THE INFLUENCE OF RETURN ON EQUITY, RETURN ON ASSETS, DEBT TO EQUITY RATIO AND DIVIDEND PAYOUT RATIO TO PRICE EARNING RATIO

(Empirical Study of Commercial Banks Listed on the Indonesian Stock Exchange for the period 2019 – 2023)

ABSTRACT

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The Objectivies of this research were to determine and analyzed the influence of Return on Equity, Return on Assets, Debt to Equity Ratio and Dividend Payout Ratio on the Price Earning Ratio of Commercial Banks listed on the Indonesia Stock Exchange for the Period 2019 - 2023. The research method was used panel data regression. Data collection was used to study documentation of commercial bank financial reports for the period 2019 - 2023. The sampling technique used in this research was purposive sampling. The research results found that simultaneously Return on Equity, Return on Assets, Debt to Equity Ratio and Dividend Payout Ratio had an effect on the Price Earning Ratio of Commercial Banks listed on the Indonesia Stock Exchange for the period 2019 - 2023. As for partial Return on Equity and Debt to Equity Ratio has a negative effect on price Earning Ratio. Then Return on Assets and dividend Payout Ratio have a significant positive effect on the Price Earning Ratio.

Keywords: Return on Equity, Return on Assets, Debt to Equity Ratio, Diviend Payout Ratio and Price Earning Ratio.