

ABSTRACT

One component in the financial statement is the Profit/loss report in which there is a profit or loss information generated by a company in a certain period that will be beneficial to users of financial statements. In addition, information about profit is a crucial benchmark to assess the quality of the profits generated by the company. This research was conducted to identify the relationship and influence of the investment opportunity Set (IOS), information asymmetry, and the liquidity to the quality of profit in the company of the consumer goods listed on the Indonesia Stock Exchange in 2015-2018.

The population in research is the consumer goods sector. Sample selection technique used is Sampling saturated and acquired 29 companies with period 201-2018 so as to get samples as much as 116 observations. The method of data analysis in this research is regresidata panel.

The results showed the Investmet opportunity Set (IOS), information asymmetry and simultaneous influence on the quality of profit. A partial impact result is the investment opportunity Set (IOS) variable that positively affects the quality of the profit. While the variable asymmetry of information and liquidity has no effect on the quality of profit. For investors the results of this research are expected to provide additional information in making investment decisions. As for the company, the results of this research are expected to provide reference as well as input information to the company regarding the influence of investment opportunity set, information asymmetry and liquidity to the quality of profit.

Keywords: quality profit, Investment Opportunity Set (IOS), information asymmetry, liquidity