected future earnings, leading to a decrease in PER (Pettersen, 2011). Fisher & Statman (2000) also argued against its reliability and effectiveness in forecasting future stock returns. This study proved that PER is trivial in determining stock return regardless of the status of the company's shares.

The performance of NSCS is better than SCS, however, the PER for SCS is more promising than NSCS. Investors tend to favor companies that demonstrate stability in stock return with movements that tend to rise, therefore the company must secure its stock return that represents the company's performance. Whether the share is SC or NSC, the firm size has a greater impact on stock return than PER. Companies shall emphasize preserving the ideal firm size to maximize shareholder wealth, while investors consider the firm size in strategizing investment portfolios. The findings of this study provide valuable insights into the factors that influence the return of SCS and NSCS which can guide future research, and companies, and assist investors to decide in which shares they should invest, and which may give the highest return to them.

6. Acknowledgments

All who have contributed to this study, both directly and indirectly, are greatly appreciated.

References

Abu Bakar, A., Ramli, R., Omar, S. N. Z., & Hamzah, M. F. (2023). Shariah-Compliant Stocks: Harmonizing Index Institution Screening Methodologies. *Russian Law Journal*, *11*(3). https://doi.org/10.52783/rlj.v11i3.1934

Abu Bakar, N., Zaki, S. N. A., Jaafar, M. N. S., Yusoff, M. I., Abdul Ghani, M. G., & Abu Bakar, N. A. H. (2023). The Impact of Shariah Non-Compliant Risk on Stock Return in Malaysia. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, *13*(2). https://doi.org/10.6007/IJARAFMS/v13-i2/16650

Akhtar, T. (2021). Market multiples and stock returns among emerging and developed financial markets. *Borsa Istanbul Review*, *21*(1), 44–56. https://doi.org/10.1016/j.bir.2020.07.001

Akwe, J. A., & Garba, S. B. (2019). Effects of Internal and External Factors on Stock Returns of Large Size Firms in Nigeria. *Global Journal of Accounting*, *5*(1).

Albaity, M., & Ahmad, R. (2011). A Comparative Analysis of the Firm Specific Determinants of Shariah Compliant Vs Non-Syariah. *Asian Journal of Business and Accounting*, *4*(1), 59–84.

Al-Khazali, O. M., & Zoubi, T. A. (2005). Empirical Testing of Different Alternative Proxy Measures for Firm Size. *Journal of Applied Business Research*, *21*(3), 79–90. https://doi.org/10.19030/jabr.v21i3.1471

Anjani, A. F., & Yuliana, I. (2023). Peran Moderasi Ukuran Perusahaan terhadap Hubungan Leverage dan Likuiditas terhadap Nilai Perusahaan. *Ekonomis: Journal of Economics and Business*, *7*(1). https://doi.org/10.33087/ekonomis.v7i1.751

Astakhov, A., Havranek, T., & Novak, J. (2019). Firm Size and Stock Returns: A Quantitative Survey. *Journal of Economic Surveys*, *33*(5), 1463–1492. https://doi.org/10.1111/joes.12335

Banz, R. W. (1981). The Relationship Between Return and Market Value of Common Stocks. *Journal of Financial Economics*, *9*(1), 3–18. https://doi.org/10.1016/0304-405X(81)90018-0

Barbee, W. C., Jeong, J. G., & Mukherji, S. (2008). Relations between portfolio returns and market multiples. *Global Finance Journal*, *19*(1), 1–10. https://doi.org/10.1016/j.gfj.2008.02.001

Basu, A. K., & O'shea, L. (2014). *The Predictive Ability of P/E Ratio: Evidence from Australia and New Zealand*. http://dx.doi.org/10.2139/ssrn.2376050

Basu, S. (1983). The Relationship Between Earnings' Yield, Market Value and Return for NYSE Common Stocks Further Evidence. *Journal of Financial Economics*, *12(1)*, 129–156.

