

ABSTRACT

The Influence of the Economic Recession (Decrease in Gross Domestic Product (GDP)) and Cash Flows on the Financial Performance of Retail Trading Companies Listed on the IDX Using the Year On Year Method for 2019-2021

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This study aims to explain and understand the effect of the Economic Recession (Decreasing Gross Domestic Product (GDP)) and Cash Flow on Financial Performance, where this research was conducted based on empirical studies on retail trade sub-sector companies listed on the Indonesia Stock Exchange in 2019 - 2021. The population of this study is 28 consumer cyclicals sector companies listed on the IDX for the period 2019 to 2021, with a total sample of 69 samples obtained using a purposive sampling method. The data analysis technique utilizes multiple linear regression analysis with data processing by the Eviews12 software. The results of this study reveal that the Economic Recession (Decrease in Gross Domestic Product (GDP)) has an effect on Financial Performance, while Cash Flow has no effect on Financial Performance. Simultaneously, the variables of economic recession (decline in gross domestic product (GDP) and cash flows have an impact on financial performance.

Keywords : Economic Recession, Gross Domestic Product, Cash Flow, Financial Performance.

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