

## ABSTRACT

*This study aims to analyze the effect of liquidity, leverage, and profitability on firm value. The research population and sample consisted of 46 companies in the primary consumer goods sector listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024, yielding 230 observational data points. Firm value was proxied by Price to Book Value (PBV). Liquidity was measured by the Current Ratio (CR), leverage by the Debt to Equity Ratio (DER), and profitability by Return on Assets (ROA). Data analysis was conducted using multiple linear regression.*

*The results demonstrate that leverage (DER) and profitability (ROA) have a negative and significant effect on firm value. In contrast, liquidity (CR) was found to have no significant effect. These findings indicate that in the context of Indonesia's primary consumer goods sector, an increase in debt and profits is perceived negatively by the capital market, reflected in a decrease in firm value. On the other hand, the level of liquidity is not a critical signal for investors in their valuation. The formed regression model has an explanatory power (Adjusted R<sup>2</sup>) of 10.6%, meaning that the majority of the variation in firm value is determined by other factors outside this model.*

**Keywords:** *Firm Value, Liquidity, Leverage, Profitability, Primary Consumer Goods, IDX.*