Bintara, R., & Tanjung, P. R. S. (2019). Analysis of Fundamental Factors on Stock Return. *International Journal of Academic Research in Accounting*, *9*(2), 49–64. https://doi.org/10.6007/IJARAFMS/v9-i2/6029

Bisara, C., & Amanah, L. (2015). PENGARUH KINERJA KEUANGAN TERHADAP RETURN SAHAM. *Jurnal Ilmu & Riset Akuntansi*, *4*(2). http://dx.doi.org/10.32833/majem.v6i1.44

Cakici, N., Fabozzi, F. J., & Tan, S. (2012). Size, Value, and Momentum in Emerging Market Stock Returns. https://doi.org/10.2139/ssrn.2070832

Campbell, J. Y., & Shiller, R. J. (1987). STOCK PRICES, EARNINGS AND EXPECTED DIVIDENDS. In *Finance Association, 43(3), 661-676*

Cindy, M., Leon, F. M., & Purba, Y. E. (2023). Determinants of Cash Holding of Shariah and Non-Shariah-Compliant Firms at Indonesia Stock Exchange. *The International Journal of Business & Management*. https://doi.org/10.24940/theijbm/2023/v11/i1/BM2301-009

Fisher, K. L., & Statman, M. (2000). Cognitive Biases in Market Forecasts. *Journal of Portfolio Management*, *27*(1), 72–81. https://doi.org/10.3905/jpm.2000.319785

Haji Mohiddin, M. N., Abdul Ghadas, Z. A., & Ramli, N. (2021). DEVELOPING SHARIAH COMPLIANT CORPORATION: AN APPRAISAL ON THE RIGHTS AND LIABILITIES OF MEMBERS UNDER THE MALAYSIA LAW AND SHARIAH. *Journal of Nusantara Studies (JONUS)*, *6*(1), 59–72. https://doi.org/10.24200/jonus.vol6iss1pp59-72

Hartono, J. (2014). *Teori Portofolio dan Analisis Investasi* (10th ed.).

Haseeb, M., Mahdzan, N. S., & Wan Ahmad, W. M. (2023). Are Shariah-compliant firms less prone to stock price crash risk? Evidence from Malaysia. *International Journal of Islamic and Middle*

Eastern Finance and Management, *16*(2), 291–309. https://doi.org/10.1108/IMEFM-06-2021-0223

Hasnawati, S. (2020). Size, Return and Public Company's Performance: A Study Small and Large Companies on IDX During 3 Economic-Periods. *Academy of Accounting and Financial Studies Journal*, *24*(2).

Hermuningsih, S., Maulida, A., & Andriyanto, N. D. (2022). Pengaruh Keputusan Pendanaan, Tingkat Profitabilitas, dan Kebijakan Dividen Terhadap Return Saham Perusahaan Sektor Utilitas, Insfrastruktur, dan Transportasi. *Jurnal Bisnis Dan Kajian Strategi Manajemen*, *6*(1). https://doi.org/10.35308/jbkan.v6i1.4499

Hou, K., & Van Dijk, M. A. (2018). Resurrecting the Size Effect: Firm Size, Profitability Shocks, and Expected Stock Returns. *The Review of Financial Studies*, *32*(7). https://doi.org/10.1093/rfs/hhy104/5098611

Jamil, N. S., Hassan, H., & Bujang, I. (2020). The Effect of Shari'ah Compliance Announcements on Stock Returns in Malaysia. *International Journal of Business and Society*, *21*(1), 217–233.

Kerameyuda, N., Wiyono, G., & Kusumawardhani, R. (2022). Pengaruh Tingkat Bunga, Nilai Kurs, Kebijakan Dividen, dan Inflasi terhadap Return Saham Perusahaan Perbankan: *El-Mujtama: Jurnal Pengabdian Masyarakat*, *3*(1), 1–14. https://doi.org/10.47467/elmujtama.v3i1.2087

Kumar, P. (2017). IMPACT OF EARNING PER SHARE AND PRICE EARNINGS RATIO ON MARKET PRICE OF SHARE: A STUDY ON AUTO SECTOR IN INDIA. *International Journal of Research -GRANTHAALAYAH*, *5*(2), 113–118. https://doi.org/10.29121/granthaalayah.v5.i2.2017.1710

Lakonishok, J., & Shapiro, A. C. (1986). SYSTEMATIC RISK, TOTAL RISK AND SIZE AS DETERMINANTS OF STOCK MARKET RETURNS. In *Journal of Banking and Finance* (Vol. 10).

