ABSTRACT

The purpose of this research is to examine th effect of current ratio, accounts receivable turnover, inventory turnover, asset turnover, and debt to asset ratio on return on equity. The research focuses on companies in the consumer goods sector listed on the Indonesia Stock Exchange from 2021 to 2023, with a total sample of 105 companies. Sampling was based on purposive sampling method following specific criteria. The method employed is Multiple Linear Regression.

The results indicate that current ratio and inventory turnover have a significant negative effect on return on equity. Accounts receivable turnover, asset turnover, and debt to asset ratio have a significant positive effect on return on equity.

Keywords: Current ratio, accounts receivable turnover, inventory turnover, asset turnover, debt to asset ratio, return on equity.