

Determinants of Systematic Risk in Manufacturing Sector of Indonesia.

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- **Abstract:** The purpose of this study was to obtain empirical evidence of the effect of financial leverage, asset growth, firm size, liquidity, and interest rates on the systematic risk (beta) of stocks. The population in this study amounted to 142 companies, with purposive sampling method data obtained a number of 97 companies for 5 years of observation so that the number of observational data was 485 observations. The data used is secondary data obtained from the annual reports of manufacturing companies listed on the Indonesia Stock Exchange in the 2016-2020 period. The data analysis technique uses panel data regression analysis. The results of this study indicate that financial leverage have a positive effect on the systematic risk (beta) of stocks, firm size have a negative effect on the systematic risk (beta) of the stock, while asset growth, liquidity, and interest rates have no effect on the stock's systematic risk (beta).
- **Keywords:** beta, financial leverage, asset growth, firm size, liquidities, interest of rates.