Larasati, V., Subing, H. J. T., & Mansur, A. (2023). The Effect Of Company Performance On Stock Return In The Consumption Goods Sector. *Journal of Accounting, Management, and Economics Research*, *2*(1), 50–63. https://doi.org/10.33476/jamer.v2i1.77

Liem, P. F., & Basana, S. R. (2012). Price Earnings Ratio and Stock Return Analysis (Evidence from Liquidity 45 Stocks Listed in Indonesia Stock Exchange). *Jurnal Manejemen Dan Kewirausahaan*, *14*(1), 7–9.

Ling, P. S., Abdul-Rahim, R., & Said, F. F. (2020). The effectiveness of technical strategies in Malaysian Sharīʿah vs conventional stocks. *ISRA International Journal of Islamic Finance*, *12*(2), 195–215. https://doi.org/10.1108/IJIF-08-2018-0092

Mazviona, B. W., & Nyangara, D. (2014). Does firm size affect stock returns? Evidence from the Zimbabwe Stock Exchange. *International Journal of Business and Economic Development (IJBED)*, *2*. www.ijbed.org

McGowan, Jr. C. B., & Junaina, M. (2010). The Theoretical Impact Of The Listing Of Syariah-Approved Stocks On Stock Price And Trading Volume. *International Business & Economics Research Journal (IBER)*, *9*(3). https://doi.org/10.19030/iber.v9i3.532

Meidiaswati, H., & Arif, F. (2022). The Effect of Financial Performance and Firm Size on Stock Return in Miscellaneous Industrial Sector on the Indonesia Stock Exchange. *Ekspektra : Jurnal Bisnis Dan Manajemen*, *6*(1), 58–65. https://doi.org/10.25139/ekt.v6i1.4665

Meriç, E., Kamisli, M., & Temizel, F. (2017). Interactions among Stock Price and Financial Ratios: The Case of Turkish Banking Sector. *Applied Economics and Finance*, *4*(6), 107. https://doi.org/10.11114/aef.v4i6.2755

Njoki, Nd. C. (2014). *THE RELATIONSHIP BETWEEN CAPITAL STRUCTURE AND STOCK RETURNS OF FIRMS QUOTED IN THE NAIROBI SECURITIES EXCHANGE*.

Nugraha, G. M. A. C., & Wirama, D. G. (2023). Nilai Tukar, Inflasi dan Return Saham dengan Jenis Industri sebagai Variabel Pemoderasi. *E-Jurnal Akuntansi*, *33*(4), 919. https://doi.org/10.24843/EJA.2023.v33.i04.p04

Pallant, J. (2013). *SPSS Survival Manual: A Step by Step Guide to Data Analysis Using IBM SPSS* (5th ed.). Open Univ Pr.

Pandey, I. M. (2001). *THE EXPECTED STOCK RETURNS OF MALAYSIAN FIRMS: A PANEL DATA ANALYSIS*. https://doi.org/http://dx.doi.org/10.2139/ssrn.299913

Pettersen, A. (2011). *An Investment Strategy Based on P/E Ratio*.

Rana, M. E., & Akhter, W. (2015). Performance of Islamic and conventional stock indices: empirical evidence from an emerging economy. *Financial Innovation*, *1*(1). https://doi.org/10.1186/s40854-015-0016-3

Reddy, K., & Fu, M. (2014). Does Shariah Compliant Stocks Perform Better than the Conventional Stocks? A Comparative Study Stocks Listed on the Australian Stock Exchange. *Asian Journal of Finance & Accounting*, *6*(2), 155. https://doi.org/10.5296/ajfa.v6i2.6072

Reinganum, M. R. (1981). *MISSPECIFICATION OF CAPITAL ASSET PRICING Empirical Anomalies Based on Earnings' Yields and Market Values*.

