

## ABSTRACT

**Maharani Putri / 2000861201121 / Faculty of Economics / Management / Finance / The Effect of Current Ratio and Debt to Equity Ratio through Price Earning Ratio on Share Prices in the Pharmaceutical sub sector listed on the Indonesian Stock Exchange for the Period 2018-2023 / 1<sup>st</sup> Advisor Dr. Ali Akbar, SE, MM, CRP / 2<sup>nd</sup> Advisor Masnun, SE, M.S.Ak**

The Research aims to describe the problem formulation that has been designed, namely looking for the influence Current Ratio and Debt to Equity Ratio through Price Earning Ratio on Share Prices simultaneously and partially. The type data used in research is quantitative secondary data about financial report.

In this research the author take the title Current Ratio ( CR) and Debt to Equity Ratio (DER) through Price Earning Ratio (PER) on Share Prices in the Pharmaceutical sub sector listed on the Indonesian Stock Exchange for the Period 2018-2023. The aim is to find out how much influence CR and DER through PER on Share Prices in the Pharmaceutical sub sector listed on the Indonesian Stock Exchange for the Period 2018-2023.

The object of this research is the Pharmaceutical sub sector listed on the Indonesian Stock Exchange for the Period 2018-2023, namely 5 companies, namely PT. Darya Varia Laboratories Tbk (DVLA), PT. Kalbe Farma Tbk (KLBF), PT. Merck Tbk (MERK), PT. Sido Appars Tbk (SIDO), and PT. Tempo Scan Pasifik Tbk (TSPC)

Sample selection was carried out using purposive sampling, namely samples were selected based on certain criteria, with the aim of obtaining a sample that represents the research carried out. The method used in this research is quantitative descriptive. The statistical tests used are Path Analysis, Classical Assumptions (Normality, Determination Coefficient (R<sup>2</sup>), and Hypothesis Test (F Test and t Test) using SPSS v.20 program.

Based on the research result, the variables CR and DER simultaneously influence PER with a coefficient of determination of 0,380, meaning that CR and DER can influence PER by 38%. Next the variables CR and DER simultaneously influence Share Prices with a coefficient of determination of 0,377, meaning that CR and DER can influence Share Prices by 37,07%. Meanwhile, partially the CR and DER have a positive and insignificant effect on PER. Next the variables CR have a positive and insignificant effect on Share Prices. Meanwhile DER has a positive and significant effect on the Share Prices in the Pharmaceutical sub sector listed on the Indonesian Stock Exchange for the Period 2018-2023.