



THE DETERMINANTS OF MALAYSIAN PUBLIC
LISTED FIRMS' CAPITAL STRUCTURE IN
FOOD PRODUCER INDUSTRY.

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ABSTRACT

Since decades, the point of capital structure has been broadly focused on, yet it stayed as an uncertain issues. There are some theory that trying to give insight on this problem from the past decades ago and until today. The aim of this research is to investigate whether there is a significant relationship between profitability, liquidity, growth opportunity, and size which are firm specific factors towards the capital structure of Malaysia's listed firms in food producer industry. This study conducts Panel data for its research methodology and done on 20 firms listed under food producer industry at Bursa Malaysia which covered the period of 2009-2013, total observations of 100 firms years. The dependent variable is total debt ratio and independent variables are profitability, liquidity, growth opportunity and size. The result in this study found that profitability and liquidity have a negative significant relationship towards capital structure, growth opportunity has a positive significant relationship with capital structure while size has positive insignificant relationship towards capital structure.