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ANALYSIS OF THE EFFECT OF LIQUIDITY, SOLVENCY, AND PROFITABILITY ON SHARE PRICES IN LQ45 COMPANIES

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ABSTRACT

This study aims to determine and analyze the effect of Liquidity, Profitability and Solvency through proxy Current Ratio, Retunr on Asset and Debt to Equity Ratio on Share Prices in LQ45 companies listed on the Indonesia Stock Exchange for the period 2017 – 2019. The population in this study is LQ45 companies with a sample used in this study as many as 26 companies, the data used was obtained from the financial statements of each company. The approach method used in this study is quantitative method with panel data regression. The results showed that Liquidity (Current Ratio) has no influence on stock prices, while Profitability (Return on Assets) and Solvency (Debt to Equity Ratio) partially have an influence on stock prices / returns

Keywords: likuiditas, current ratio, Profitability, return on assets, solvabilitas, debt to equity ratio (der), Share price

INTRODUCTION

The capital market is a financial market to carry out long-term investment activities such as bonds, stocks and other securities. One of the securities that are actively traded in the Capital Market is Stocks, most investors are interested in investing their funds in the form of shares for the reason that stock investment promises a higher level of profit. The capital market acts as a liaison between investors and companies. The growth of stock prices on the stock exchange has a very important influence and must be considered for investors because it has economic consequences, where any changes will affect investors' gains in the future.

In analyzing and assessing the company's financial position and potential, the most important factors to get investors' attention are liquidity, solvency and profitability. Liquidity indicates a company's ability to meet short-term obligations that are maturing soon. Liquidity can be measured using the current ratio. Solvency shows the company's ability to fulfill all its obligations, both long-term and short-term obligations. Solvency can be measured using the Debt to Equity Ratio (DER). Profitability shows the company's ability to generate profits with the resources owned by the company. One of the parameters measuring profitability is return on assets.

Stock price movements are in line with the company's performance, if the company has better performance, the profits generated from operations are greater. One of the indices actively traded on the Indonesia Stock Exchange is the LQ-45 index. The LQ 45 index is a collection of 45 stocks of the most liquid companies and has a large capitalization value. Investors who invest their funds in company stocks basically want benefits in the form of dividends or capital gains.

Figure 1. LQ45 share price (2017-2023)

From the chart above, it can be seen that LQ45 stock price movements from 2017 tend to have low volatility and there is significant volatility for the 2020-2021 period and return to the normal volatility path from the end of 2021 to 2023. This shows that there are factors that affect the LQ45 share price, but to eliminate the influence of outliers, periods of high volatility are not included because they are heavily influenced by external factors, namely the presence of COVID-19.

According to IGN Sudangga A. and Anak Agung G.S. (2016), liquidity variables do not have a significant effect on stock prices. On the other hand, research conducted by Nita Fitriani (2016) said liquidity has a significant influence on stock prices.

Another factor that has an influence on stock prices is solvency as the results of research conducted by Nita Fitriani (2016). Different results obtained Octaviani (2017) obtained solvency results have no effect on stock prices.

The variable that has an influence on stock prices is profitability. Jestry J. Sambelay (2017) states that profitability has a significant effect on stock prices. Meanwhile, according to Linzzy Pratami (2017) states that profitability has no effect on stock prices.

Maximizing the stock market price needs to consider the factors that affect the stock price. Alwi (2003) argues that one of the factors that influence stock price movements is the announcement of the company's financial statements, such as forecasting profits before the end of the fiscal year and after the end of the fiscal year, Earning Per Share (EPS) and Dividends Per Share (DPS), Price Earning Ratio (PER), Net Profit Margin (NPM), Return On Assets (ROA), and others. The purpose of this study is to analyze the effect of liquidity on stock prices in LQ45 companies. Analyze the effect of Solvency on share prices in LQ45 companies. Analyze the effect of profitability on share prices in LQ45 companies.

In this study, there are several factors that can affect liquidity, solvency, and profitability on stock prices in LQ45 companies. As a reference and comparison material in conducting this research, here are some of the results of previous research.

