

ABSTRACT

The capital market has a very important role in a country's economy, functioning as a means of connecting investors with companies that need funds. In Indonesia, the Indonesian Stock Exchange (IDX) is the main platform for companies to obtain capital and for investors to invest. However, share price fluctuations are often influenced by various factors, including the company's financial ratios. Therefore, it is important to understand the relationship between financial ratios and stock prices, especially in the context of digital and non-digital financial companies.

This research aims to analyze the influence of financial ratios on the stock prices of digital and non-digital financial companies listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2023. By understanding this influence, it is hoped that company management can take strategic steps to improve financial performance and attract investor interest.

The method used in this research is quantitative data analysis using EViews software. The data collected comes from the annual financial reports of companies listed on the Indonesia Stock Exchange (IDX), which were obtained through documentation methods and other secondary sources. This research will analyze liquidity, profitability and solvency ratios, including Current Ratio, Return On Equity, Net Profit Margin, Earning Per Share and Debt to Equity Ratio.

The research results show that the Current Ratio (CR) significantly influences stock prices, particularly in digital financial companies. Earnings Per Share (EPS) also significantly influences stock prices, but only in non-digital financial companies. Meanwhile, Return on Equity (ROE), Net Profit Margin (NPM), and Debt to Equity Ratio (DER) do not significantly influence stock prices in either the digital or non-digital sectors.

It is hoped that this research can contribute to company management in managing their financial performance. Apart from that, the research results can be a reference for investors in making better investment decisions. It is recommended that companies continuously monitor their financial ratios and adapt to changing market conditions to increase their attractiveness in the eyes of investors.

Keywords : *Indonesian Stock Exchange, Current Ratio, Return On Equity, Net Profit Margin, Earning Per Share, Debt to Equity Ratio, Stock Prices*