

## **ABSTRACT**

# **THE EFFECTS OF INVENTORY TURNOVER ON PROFITABILITY OF THE FOOD AND BEVERAGES COMPANIES IN INDONESIAN STOCK EXCHANGE**

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*The aim of this research is to find out the effect of the inventory turnover on profitability ratios in the food and beverage companies.*

*The population of this research is a causal research method, by taking the documentation financial statements which have already existed in the previous year based on the secondary data by the comprising of profit and loss balance. In this study used the variables of inventory turnover and profitability which represented by ROA. The all data obtained from the research literature, the financial quarterly statement, books, literatures, journals, and other theories which are related directly or indirectly with this research. The methods of the data analysis used the regression analysis and the hypothesis testing*

*This research result of the hypothesis testing is indicate a significant effect of the regression coefficient or the inventory turnover on ROA.*

*Keywords: Inventory Turnover, Return On Assets.*