

ABSTRACT

THE INFLUENCE OF FUNDAMENTALS ON SYSTEMATIC RISK IN CYCLICAL COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE

By

Noval Dewa Brilian

This research aims to determine the influence of fundamental variables on systematic risk. Systematic risk, in general, is the risk associated with changes that occur in the overall market. This study is a quantitative research with an associative approach. The sampling method employed in this research is purposive sampling, with a total of 25 cyclical companies sampled during the period from 2017 to 2021. The data analysis method used in this study is Panel Data Regression analysis. The results of the research show that growth has a significant negative effect on systematic risk, and the growth option variable has a significant positive effect on systematic risk. Meanwhile, financial leverage, business risk, firm age, and firm size variables do not have a significant effect on systematic risk.

Keywords : *Systematic Risk, Financial Leverage, Growth, Business risk, Firm Age, Firm Size, Growth Option.*