ABSTRACT

Hedging is a method used to minimize the risk of changes in exchange rates with forward contracts. This study aims to analyze the effect of leverage, growth opportunity, profitability, liquidity and firm size on firm value by mediating hedging decisions. The method used in this research is quantitative research. Data collection is carried out by documenting mining company annual reports that have been available as a method of data collection. For the purposes of the analysis, pooled data was used within 3 years of financial statements from the sample, so that the data obtained amounted to 120 observations.

Sampling technique used here is pusposive sampling. The data was taken Indonesian Capital Market Directory (ICMD). The analysis technique used here is logistic regression. The result shows growth opportunity, profitability, and firm size, to have influence toward hedging at level of significance less than 5%. Growth opportunity, profitability, firm size and hedging to have influence toward firm value at level of significance less than 5%.

Keywords: Hedging, leverage, growth opportunity, profitability, liquidity, firm size, firm value

.