



## EFFECT OF LIQUIDITY RATIO AND SOLVENCY RATIO ON STOCK PRICES IN PT KALBE FARMA TBK

Lisdawati<sup>1</sup>, Endang Nurita<sup>2</sup>, Akhmad Akbar<sup>3</sup>

<sup>1,2,3</sup>Pamulang University, Indonesia

Corresponden Author:

Email: dosen02115@unpam.ac.id

### Abstract

*This study is entitled "Effect of Liquidity Ratio and Solvency on Stock Prices in PT Kalbe Farma TBK." This study aims to determine whether or not there is an Effect of Liquidity Ratio and Solvency on stock prices, which PT Kalbe Farma Tbk owns. Liquidity, Solvency, and Stock Price are measured by looking at the company's financial statements. The statistical methods used in this research are descriptive statistical test, classical assumption test, multiple linear regression, correlation coefficient analysis, determination coefficient analysis, and hypothesis testing performed with the T and F test at a significance of 5%. This study proves that Liquidity Ratio and Solvency simultaneously have an effect. In addition, this study also demonstrates that the partially Liquidity Ratio has a significant negative impact on stock prices, and the Solvency Ratio has a significant negative effect on stock prices.*

**Keywords:** *Liquidity Ratio, Solvency Ratio, Stock Price*

---

### INTRODUCTION

A company always has a goal to be achieved in it. One of them is to maximize the rate of return. This type of company goal is also usually desired by investors to invest in a company. Likewise, with the pharmaceutical industry, the pharmaceutical industry is one of the industries listed on the Indonesia Stock Exchange (IDX) and is related to the public's need for medicines. With Indonesia's population continuing to increase and increasing public awareness of health, the potential per capita Gross Domestic Product (GDP) health expenditure contributes to the growth of the national pharmaceutical industry.

The development of the pharmaceutical industry in Indonesia currently has around 200 companies operating in Indonesia. Large national pharmaceutical companies listed on the Indonesia Stock Exchange (IDX) include Kalbe Farma Tbk, Kimia Farma Tbk and many others.

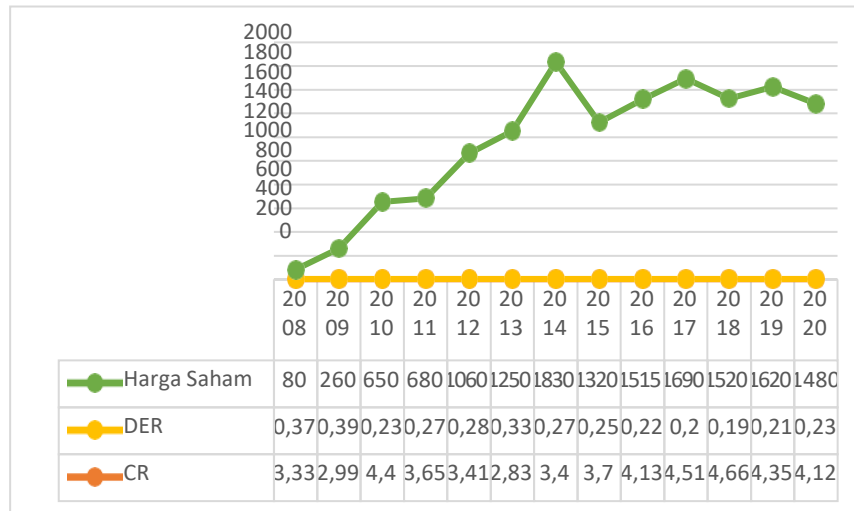
The capital market is one of the facilities and alternatives for investors to invest. Because every investor who invests will certainly expect a profit from the investment, he makes a profit is one of the factors that motivate investors to invest and as a reward for the courage of these investors in taking the risk of their investments.

Compared to other investments, the stock investment allows investors to get a larger return or profit in a relatively short time. However, stocks also have a high-risk nature, namely when the price of a stock can also decline rapidly. Therefore, every investor must consider the relationship between return (profit) and risk (risk) in investing.

The higher the return obtained, the higher the risk borne by investors. Transactions in the Indonesian capital market have experienced rapid development from period to period.

The stock price is one indicator of success that is very important and is considered by investors who will invest their capital. The high and low share price of a company is influenced by many factors

such as interest rates, inflation rates, company financial performance, risk level, supply and demand, as well as government policies, politics and state security. If a company's stock price always increases, then investors will be interested in investing in the company.



