

ABSTRACT

THE INFLUENCE OF TRADING VOLUME, MARKET CAPITALIZATION AND MARKET RISK ON COMPANY VALUES WITH PROFITABILITY AS A MODERATING VARIABLE

***(Survey on Registered Food and Beverage Companies
On the Indonesia Stock Exchange 2016 - 2023)***

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This research is motivated by the importance of firm value as a reflection of performance and future prospects in the food and beverage sector. The study focuses on a comprehensive analysis of trading volume, market capitalization, market risk, and profitability, and their impact on firm value in food and beverage companies listed on the Indonesia Stock Exchange for the 2016-2023 period. The research method used is a quantitative approach using secondary data. The sample size in this study was 24 companies, with a purposive sampling technique. The results of this study indicate that trading volume, market risk, and profitability are in the low category. On the other hand, market capitalization is in the medium cap category, and the company value is in the overvalued category. Furthermore, this study shows that the results of joint testing of trading volume, market capitalization, and market risk have a positive and significant effect on firm value. However, partially, trading volume has a positive but insignificant effect, market risk has a negative but insignificant effect, while market capitalization has a positive and significant effect on firm value. Another interesting finding is the role of profitability as a moderating variable. The test results indicate that profitability cannot significantly moderate the effect of trading volume and market risk on firm value. On the other hand, profitability is able to moderate the positive and significant influence of market capitalization on company value.

Keywords: trading volume, market capitalization, market risk, profitability and firm value