Accepted Manuscript

Stock Liquidity and Dividend Payouts

Fuxiu Jiang, Yunbiao Ma, Beibei Shi

PII: S0929-1199(16)30358-3
Reference: CORFIN 1132

To appear in: Journal of Corporate Finance

Received date: 9 June 2016
Revised date: 12 December 2016
Accepted date: 14 December 2016

Please cite this article as: Jiang, Fuxiu, Ma, Yunbiao, Shi, Beibei, Stock Liquidity and Dividend Payouts, Journal of Corporate Finance (2016), doi:10.1016/j.jcorpfin.2016.12.005

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.
Stock Liquidity and Dividend Payouts

Abstract

This study investigates the informational effect of stock liquidity on dividend payouts. Using a sample of Chinese listed firms during 2000–2014, we find a positive relation between stock liquidity and dividend payouts. This result is robust to the use of alternative measures of liquidity, and holds after we control for endogeneity concerns. In accord with our hypothesis that stock liquidity provides information and increases insiders’ incentive to pay out dividends, we find that the positive relation between stock liquidity and dividend payouts is more pronounced when the information environment is opaque, and when conflict between controlling shareholders and minority investors is severe. Further, market reactions to regulatory stipulations requiring dividend payouts are more favorable for firms with low stock liquidity, suggesting that legal provisions and regulations are substitutes for stock liquidity. Finally, we rule out several alternative explanations concerning the governance of non-controlling blockholders and the alleviation of manager-shareholder agency conflict.

Keywords: Stock liquidity; Dividend payouts; Controlling shareholder; Informational effect; China.

JEL classification: G14 G30 G35
دریافت فوری
متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات