

## ABSTRACT

*This study investigates the impact of equity market conditions and external funding, specifically debt issuance, on capital investment in the context of the current dynamic era characterized by rapid technological advancements and fluctuating economic conditions. Previous research has explored these relationships, but this study aims to provide updated insights relevant to contemporary industry dynamics.*

*The research focuses on companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange from 2020 to 2022, with a total sample of 13 companies selected through purposive sampling based on specific criteria. Utilizing Multiple Linear Regression as the analytical method, the findings reveal that both equity market conditions and debt issuance exert a significant positive effect on capital investment. These results underscore the importance of favorable equity markets and strategic debt utilization in fostering capital investments, highlighting their roles as critical drivers in the food and beverage industry.*

*This study contributes to the existing literature by providing current empirical evidence and offers practical implications for corporate financial managers and investors aiming to optimize capital allocation in a rapidly evolving economic landscape.*

*Keywords: equity market condition, external fund, debt issuance, capital investment.*