

**DETERMINANTS OF CORPORATE CASH
HOLDINGS IN MANUFACTURING COMPANIES**

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ABSTRACT

The purpose of this study is to investigate the determinant factors of corporate cash holding of public listed companies in the Malaysian manufacturing industry for a balanced panel data. A sample of 212 manufacturing companies listed on Bursa Malaysia for 15 years (1999 – 2013) is selected. Corporate cash holding is designated as the dependent variable while leverage, liquidity, firm size, dividend policy and firm growth are chosen as independent variables. This research utilizes Fixed Effect Model as the regression tool to analyze the relationship between independent and dependent variables. The result shows that leverage and liquidity has statistically significant negative relationship and dividend policy has statistically significant relationship with corporate cash holdings while firm size and firm growth have insignificant relationship with corporate cash holdings in Malaysian manufacturing companies.

Keywords: corporate cash holdings, panel data, tradeoff theory, pecking order theory