ABSTRACK

Liquidity is the ability of the company to meet its short-term liabilities to creditors to fund operations that must be met, capital structure or composition of capital must be arranged in such a way to guarantee the financial stability of the company. This study aims to provide empirical evidence about the effect of liquidity and capital structure to the firm value in the metals and minerals mining company listed on the Stock Exchange.

The population in this study is 8 metal and mineral mining company listed on the Stock Exchange during the five years (2009-2013). Sample selection is done by using purposive sampling. The total sample of six metals and mineral mining company (2009-2013). The analysis used is descriptive analysis and verification with quantitative approach. Model analysis used is multiple linear regression analysis.

Results of testing the hypothesis in this study show that (1) changes in liquidity has a significant positive effect on the value of the company in metal and mineral mining company listed on the Stock Exchange, (2) changes in capital structure has an significant positive effect on the value of companies in the metals and minerals mining company listed on the Stock Exchange.

Keywords: Liquidity, Capital Structure,Firm Value.