Rifin, N. S., Hassan, S., Abu Bakar, N., & Sahudin, Z. (2019). A Comparative Analysis Between Shariah-compliant & Non-Shariah compliant Stocks. *Journal of Emerging Economies & Islamic Research*, *7*(3), 26–32.

Risdiyanto, & Suhermin. (2016). PENGARUH ROI, EPS DAN PER TERHADAP RETURN SAHAM PADA PERUSAHAAN FARMASI. *Jurnal Ilmu Dan Riset Manajemen*, *5*(7).

Sa'adah, S. Z. (2022). Implementasi Qa'idah Fiqhiyyah dalam Screening Saham Syariah pada Bursa Efek Syariah Indonesia. *TAWAZUN : Journal of Sharia Economic Law*, *5*(1), 26. https://doi.org/10.21043/tawazun.v5i1.13694

Safitri, K., Mertha, I. M., Wirawati, N. G. P., & Dewi, A. (2020). THE IMPACT OF DEBT TO EQUITY RATIO, PRICE EARNING RATIO, EARNING PER SHARE TO THE STOCK PRICE ON BANKING SECTORS LISTED IN INFOBANK15 INDEX 2014-2018. *American Journal of Humanities and Social Sciences Research*, *4*(5), 5–49.

Samsudin, A., Hidayat, R., Citra Nia, R., Safitri, S. N., Yulianti, V. R., Ferdiansyah, T., & Royhan, M. F. (2023). Analisis Price Earning Ratio (PER) dalam Pengambilan Keputusan Investasi Saham Perbankan: *El-Mujtama: Jurnal Pengabdian Masyarakat*, *3*(2), 589–594. https://doi.org/10.47467/elmujtama.v3i3.2805

Santoso, I. G., & Meidiaswati, H. (2022). THE INFLUENCE OF FINANCIAL PERFORMANCE ON STOCK RETURN IN RETAIL COMPANY. *Jurnal Ekonomi Dan Bisnis Airlangga*, *32*(2), 138–149. https://doi.org/10.20473/jeba.V32I22022.138-149

Sastrawan, R., Perdhana, A. I., & Hendreo, C. (2023). FIRM SIZE MEMODERASI CORPORATE SOCIAL RESPONSIBILITY DAN GOOD CORPORATE GOVERNANCE PADA NILAI PERUSAHAAN. *JURNAL LENTERA AKUNTANSI*, *7*(2), 99. https://doi.org/10.34127/jrakt.v7i2.718

Sodikin, S., & Wuldani, N. (2016). PENGARUH PRICE EARNING RATIO (PER) DAN EARNING PER SHARE (EPS) TERHADAP RETURN SAHAM. *Jurnal Ekonomi Manajemen*, *2*(1), 18–25. http://jurnal.unsil.ac.id/index.php/jem

Susilo, A., & Sapitri, N. (2022). Pengaruh Net Profit Margin (NPM) dan Return on Assets (ROA) Terhadap Price Earning Ratio (PER). *The Asia Pacific Journal of Management Studies*, *9*(1). https://doi.org/10.55171/apjms.v9i1.637

Uwubanmwen, A., & Obayagbona, J. (2012). Company Fundamentals and Returns in the Nigerian Stock Market. *Journal of Research in National Development*, *10*(2).

Verawaty, Jaya, A. K., & Mandela, T. (2015). PENGARUH KINERJA KEUANGAN TERHADAP RETURN SAHAM PADA PERUSAHAAN PERTAMBANGAN YANG TERDAFTAR DI BURSA EFEK INDONESIA. *Akuisisi*, *11*(2).

Wai, U. T., & Patrick, H. T. (1973). Stock and Bond Issues and Capital Markets in Less Developed Countries. *Staff Papers - International Monetary Fund*, *20*(2), 253. https://doi.org/10.2307/3866321

Zandi, G., Razak, D. A., & Hussin, N. H. (2014). Stock market screening: An analogical study on conventional and shariah-compliant stock markets. *Asian Social Science*, *10*(22), 270–279. https://doi.org/10.5539/ass.v10n22p270