

ABSTRACT

This study aimed to analyze factors affecting the issuer's choice of Islamic bonds. The dependent variable that used in this research is the issuer's choice of Islamic bonds which is measured by the two types of bonds, ijarah bond and mudharabah bond. Independent variables that used in this study are leverage ratio, firm size, and operating margin ratio.

The population of this study is from companies that issue Islamic bonds until October 2015. Sampling is used by purposive sampling method. Based on that method, the total of samples are 18 companies. This study was analyzed by binary logistic regression.

The results showed that the leverage ratio, firm size and operating margin ratio are not significant affect toward the issuer's choice of ijarah bond.

Keywords: Sharia accounting, bond structures, islamic bonds, leverage ratio, firm size, operating margin ratio