

ABSTRACT

Stock prices are a reflection of investors' expectations of earnings, dividends, and interest rates that will occur. Investor estimates of these three variables can determine the appropriate stock price, then the stock price that has been formed will reflect investors' expectations of future economic conditions.

This study aims to examine the effect of Debt to Equity Ratio and Return on Assets on stock prices with 7 Day Rate Repo as a moderating variable. The object of this research is the pharmaceutical sector companies listed on the Indonesia Stock Exchange for the period 2016-2020.

To test the hypothesis used descriptive research and quantitative methods. The data analysis technique used is multiple linear analysis and moderate regression analysis. The data used is secondary data. The technique used for sample collection is purposive sampling and a total sample of 9 companies.

Simultaneous test results showed that the variable Debt to Equity Ratio and Return on Assets affect stock prices with 7 Day Rate Repo as a moderating variable in pharmaceutical sector companies listed on the Indonesia Stock Exchange for the 2016-2020 period. The partial test results showed that the Debt to Equity Ratio and Return on Assets variables affect stock prices in pharmaceutical sector companies listed on the Indonesia Stock Exchange for the 2016-2020 period after being moderated by 7 Day Rate Repo as a moderating variable.

Suggestions for further research are expected to increase the population or use a different research object. This research is expected to provide input or information in making financial management decisions about stock prices and be a consideration for investors in making investment decisions.

Keywords: *DER, ROA, Stock Prices, 7 Day Rate Repo*