

ABSTRACT

The Influence of Current Ratio, Return On Assets, and Debt to Equity Ratio on Price-to-book-ratio in LQ45 Companies on the Indonesian Stock Exchange

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This study aims to determine what variables have an influence on PBV in LQ45 Index companies listed on the Indonesia Stock Exchange for the period 2020 - 2023. The type of research used is quantitative research. This study uses purposive sampling technique which determines the target criteria, namely companies that are consistently listed on the LQ45 Index totaling 42 companies. Current ratio and debt to equity ratio have no significant effect on price-to-book-ratio in LQ45 Index companies listed on the Indonesia Stock Exchange. Return on assets has a significant positive effect on price-to-book-ratio in LQ45 Index companies listed on the Indonesia Stock Exchange this year. This study can consider similar industry factors that will replace other independent variables besides current ratio and debt to equity ratio. In addition, it can look for variables that can affect such as return on assets on price-to-book-ratio.

Keywords: LQ45, Current Ratio, Return On Asset, Debt to Equity Ratio, Price-to-book-ratio.