

ABSTRACT

The stock price is the selling price of a stock formed on the basis of the demand and supply of the stock on the Indonesia Stock Exchange (IDX) and the stock is known to provide two types of income, namely dividends and capital gain. There are several ways to find out if a stock price is good or not. What can be done to find out whether the stock price is good or not is to analyze several ratios, for example market ratios, liquidity ratios and profitability ratios. In the liquidity ratio of companies in the pharmaceutical sub-sector, there is a difference between the theory and the facts. In 2016 PT Darya Varia experienced an increase in its share price from Rp 1.300 to Rp 1.755. However, this is not the same as the current ratio obtained by PT Darya Varia because in the same year the current ratio decreased from 3.25% to 2.86%.

The purpose of this study was to determine the effect of market ratios, liquidity ratios and profitability ratios on stock prices of pharmaceutical subsector companies in 2015-2020 simultaneously and partially. The data used are 48 data from 8 pharmaceutical subsector companies that are included in the research sample criteria including Darya Varia Laboratoria Tbk, Indofarma Tbk, Kimia Farma Tbk, Kalbe Farma Tbk, Merck Tbk, Pyridam Farma Tbk, Industri Jamu and Farmasi Sido and Tempo Scan Pacific Tbk. The data used in this study were obtained secondary through the company's financial statements.

The variables used in this study are the dependent and independent variables. Stock price as a variable (Y) and current ratio, return on equity, earnings per share, price earning ratio and market to book value ratio (X). This research is a quantitative research with data analysis methods in the form of descriptive analysis, classical assumption test, multiple regression analysis and significant test.

Based on the results of this study, partially current ratio and market to book value ratio have an effect on stock prices. While return on equity, earnings per share and price earnings ratios have no effect on stock prices. Meanwhile, simultaneously the current ratio, return on equity, earnings per share, price earning ratio and market to book ratio have an effect on stock prices.

Keywords: Stock price, market ratio, liquidity ratio and profitability ratio.