Table 1 Previous Research

No	Name	Research Title	Research Results
1	Arya Darmawan (2016)	The effect of liquidity, solvency and profitability ratios on stock prices	• CR, DER, and variable EPS are partially significant to the stock price • QR and ROE are partially insignificant direction of Stock Price.

			• Ratio secara simultan (CR), Quick Ratio (QR), Debt to Equity Ratio (DER), Return on Equity (ROE) and Earning per Share (EPS) bukti signifikan berpengaruh Harga Saham.
2	Santi Octaviani & Dahlia Komalasari (2017)	The effect of liquidity, profitability, and solvency on stock prices	• Variable Current Ratio, Return on Assets and Debt to Equity Ratio simultaneously have a significant effect on predicting the price of shares to be traded. • Statistically partial, the variables Current Ratio and Debt to Equity Ratio have no significant effect on predicting the price of shares to be traded on the exchange
3	I.G.N. Sudangga Adipalguna & Anak Agung Gede Suarjaya (2017)	The Effect of Liquidity, Solvency, Activity, Profitability, and Market Valuation on LQ45 Company Share Prices on IDX	• Current Ratio does not have a significant effect on Stock Price. • Debt to Equity Ratio has no significant effect on Stock Price. • Total Asset Turn Over has a significant positive effect on Share Price. • Return On Asset does not have a significant effect on Stock Price.
4	Rosa Yuminisa Amrah Elwisam (2019)	The effect of current ratio, return on assets, debt to equity ratio and total assets turnover on stock prices in LQ 45 companies in 2013-2015	• Current ratio has a negative and significant effect on stock prices. • Return on assets has a positive and insignificant effect on stock prices. • Debt to equity ratio has a negative and significant effect on stock prices. • Total assets turnover has a positive and significant effect on stock prices
5	Nurrul Shafa Noviana (2019)	The Effect of Liquidity, Solvency and Profitability on Stock Prices (Study on Non-Financial Sector Companies Included in the LQ45 Index in Indonesia Stock Exchange Period 2015 – 2017)	• The results of simultaneous testing of liquidity (current ratio), solvency (debt to equity ratio) and profitability (return on equity) variables have a significant influence on stock prices. • In partial testing, it was found that the variables current ratio (CR) and debt to equity ratio

			(DER) did not have a significant effect on stock prices
6	Setyawati, Rika dan Imron Rosyadi, S.E., M.Si. (2020)	The Effect of Liquidity, Profitability, and Market Value on Share Prices in LQ45 Companies on the Indonesia Stock Exchange	• Liquidity has a positive but not significant effect on stock prices. • Profitability has a positive but not significant effect on stock prices. • Solvency has a negative and insignificant effect on stock prices. • Market Value has a positive and significant effect on stock prices.
7	Lutfiya Putri Rahayu & Triyonowati (2021)	The Effect of Liquidity, Profitability, and Solvency on the Company's Share Price LQ45	• Liquidity proxied with CR has a positive and significant effect on the share price of LQ45 companies. • Profitability proxied by ROA has a negative and significant effect on the share price of LQ45 Company. • Solvency proxied with DER has a negative and significant effect on the share price of the Company LQ45.
8	Diah Rosayana, Ratna Wijayanti Daniar Paramita, Mimin Yatminiwati (2020)	The Effect of Profitability, Solvency, Liquidity and Company Size on Stock Prices (In Food and Beverage Sub-Sector Manufacturing Companies on IDX for the 2016-2018 period)	• Profitability (ROA), solvency (DER), liquidity (CR) and company size (total assets) partially have a positive and significant effect on share prices. • Profitability (ROA), solvency (DER), liquidity (CR) and company size (total assets) simultaneously have a significant effect on share prices.

