

## **ABSTRACT**

*Firm value can influence investors in making investment decisions because company performance can be reflected in the low or high value of the company. The company's stock price is related to the firm value because the firm value is obtained from the price of the company's shares purchased by the shareholders. Increasing stock prices can affect the firm's value increases so that the profits earned by investors can increase.*

*This study aims to determine the effect of capital adequacy, dividend policy, and inflation on firm value in banking companies listed on the Indonesia Stock Exchange in 2018-2021. The method used in this study is a quantitative method with secondary data obtained from annual reports and company financial reports taken from the official website of the Indonesia Stock Exchange and the company's official website as well as inflation rate data from the Indonesian Statistics Center.*

*The population in this study are banking companies listed on the Indonesia Stock Exchange (IDX) in the 2018-2021 period. The sampling technique used was purposive sampling based on certain criteria and obtained 48 samples consisting of 12 companies with a period of 4 years. The method used is panel data regression analysis using the Eviews 12 application.*

*The results of the study show that capital adequacy, dividend policy, and inflation simultaneously affect firm value. Partially, it shows that capital adequacy and inflation have a positive effect on firm value, while dividend policy has no significant effect on firm value.*

**Keywords:** *Firm Value, Capital Adequacy, Dividend Policy, Inflation*