



A STUDY ON THE DETERMINANTS OF DIVIDEND PAYOUT RATIO OF CONSUMER
PRODUCTS AND SERVICES IN MALAYSIA

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ABSTRACT

This study determines the relationship between Asset Growth (AG), Firm Size (FIRM), Financial Leverage (LEV), Investments Opportunity (IO) and Return on Asset with Dividend Payout Ratio (DPR) in consumer products and services in Malaysia from year 2007 until 2017 for yearly data. This study employs panel data with total of 240 observations. The data had been examined using Unit Root test, Descriptive analysis, Panel Regression Fixed Effect Model and Diagnostic test in order to determine the existence of error terms in a data. The result shows that Firm Size (FIRM), Financial Leverage (LEV), Investment Opportunity (IO) and Return on Asset (ROA) have significant connection with Dividend Payout Ratio (DPR). However, Asset Growth (AG) does not have significant connection with Dividend Payout Ratio (DPR).

Keywords: *Dividend Payout Ratio, Asset Growth, Firm Size, Financial Leverage, Investment Opportunity, Return on assets*

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