**Figure 1. Development of Liquidity Ratio, Solvency Ratio, and PT Kalbe Farma Tbk's Stock Prices in 2008-2020**

Figure 1 for 13 years shows that CR has fluctuated in the last 13 years (2008-2020). The highest increase in CR occurred in 2018, which was 4.66%. Meanwhile, the lowest decline occurred in 2013, which was 2.83%. Likewise, DER also experienced fluctuations, where the highest increase occurred in 2009, which was 0.39%, and the lowest occurred in 2018, which was 0.18%. This result impacts share price growth which is still not optimal and changes every year due to the company's lack of ability to meet its short-term obligations. The share price in 2014 was the highest share price at Rp. 1,840 and the lowest was in 2008 at Rp. 80. This share causes stock prices to fluctuate, so it can be seen how much investors are interested in the shares of a company. Based on the background of the research above, our research chose to conduct a study with the title "The Effect of Liquidity Ratio and Solvency Ratio on Stock Prices at PT Kalbe Farma Tbk."

## LITERATURE REVIEW

### Liquidity Ratio

The liquidity ratio is a ratio that measures the company's ability to meet its short-term obligations. Liquidity in this study uses the Current Ratio, according to Kasmir (2015:134). The current ratio or current ratio is used to measure the company's ability to pay off its short-term obligations or debts that will mature when billed.

According to D. Agus Harjito and Martono (2014: 55), the Current Ratio is a liquidity ratio commonly used to compare current assets with current liabilities. From some of the understanding of the experts above, it can be concluded that the Current Ratio is a ratio that can be used to measure a

company's ability to pay off its current debts using current assets owned by the company, the higher the Current Ratio, the more liquid the company will be. The higher the CR, the company is considered able to pay off its short-term obligations so that it will attract investors to buy the company's shares. If the current ratio of a company is low, investors or potential creditors can assess the company's financial health concerned with the company's operating cash flow condition.

### **Solvency Ratio**

The solvency ratio is a ratio that measures the extent to which the company's ability to meet its long-term obligations. The solvency ratio in this study uses DER (Debt To Equity Ratio) according to Agus Harjito and Martono (2014: 59), saying that the debt to equity ratio or the ratio of total debt to equity is a comparison of the total debt owed by the company with total equity. According to Sutrisno (2013:224), this Debt to Equity Ratio is a balance between debt owned and own capital. The higher this means that the own money is less than the debt. For creditors, the higher this ratio, the more unprofitable it will be and the greater the risk borne for failures that may occur in the company. Companies Effect of Work-Life Balance, Compensation, And Engagement on Teacher Performance in South Tangerang

### **Stock Prices**

One of the basic concepts of financial management is that the goal of financial management is to maximize the company's value. For companies that have gone public, this goal can achieve by maximizing the stock's market value in question. The stock price is the closing price of the stock market during the observation period for each type of stock sampled, and investors always observe its movements. Thus, decision-making is always based on considerations of maximizing shareholders' wealth.

According to Fahmi (2015: 80), shares are proof of participation in ownership of capital or funds in a company. According to Harahap (2015:550), "the stock price is a trade mark of the company's performance because the stock price is always considered more objective in measuring the value of the company or "value of the firm" by the company. Therefore, every company management on the stock exchange will always try to increase its share price". Based on the research of the experts above, it can conclude that the stock price is the price formed according to demand and supply in the stock trading market and is usually the closing price.



(Constant)	8331.353	1898.375		4.389	.001		
1 CR	-916.744	312.759	-.970	-2.931	.015	.215	4.641
DER	-13910.758	2863.322	-1.608	-4.858	.001	.215	4.641

a. Dependent Variable: Stock Prices

Source: SPSS 20. data processing results

Before testing the t-test hypothesis, you must first determine the t-table value by using the formula:  $df = n - k - 1$ . Where n is the number of data samples (13), and k is the number of independent variables (2). So  $df = 13 - 2 - 1 = 10$ . With a significance level of 0.05, a ttable of 2.22814 can be obtained. So the results of the partial test (t-test) based on the table above can be concluded that:

1) Current Ratio (CR)

The partial test coefficient value of the Current Ratio (CR) has a tcount value of 2,931 | > ttable 2,228 with a significant deal of  $0.015 < 0.05$ , then  $H_01$  is rejected, and  $H_{a1}$  is accepted. So it can conclude that partially the Current Ratio (CR) variable has a significant negative effect on stock prices.

2) Debt to Equity Ratio (DER)

The partial test coefficient value of the Debt to Equity Ratio (DER) has a tcount of 4,858 | > ttable 2,228 with a significant deal of  $0.001 < 0.05$ , then  $H_02$  is rejected, and  $H_{a2}$  is accepted. So, it can conclude that partially the Debt to Equity Ratio (DER) variable has a significant negative effect on stock prices.

