***ABSTRACT***

***THE EFFECT OF CURRENT RATIO, DEBT TO EQUITY RATIO, RETURN ON ASSETS, AND TOTAL ASSET TURNOVER ON FINANCIAL DISTRESS WITH EXCHANGE RATE AS A MODERATING VARIABLE***

*(A Study on Textile and Garment Companies Listed on the Indonesia Stock Exchange)*

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*This research aims to examine the effect of Current Ratio (CR), Debt to Equity Ratio (DER), Return on Assets (ROA), and Total Asset Turnover (TATO) on financial distress with exchange rate as a moderating variable in textile and garment companies listed on the Indonesia Stock Exchange during the 2020–2024 period. This research employed a quantitative approach using secondary data obtained from the annual reports of the companies and Bank Indonesia. The data were analyzed using panel data regression analysis and Moderated Regression Analysis (MRA) with E-Views 12 software. The research sample was selected using the purposive sampling method, resulting in a sample of seven companies observed over a five-year period. The results of this research indicate that the Current Ratio (CR) and Debt to Equity Ratio (DER) have no effect on Financial Distress. In contrast, Return on Assets (ROA) and Total Asset Turnover (TATO) have an effect on Financial Distress. Furthermore, the exchange rate is able to moderate the effect of CR, ROA, and TATO on Financial Distress, with different directions of moderating effects. However, the exchange rate is not able to moderate the effect of DER on Financial Distress.*

***Keywords:*** *Current Ratio, Debt to Equity Ratio, Return on Assets, Total Asset Turnover, Exchange Rate, and Financial Distress.*

## ABSTRAK

**PENGARUH *CURRENT RATIO, DEBT TO EQUITY RATIO, RETURN ON ASSETS, TOTAL ASSET TURNOVER* TERHADAP *FINANCIAL DISTRESS* DENGAN NILAI TUKAR SEBAGAI VARIABEL MODERASI**
**(**Studi Pada Perusahaan Tekstil dan Garmen yang terdaftar di Bursa Efek Indonesia)

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Penelitian ini bertujuan untuk mengetahui pengaruh *Current Ratio (CR), Debt to Equity Ratio (DER), Return on Assets (ROA), dan Total Asset Turnover (TATO)* terhadap *Financial Distress* dengan nilai tukar sebagai variabel moderasi pada perusahaan Tekstil dan Garmen yang terdaftar di Bursa Efek Indonesia periode 2020–2024. Metode penelitian yang digunakan adalah metode pendekatan kuantitatif dengan data sekunder yang diperoleh dari laporan tahunan perusahaan dan Bank Indonesia. Teknik analisis data yang digunakan adalah analisis regresi data panel dan *Moderated Regression Analysis (MRA)* dengan menggunakan *software* E-Views 12. Sampel penelitian ditentukan dengan metode *purposive sampling*, dengan jumlah sampel sebanyak 7 perusahaan selama 5 tahun pengamatan. Hasil penelitian menunjukkan bahwa *Current Ratio (CR)* dan *Debt to Equity Ratio (DER)* tidak berpengaruh terhadap *Financial Distress*. Sementara itu, *Return on Assets (ROA)* dan *Total Asset Turnover (TATO)* berpengaruh terhadap *Financial Distress*. Nilai tukar sebagai variabel moderasi mampu memoderasi pengaruh antara CR, ROA, dan TATO terhadap *Financial Distress* dengan arah pengaruh yang berbeda-beda, namun tidak mampu memoderasi pengaruh DER terhadap *Financial Distress*.

Kata kunci: *Current Ratio, Debt to Equity Ratio, Return on Assets, Total Asset Turnover,* Nilai Tukar*,* dan *Financial Distress.*