



**TESTING OF HERDING AND CAPITAL STRUCTURE DECISIONS ON THE INDONESIA STOCK EXCHANGE: AN OBSERVATION OF INFRASTRUCTURE & PROPERTY FIRMS**

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**ABSTRACT:**

The purpose of this study is to examine the phenomena of herding behavior and capital structure decisions at IDX by taking samples of firms in the infrastructure and property industry sectors in 2018-2021. The basis for determining the research model from Brandea and Pop (2019) which uses panel data regression based on Leary and Robert (2014) research regarding the peer effect motive in herding behavior and capital structure decisions. The results of this study show that there is still herding behavior and capital structure at IDX, especially in infrastructure and property industrial firms with the expansion of findings from Brandea and Pop (2019) that it is not only size as a determining factor but also profit and growth. The implication is that it is still possible for infrastructure and property firms to conduct herding as long as they are able to maintain their optimum capital structure.

**KEYWORDS:**

Herding behavior, capital structure decisions, infrastructure & property firms in the IDX

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