**Table 2. F Simultaneous Test Results**

ANOVA <sup>a</sup>					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2909200.470	2	1454600.235	16.169	.001b
Residual	899622.607	10	89962.261		
Total	3808823.077	12			

a. Dependent Variable: Stock Prices

b. Predictors: (Constant), DER, CR

Sumber: SPSS 20. data processing results

Simultaneous effect test (F) determines whether the independent variables simultaneously or simultaneously affect the dependent variable. The following are the results of simultaneous testing between the influence of the Current Ratio (CR), Debt to Equity Ratio (DER) on the stock price of PT Kalbe Farma Tbk.

The F test is carried out by comparing Fcount with Ftable using a statistical signification table  $0.05 = df1 = k - 1$  and  $df2 = n - k$ , (k is the number of research variables and n is the number of data samples). From this formula, it can be seen that  $df1 = 3 - 1 = 2$ , and  $df2 = 13 - 3 = 10$

Based on the table above, the simultaneous test obtained Fcount and Ftable values of 16.169 > 4.10 with a significantly smaller value than the 5% confidence level used, namely 0.001 < 0.05, meaning Ho is rejected Ha is accepted, which means Current Ratio (CR), Debt to Equity Ratio (DER) simultaneously has a significant effect on stock prices.

**Table 3. Coefficient of Determination Test Results**  
**Model Summary**

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Durbin-Watson
1	.874 <sup>a</sup>	.764	.717	295.937	1.102

Sumber: SPSS 20. data processing results

Based on table 3, it can conclude that the coefficient of the determination table can be seen in R square with a value of 0.764 or 76.4%. The results show that the magnitude of the influence of the Current Ratio and the Debt to Equity Ratio is 76.4%, while other factors outside this study influence 23.6%.

## DISCUSSION

### The Effect of Liquidity Ratio on Stock Price

Based on the results of the t-test hypothesis testing using SPSS 20, it can see that the liquidity ratio proxied to the Current Ratio (CR) has a tcount value of 2,931 | > ttable 2,228 and a significant deal of 0.015 < 0.05. It can say that CR partially has a negative and significant effect. This research aligns with a study conducted by Amalia Rona Hamzah (2020), which states that CR somewhat affects stock prices.

### The Effect of Solvency Ratio on Stock Price

Based on the results of the t-test hypothesis testing using SPSS 20, it can see that the Solvency Ratio proxied on the Debt to Equity Ratio (DER) has a value of tcount 4.858 | > t table 2,228 and a significant deal of 0.001 < 0.05. It can say that DER partially has a negative and significant effect. This study is in line with Muhammad Gusvarizon's (2018) research, which states that DER partially has a substantial impact on stock prices.

### The Effect of Liquidity Ratio and Solvency Ratio on Stock Price

Based on the above analysis results, it can conclude that the liquidity ratio proxied to the Current Ratio (CR) and the Solvency Ratio proxied to the Debt to Equity Ratio (DER) simultaneously have a significant effect on stock prices. This result is evidenced by F-count 16.169 > F-table 4.10 and with a substantial value of 0.001 < 0.05. So, Ho is rejected, and Ha is accepted.

## CONCLUSION AND SUGGESTIONS

Based on the results of research on the effect of the Current Ratio (CR) and the Debt to Equity Ratio (DER) on the stock price of PT Kalbe Farma Tbk for the period 2008-2020, the following conclusions can draw:

1. Liquidity Ratio partially has a negative and significant effect on the stock price of PT Kalbe Farma Tbk for the period 2008-2020. The value of t-count and t-table  $2,931 \mid > 2.228$  with an important matter of  $0.011 < 0.05$ , then  $H_01$  is rejected, and  $H_{a1}$  is accepted.
2. The solvency ratio partially has a negative and significant effect on the stock price of PT Kalbe Farma Tbk for the period 2008-2020. The value of tcount and ttable  $- 4.858 \mid > 2.228$  with a significant deal of  $0.001 < 0.05$ , then  $H_02$  is rejected, and  $H_{a2}$  is accepted.
3. Liquidity and Solvency Ratio together have a significant effect on the share price of PT Kalbe Farma Tbk for the period 2008-2020.

This result is evidenced by the value of 16.169 with a considerable level of  $0.001 < 0.05$ .