RESEARCH METHODS

Planning is needed in conducting this research so that this research can run well and regularly. In this study using quantitative methods. This research describes the stock price report on the LQ45 company which has been analyzed and published on the Indonesia Stock Exchange. The purpose of this study is to determine how the influence of the variables Current Ratio (X1), Return On Assets (X2), Debt Equity Ratio (X3) on stock prices (Y). The period of this research is 3 (three) years, namely 2017-2019.

The general area population consisting of subjects with certain characteristics and qualities identified by previous researchers to be studied and summarized (Sugiyono, 2017). The population used in this study is LQ45 companies listed on the Indonesia Stock Exchange in the 2017-2019 period, totaling 45 companies. A sample is a subset of the number and traits that a

population possesses. The technique used in sampling in this study is purposive sampling, where the data is selected based on criteria that are in accordance with the purpose of the study. The sample standards used are as follows: LQ45 company listed on the Indonesia Stock Exchange. LQ45 company settled on the Indonesia Stock Exchange since 2019 and after. Number of LQ45 companies that have complete financial data and are actively traded from 2017-2019. Based on the above criteria, there are 26 companies out of 45 companies listed on the Indonesia Stock Exchange in the 2017-2019 period that continue to be traded for 3 years.

The data collection strategy uses the documentation method of LQ45 companies listed on the Indonesia Stock Exchange. Where the data obtained is in the form of a journal of LQ45 company financial statements obtained from the idx.co.id website and official website of each company that is a sample from the 2017-2019 period. The information review procedure used in this research uses quantitative analysis, information used in the form of numbers with calculations using statistical methods with statistical data processing programs E-views 12. For methods in analyzing data in this study about the effect of CR, ROA, and DER on stock prices using descriptive statistical analysis techniques, which has the aim of knowing the general picture of all variables used in this study. Descriptive analysis proves the results of calculating the mean, minimum and maximum values, and standard deviations of all these variables

RESULTS AND DISCUSSION

Object of Research

This subject is used in the research of LQ45 companies listed on the Indonesia Stock Exchange. Secondary data in the form of financial reports are the data used in this study published from 2017-2019. There were 26 samples used in this study. Table 2 presents a list of companies that were used as research samples:

Table 2. Research Sample

NO	Company Name	Issuer Code
1	Ace Hardware Indonesia Tbk	ACES
2	Adaro Energy Tbk	ADRO
3	AKR Corporindo Tbk	AKRA
4	Aneka Tambang (Persero) Tbk	ANTM
5	Astra International Tbk	ASII
6	Bumi Serpong Damai Tbk	BSDE
7	XL Axiata Tbk	EXCL
8	Gudang Garam Tbk	GGRM
9	Hanjaya Mandala Sampoerna Tbk	HMSP
10	Indofood CBP Sukses Makmur Tbk	ICBP
11	Vale Indonesia Tbk	INCO
12	Indofood Sukses Makmur Tbk	INDF
13	Indika Energy Tbk	INDY
14	Indocement Tunggal Prakasa Tbk	INTP
15	Jasa Marga (Persero) Tbk	JSMR
16	Kalbe Farma Tbk	KLBF
17	Media Nusantara Citra Tbk	MNCN
18	Perusahaan Gas Negara (Persero) Tbk	PGAS
19	Bukit Asam (Persero) Tbk	PTBA

20	Pembangunan Perumahan (Persero) Tbk	PTPP
21	Semen Indonesia (Persero) Tbk	SMGR
22	Sumber Alfaria Trijaya Tbk	AMRT
23	Telekomunikasi Indonesia (Persero) Tbk	TLKM
24	United Tractors Tbk	UNTR
25	Unilever Indonesia Tbk	UNVR
26	Wijaya Karya (Persero) Tbk	WIKA

Data Analysis

The data analysis used in this study used panel data regression methods and software used in Eviews version 12. This study discusses Current Ratio (X1), Return On Assets (X2), and Debt to Equity Ratio (X3). For the dependent variable the stock price (Y). The variable values of this study are taken from the financial reports of each company. Descriptive statistics, panel data regression estimation, classical assumption tests and hypothesis testing are analytical tests used.

