

## **ABSTRACT**

*Hedging is a strategy used to protect the value of assets owned by the company from losses that occur due to existing risks. This study aims to determine the effect of leverage, liquidity and growth opportunity on hedging decisions in coal mining companies listed on the Indonesia Stock Exchange for the 2016-2021 period.*

*This research uses purposive sampling technique and produces 13 companies from 24 research data companies. The analytical method used in this research is descriptive analysis and logistic regression analysis. The results of the study reveal that simultaneously leverage, liquidity and growth opportunity affect hedging decisions in coal mining companies in 2016-2021.*

*Partially, leverage and liquidity have a significant positive impact on hedging decisions, while growth opportunity has no impact on hedging decisions.*

*Based on the research conducted, it is hoped that this research will be used as material for consideration of hedging decisions for companies, this research is also expected to help investors invest their capital in companies that carry out hedging.*

*For academics, this research can contribute to advanced research methods and accounting courses, and further research can be used as a reference by adding other variables.*

**Keywords:** *Hedging, Leverage, Liquidity, Growth Opportunity*