And influences 76.4%, while other factors outside this study influence 23.6%

## REFERENCE

- Alipudin, A. & Oktaviani, R. (2016). Pengaruh EPS, ROA, ROE, dan DER terhadap Harga Saham Pada Perusahaan Sub Sektor Semen yang terdaftar di BEI. *Jurnal Ilmiah Akuntansi Fakultas Ekonomi Universitas Pakuan*. 1- 22.
- Amalia, S.Y. (2019). Pengaruh *Current Ratio* (CR), *Debt to Equity Ratio* (DER) dan *Firm Size* (Total Aset) terhadap *Cash Dividend* studi kasus PT. Goodyear Indonesia Tbk periode 2006-2016. Tangerang. tidak diterbitkan. Universitas Pamulang, Tangerang Selatan.
- Fahmi, I (2011). *Analisis Laporan Akuntansi*. Bandung: ALFABETA.
- Gusvarizon, M. (2018). Pengaruh Inflasi, Nilai Tukar, *Current Ratio* (CR) dan *Debt to Equity Ratio* (DER) terhadap Harga Saham (Studi Kasus pada PT. Eratex Djaja Tbk periode 2009-2011), *Jurnal Manajemen Bisnis Krisnadwipayana*. 112-119
- Harjito, D.A. (2014). *Manajemen Keuangan*, Edisi Kedua, Cetakan Keempat. Yogyakarta: EKONISIA
- Kasmir. (2014). *Analisis Laporan Keuangan*, Edisi Pertama, Cetakan Ketujuh. Jakarta: PT Rajagrafindo Persada.
- Novia, J. & Zuliyana, M. (2018). Pengaruh *Current Ratio*, *Debt to Equity Ratio*, dan *Return on Equity* terhadap Harga Saham pada perusahaan pertambangan yang terdaftar di *Indonesian Stock Exchange* (IDX) tahun 2014-2017. *Jurnal Ilmiah Ekonomi Global Masa Kini*, 135-144.
- Nur'aidawati, S. (2018). Pengaruh *Current Ratio* (CR), *Total Asset Turnover* (TATO), *Debt to Equity Ratio* (DER) dan *Return on Asset* (ROA) terhadap Harga Saham dan Dampaknya pada Nilai Perusahaan (Studi Kasus pada Sepuluh Bank Terbesar yang terdaftar di BEI periode tahun 2011-2015). *Jurnal Sekuritas*, 70-83.
- Nurwita, N. (2019). Pengaruh Rasio Hutang, Struktur Kepemilikan, Suku Bunga, Inflasi dan Profitabilitas terhadap *Price Earning Ratio* pada Perusahaan LQQ-, 45 Periode 2011-2014. *Jurnal Semarak*, 2(3), 141-160.
- Nurwita, N. (2020). Pengaruh *Current Ratio* (CR) terhadap *Return on Asset* (ROA) Pada PT Indocement Tunggul Prakarsa Tbk Periode 2011-2019. *Jurnal Inovasi Penelitian*, 1(7), 1335-1340.
- Riyanto, B. (2013). *Dasar-dasar Pembelanjaan Perusahaan*. Yogyakarta: BPFE.
- Sartono, A. (2015). *Manajemen Keuangan, Teori dan aplikasi*. Yogyakarta: BPFE.
- Sugiyono. (2015). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.
- Setiyana, R. (2020). Pengaruh *Return on Asset* dan *Debt to Equity Ratio* terhadap Harga Saham PT.

Waskita Karya (Persero) Tbk. Tangerang. tidak diterbitkan. Universitas Pamulang, Tangerang Selatan.

Sriwahyuni, E. & Saputra, S. R. (2017). Pengaruh CR, DER, ROE, TAT, dan EPS terhadap Harga Saham Industri Farmasi di BEI tahun 2011-2015. *Jurnal Online Insan Akuntan*. 119-136.

Sudarno, Y. & Ribkha. (2019). Pengaruh EPS, PER, ROA, dan DER terhadap Harga Saham Perusahaan Sektor Aneka Industri yang terdaftar di BEI tahun 2013-2017. *Jurnal Akuntansi, Kewirausahaan dan Bisnis*. 169-180.

Widhiastuti, T. (2020). Pengaruh *Return on Equity* (ROE) dan *Earning Per Share* (EPS) terhadap Harga Saham PT. Mitra Adiperkasa Tbk. Tangerang. tidak diterbitkan. Universitas Pamulang, Tangerang Selatan.

Wulandari, S. M. (2019). Pengaruh *Current Ratio* (CR) dan *Debt to Equity Ratio* (DER) terhadap *Return on Equity* (ROE) pada PT. Astra Internasional Tbk. Tangerang. tidak diterbitkan. Universitas Pamulang, Tangerang Selatan