Descriptive Statistics

In determining the minimum and maximum values, the value of descriptive statistics and revision standards for each variable include descriptive statistics. Below is a test table of descriptive statistical results processed using Eviews 12.

Table 3. Descriptive Statistical Results

	Y	**X_1**	**X_2**	**X_3**
Mean	6473.0187	0.72767	0.118722	0.559643
Median	2835.9	0.279	0.063	0.045
Maximum	68054.4	4.185	1.17	3.069
Minimum	524.7	0.009	-0.54	0
Std. Deviasi	10776.384	1.004705	0.214997	0.926587
Skewness	3.4366428	1.610129	2.654516	1.482299
Kurtosis	17.701074	5.307768	13.18554	3.746273
Jarque-Bera	1449.6084	91.41714	735.4274	52.62066
Probability				
Sum	744397.2	83.682	13.653	64.359
Sum Sq. Dev.	1.47E+09	127.8614	5.855021	108.7514
Observation	78	78	78	78

Source: Management Results with Eviews 12.

The following is the interpretation of the descriptive statistical test results in table 3. As can be seen from the table above, the amount of data used in LQ45 companies is 78, and the amount of data consists of 25 LQ45 companies, where the 26 companies are multiplied by the observation period (3 years), so that the observations obtained in this study are 3 x 26 = 78 observations.

1. Share Price

   The average (mean) return value is 643.02%, the maximum value is 68054.40%, the minimum value is 584.70%, and the standard deviation 10776.38%.
2. Current Ratio (CR)

The mean of CR values is 0.72767%, the maximum value is 4.18500%, the minimum value is 0.00900%, and the standard deviation 1.004705%.

3. Return on Asset (ROA)
   The mean ROA value is 0.118722%, the maximum value is 1.170000%, the minimum value is 0.000000%, and the standard deviation is 0.214997%.
4. Debt to Equity Ratio (DER)
   The mean of the DER value is 0.559643%, the maximum value is 3.069000%, the minimum value is 0.000000%, and the standard deviation is 0.926587%

Panel Data Regression Estimation

This method uses 3 models, namely Common Effect Model (CEM), Fixed Effect Model (FEM) and Random Effect Model (REM), and uses 3 test techniques to estimate regression panel data including Chow Test, Hausman Test and Lagrange Multiplier Test (LM). Based on these tests, the following are the results of the panel data model estimation in this study:

Chow Water

Based on statistical tests considered when choosing the Common Effect Model (CEM) or Fixed Effect Model (FEM).

H_0: Model follows Common Effect Model

H_1: Model follows Fixed Effect Model

Table 4. Chow Test Results

Redundant Fixed Effects Tests Equation: Untitled Test cross-section fixed effects			
Effects Test	Statistic	d.f.	Prob.
Cross-section F	31.231472	(24,89)	0.0000
Cross-section Chi-square	256.299421	24	0.0000

Source: Processing Results with Eviews 12.

Based on the results of the chow test in table 4 above, the value of Prob Cross-section Chi-square is 0.0000 < the value of $\alpha = 0.05$ so that it can be concluded that H0 is rejected and H1 is accepted. The results of the chow test above mean that the most appropriate model to use is the Fixed Effect Model (FEM) better than the Common Effect Model (CEM)

Hausman test

It is a statistical test that is considered in choosing a Fixed Effect Model (FEM) or Random Effect Model (REM).

H_0: Model mengikuti Fixed Effect Model

H_1: Model mengikuti Random Effect Mode

Table 4. Hausman Test Results

Correlated Random Effects - Hausman Test Equation: Untitled Test cross-section random effects			
Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	10.510158	3	0.0114

Source: Processing Results with Eviews 12.

The results of the Hausman test conducted in table 4 above are known that the value of the Brueusch Pagan p-value obtained is 0.0114 < the value of α = 0.05 then it can be concluded that H0 is accepted and H1 is rejected. The decision from the results of the Hausman test above the appropriate model used is the Fixed Effect Model (FEM) compared to the Random Effect Model (REM).

