



**DETERMINANT OF CAPITAL STRUCTURE  
TOWARDS MANUFACTURE AND FOOD INDUSTRY  
WITHIN MALAYSIA'S CASES**

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## EXECUTIVE SUMMARY

This study is to measure the determinant of the capital structure towards Manufacturer and Food Industry within Malaysia cases. The main purposed of this study is firstly to determine the relationship between dependent variable, leverage with independent variable which are profitability, firm size and liquidity. This research is aims to investigate whether profitability (PFT), size of firm (SIZE) and Liquidity (LIQ) have significant towards the debt ratio (LEV) of manufacturer and food industry within Malaysia. Those of the variable that we can measure based on Data stream through UiTM Online Database. Panel data analysis has been used to evaluate data for 20 companies over 14 year's period with the total observations of 280 firm-years. As concluded, we can see that, from these studies, obviously firm size has big influence towards leverage rather than profitability and liquidity. It means that, firm size prefers to use leverage as their financial resources and the rest should be use equity in order to obtain their capital. Thus, since I get the result, it is already answer the entire objective of study.

**Keywords:** *capital structure; Manufacture and Food Industry; debt ratio; profitability; size of firm; liquidity*

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