



**THE IMPACT OF LEVERAGE THROUGH COMPANY LIQUIDITY :
EVIDANCE FROM MALAYSIA**

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Abstract

This study investigates the effect of liquidity through company leverage among all listed company listed in main market of bursa Malaysia from 2007 to 2016. Panel data is applied to investigate the effect of company liquidity on different debt ratios which is liquidity of the company. Two independent variables are to be measure for this study which are current ratio and quick ratio which also known as acid test ratio. in addition, different debt ratios are to be measure as the dependent variable for this study which consists of short term and long-term debt for both assets and equity. Total debt is also one of the variable to be taken as dependent variable. The result shows that there was a positive significant relationship between leverage ratio to long term debt. According to the result current ratio are negatively related to the leverage although, quick ratio has a positive impact on leverage.