Panel Data Regression Model Selection Results

Previous tests only used two models including the Chow Test (Chow Test) and the Hausman test to get results where the Fixed Effect Model (FEM) is the most appropriate model used compared to the Random Effect Model (REM) and Common Effect Model (CEM).

Regression Model Estimation and Interpretation of Results

Based on data processing and analysis in this study using E-views 12, panel data regression was obtained using the Common Effect Model (CEM). Below are the results of the analysis.

Tabel 5. Hasil Uji Fixed Effect Model (FEM)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9.191658	0.135296	74.73119	0.0000
X1	-0.040268	0.097334	-0.455078	0.6481
X2	0.482698	0.156734	3.387706	0.0021
X3	-0.379859	0.154393	-2.706379	0.0174
R-squared	0.951769	Mean dependent var		8.186568
Adjusted R-squared	0.942221	S.D. dependent var		1.124215
S.E. of regression	0.270123	Akaike info criterion		0.375056
Sum squared resid	6.410217	Schwarz criterion		0.987709
Log likelihood	5.309286	Hannan-Quinn criter		0.682141
F-statistic	78.39589	Durbin-Watson stat		1.680324
Prob(F-statistic)	0.000000			

Source: processing results with Eviews 12.

It can be seen in table 5 of the Fixed Effect Model (FEM) results in the form of Adjusted R-squared is 0.942221, so it means that the independent variable can interpret the dependent variable, which is 94.2221% and the remaining 5.7779% is explained by other factors or variables outside the study

The results of the Fixed Effect Model (FEM) test with these three variables have a probability value of > of α = 0.05. namely CR of 0.6481, ROA of 0.0021 and DER of 0.0174, which means that CR does not have a significant influence on the stock price, while ROA and DER have a significant influence on the stock price.

Based on the table above, the regression equation is formed based on table 4.5 as follows:

Stick Price (Harga Saham) = 9.191658 – 0.040268 CR + 0.482698 ROA - 0.379859 DER + e.

The regression equation is interpreted as follows:

1. The constant value of 9.191658 means that if the independent variable does not exist, then the stock price is equal to the constant.
2. The negative regression coefficient for CR is -0.040268, indicating that when CR increases by 1% with other variables being zero then the stock price will decrease by 0.040268%.
3. The positive regression coefficient for ROA is 0. 482698, shows that when ROA increases by 1% with other variables being zero, the stock price will increase by 0.482698%.

The negative regression coefficient for DER is - 0. 379859, shows that when DER increases by 1% where other variables become zero, then the stock price will decrease by 0. 379859%.

Classical Assumption Test

The purpose of this test is to assess the validity of the results of the estimation of regression parameters, so as to draw the right conclusion. The classical assumption tests required for this study are outlined below, including the following:

Multicollinearity Test

This test is carried out to ascertain whether there is intercorrelation or collinearity to the independent variable. To find out whether or not there is multicollinearity in the regression model, it is seen through a correlation matrix. The occurrence of multicollinearity if the correlation is more than 0.8 and vice versa if the correlation is less than 0.8 there is no multicollinearity.

Table 6. Multicollinearity Test Results

	X1	X2	X2
X1	1.000000	0.1398075	0.115542
X2	0.1398075	1.000000	-0.009490
X3	0.115542	-0.009490	1.000000

Source: Processing Results with Eviews 12.

Based on table 6 above, the results of the multicollinearity test show that the value of the correlation coefficient between independent variables (CR, ROA and DER) has a correlation coefficient of < 0.8 which means there is no multicollinearity.

