

## CHAPTER V

### CONCLUSION AND IMPLICATION

#### A. Conclusion

This study aims to determine the effect of ROA, DER, and CR on stock returns in the cyclical consumer sector listed on the Indonesia Stock Exchange from 2018 to 2020. Based on the analysis and discussion carried out in this study, the conclusions of this study are as follows:

1. Return on Assets positively affect stock returns in cyclical consumer sector companies.
2. Debt to Equity Ratio does not affect on stock returns in cyclical consumer sector companies.
3. Current Ratio Negatively affect on stock returns in cyclical consumer sector companies

#### B. Implication

1. For Company

The results of this study can add insight for companies in improving company performance because company performance will affect investors' decisions to invest in companies if the company's performance from a high ROA indicator will give a positive signalling for investors to invest in companies with high ROA.

2. For Investor

The results of this study are expected to add insight for potential investors who want to invest in a company regarding the company's financial

performance to seek high ROA to get high stock returns in the future when they have invested in companies, especially in cyclical consumer sector companies.

