ABSTRACT

THE INFLUENCE OF PROFITABILITY, LEVERAGE, LIQUIDITY, AND FIRM SIZE ON STOCK RETURNS

(Survey of LQ45 Companies on the Indonesia Stock Exchange Period 2015-2019)

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This study aims to determine the profitability, leverage, liquidity, firm size, and stock returns of the LQ45 Company on the Indonesia Stock Exchange period 2015-2019 and to examine the effect of profitability, leverage, liquidity, and firm size on stock returns. The research method used is a quantitative descriptive method with a survey approach. The sample data taken using a purposive sampling method. The data needed in this study is secondary documentary data that contains the company's financial history published on the Indonesia Stock Exchange. The data obtained from the results of this study were analyzed using panel data multiple regression analysis. The results showed that profitability had a positive effect on stock returns, leverage had a negative effect on stock returns, liquidity had a positive effect on stock returns, and firm size had a positive effect on stock returns. Simultaneously, profitability, leverage, liquidity, and firm size have no significant effect on stock returns in LQ45 companies on the Indonesia Stock Exchange.

Keywords: Profitability, Leverage, Liquidity, Firm Size, Stock Return