Heteroscedasticity Test

A test that evaluates the resudal of all observations in a linear regression model for variance inequality. It is one of the tests that must be done in linear regression. This test is said to be invalid what if the assumption of heteroscedasticity is not met. To detect heteroscedasticity used the Glejser test. The basis for making a decision to test heteroscedasticity with the Glesjer test is as follows:

a. If the probability value < α (0.05), the hypothesis is rejected. This indicates heterokedacity.
b. If the probability value > α (0.05), the hypothesis is accepted. This shows that there is no heterokedacity

Table 7. Heteroscedasticity Test Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.185507	0.022309	9.146843	0.000000
X1	-0.013679	0.014286	-1.053176	0.374440
X2	0.066924	0.066358	1.109389	0.346940
X3	0.016115	0.015354	1.154603	0.325820
R-squared	0.025064	Mean dependent var		0.193298
Adjusted R-squared	-0.003989	S.D. dependent var		0.167394
S.E. of regression	0.167697	Akaike info criterion		-0.978748
Sum squared resid	2.837801	Schwarz criterion		-0.873725
Log likelihood	60.67800	Hannan-Quinn criter		-0.936119
F-statistic	0.948988	Durbin-Watson stat		1.217212
Prob(F-statistic)	0.509071			

Source: Processing Results with Eviews 12.

It can be concluded that the significance value (probability) of all independent variables i.e. variables CR, ROA and DER > α = 0.05 decides to accept H0. This shows that the data used does not occur heteroscedasticity so that the assumption is met.

Normality Test

This test is carried out to assess the data distribution of a variable, whether the variables are normally distributed or not. The study used the statistical method of the Jarque-Bera test where this test is a normality test of the type of goodness of fit test that measures what skewness (slope size) and kurtosis (tapering size) of the sample according to the normal distribution. The test is based on the fact that the skewness and kurtosis values of the normal distribution are equal to zero.

Using the Eviews 12 application to detect whether the data is normally distributed, the research data is as follows:

a. The probability value is > 0.05: hypothetical accepted which means the data is normal.
b. The probability value is < 0.05: the hypothesis is rejected which means that the data is abnormal

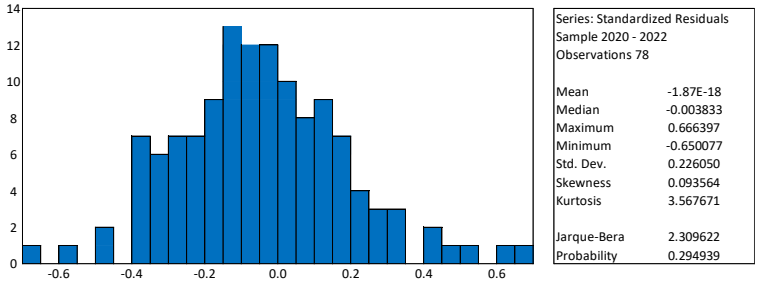

Figure 1. Normality Test Results

The results of figure 1 above prove where the probability value is 0.294939 > 0.05 which means that the data is normally distributed.

Hypoplant Test

In testing the hypothesis in this study has the aim of seeing the results of the conclusion of the relationship between the independent variable (X) and the dependent variable (Y), including the F test, t test and coefficient of determination (R2).

Simultaneous significant test (Test F)

The F test aims to determine whether the independent variable affects the dependent variable at the same time or simultaneously. The following hypotheses can be formulated from simultaneous tests (Test F) as follows:

H0: The independent variables together have no significant effect on the dependent variable.
H1: The independent variables together have a significant effect on the dependent variable.

Table 8. F Test Results

Cross-section fixed (dummy variables)			
R-squared	0.951769	Mean dependent var	8.186568
Adjusted R-squared	0.942221	S.D. dependent var	1.124215

S.E. of regression	0.270123	Akaike info criterion	0.375056
Sum squared resid	6.410217	Schwarz criterion	0.987709
Log likelihood	5.309286	Hannan-Quinn criter	0.682141
F-statistic	78.39589	Durbin-Watson stat	1.680324
Prob(F-statistic)	0.000000		

The results of the F test in table 4.9 above, it is known that the F value is calculated at 78.39589, with the value of Prob (F-statistic) of 0.000000, then H1 is rejected and H0 is accepted, that is, the independent variable simultaneously has no effect on the dependent variable.

Partial significant test (Test t)

This test aims to see how much influence the independent variables CR, ROA, and DER have on the dependent variables of stock price.

