

DETERMINANTS OF CORPORATE CASH HOLDINGS – EVIDENCE FROM INDONESIAN MANUFACTURING COMPANIES

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Abstract

This study is aimed at examining the influence of dividend payments, profitability, liquidity, and firm size for cash holdings in Indonesian manufacturing companies. A total of 32 companies were selected during the observation period between 2010 and 2014 (or 160 observations). Data was analysed by using multiple linear regression. This study found that dividend payments, profitability, liquidity, and firm size both collectively and individually determine cash holdings of the studied manufacturing companies. Therefore, the results are consistent with previous research findings, although it was carry out in a single industry and in a developing country

Keywords: Dividend Payments, Profitability, Liquidity, Firm Size, Cash Holdings.

JEL classification: O12, G31