

ABSTRACT

THE EFFECT OF OPERATING CASH FLOW, PROFITABILITY, LEVERAGE, LIQUIDITY AND TRADING ACTIVITY ON FINANCIAL DISTRESS

**(An Empirical Study on Transportation Companies Listed on the Indonesia
Stock Exchange in 2017/2021)**

By

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The purpose of this study was to empirically find the effect of operating cash flow, profitability, leverage, liquidity and trading activity on the financial distress in transportation companies listed on the Indonesia Stock Exchange (IDX). This type of research was a quantitative research with an associative approach. The sampling in this study used purposive sampling, with the total sample of 14 transportation companies registered on the IDX in 2017-2021. The tests in this study done by using the Eviews program version 10 by conducting the panel data regression test on the data. The result showed that operating cash flow had no effect on financial distress, profitability had a negative effect on financial distress, leverage had a negative effect on financial distress, liquidity had a positive effect on financial distress, and trading activity had a negative effect on financial distress.

Keywords: Financial Distress, Operating Cash Flow, Profitability, Leverage, Liquidity, Trading Activity