Table 9. Test Results t

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	9.191658	0.135296	74.73119	0.0000
X1	-0.040268	0.097334	-0.455078	0.6481
X2	0.482698	0.156734	3.387706	0.0021
X3	-0.379859	0.154393	-2.706379	0.0174

The following is the interpretation of the t-test results in table 9 as follows:

1. **Current Ratio (CR)**
   Based on the t-statistic value of the CR variable of -0.455078, and the probability value of 0.6481 is a probability value greater than the significance level (0.05). From this result, which means that H1 is rejected so that there is no significant effect of CR on the stock price.
2. **Return On Asset (ROA)**
   Based on the t-statistic value of the ROA variable is 3.387706, and the probability value of 0.0021 is a probability value smaller than the significance level (0.05). From these results, which means H2 is accepted so that there is a significant effect of ROA on stock prices.
3. **Debt to Equity Ratio (DER)**
   Based on the table above, the t-statistic value of the DER variable is -2.706379 and the probability value is 0.0174, which is a probability value smaller than the significance level (0.05). From these results, which means H3 is accepted so that there is a significant influence on DER stock prices.

Coefficient of Determination (R2)

To explain the independent variable to the dependent variable and if the determination value is close to 0 (zero), the independent variable has very limited explanatory power to the dependent variable. Conversely, if the determination value is close to 1 (one), the independent variable has the ability to provide all the information needed to predict the independent variable.

Table 10. R2 Test Results

Cross-section fixed (dummy variables)

R-squared	0.951769	Mean dependent var	8.186568
Adjusted R-squared	0.942221	S.D. dependent var	1.124215
S.E. of regression	0.270123	Akaike info criterion	0.375056
Sum squared resid	6.410217	Schwarz criterion	0.987709
Log likelihood	5.309286	Hannan-Quinn criter	0.682141
F-statistic	78.39589	Durbin-Watson stat	1.680324
Prob(F-statistic)	0.000000		

Based on the table above, it can be seen that the results of the calculation of the coefficient of determination (test R2) are seen in the table above in the Adjusted R-squared column, which is 0.942221 which means that the independent variable is able to explain the dependent variable by 94.2221% and the remaining 5.7779% is explained by variables outside the study.

DISCUSSION

The results of this study contradict the research of Arya Darmawan (2016); Octaviani, S and Dahlia Komalsari (2017); Rosa Yuminisa (2019); Nurrul Shafa (2019); Lutfiya Putri and Triyonowati (2021) and research by Diah Rohaya, et al (2020) which found that CR partially had a significant effect on stock prices. Where in this study it was found that in LQ 45 companies listed on the Indonesia Stock Exchange, CR does not have a significant influence on the share price of LQ 45 companies. This is due to several factors, one of which is the tendency of the company in LQ45 to maintain the CR ratio at a safe level, especially for investors so as to give a good impression of the company. Another possibility is that the sample taken still has *outlier* data towards the end of 2019 due to the influence of COVID-19.

But on the other hand, the results of this study are the same as previous studies conducted by all previous researchers as mentioned above, where they found that both ROA and DER affect stock prices both partially and simultaneously.

CONCLUSION

The purpose of this study is to analyze the effect of liquidity, solvency, and profitability on stock prices in LQ45 companies with variables CR, ROA, and DER. Data from this study uses secondary data obtained in the form of financial statements from each company through the official website of the research company and the Indonesia Stock Exchange (IDX) website. This research examines variables, namely Current Ratio (CR), Return On Assets (ROA), and Debt to Equity Ratio (DER), with related variables, namely stock price. Based on partial test data analysis conducted with Eviews 10 software described in the previous chapter. So it can be concluded as follows: Current Ratio (CR) has no effect on the share price of LQ45 companies in 2017-2019. Return on Assets (ROA) has a significant effect on the share price of LQ45 companies in 2017-2019. Debt to Equity Ratio (DER) has a significant effect on the share price of LQ45 companies in 2017-2019.

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