

Assignment-12

Current ratio of firms increases from 1.5 to 2.5
What would be the reverse of the company's
stock price
In increase in the current ratio from 1.5 to 2.5

In dilute that a company's liquidity is improving
meaning it is more current asset relative to its
current liabilities while this can be viewed as a
positive sign of a company's ability to owner it
that term obligations effect on the stock
price less on several factors

Investor perceptions: what does it mean
If Investors interpret the increase of
a sign of better financial health and growth.
It may lead to an increase in the
stock price

Conclusion & Location:

If one increase is due to better managing
of value or growth in assets it can be seen
positively. Now, even if it reflects the company
holding excess it is reflect the company holding
excess cash or not. Investors earn in growth
negatively pointing down the stock price
of fall

Industry Better market

The impact on demand in how the
ratio comparing with industry overall at the firm
current ratio right with or out per from
comparing it one per firm per year price

overall market sentiment

Borders market condition of external factors
can insure whether an increase in the current ratio
positively impacts stock price

In a very narrow range of current ratio with a response
range of current ratio is provided
very high current ratio may indicate that the
could negative stock price

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