

FIN 971A: Homework 1

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1 Question 1

2 Question 2

VARIABLES	(1) b_lev_tr	(2) b_lev_tr	(3) b_lev_tr	(4) m_lev_tr	(5) m_lev_tr	(6) m_lev_tr
zee_i_b_lev	0.0274 (0.0242)	0.0227 (0.0198)	0.0180 (0.0167)			
zee_l_sales_tr		0.0189*** (0.00166)	0.0257*** (0.00175)		0.0248*** (0.00175)	0.0351*** (0.00184)
zee_m_b_tr		-0.0304*** (0.00149)	-0.0174*** (0.00130)		-0.0830*** (0.00155)	-0.0743*** (0.00148)
zee_profit_tr		-0.0341*** (0.00135)	-0.0396*** (0.00134)		-0.0536*** (0.00142)	-0.0596*** (0.00140)
zee_tang_tr		0.0525*** (0.00197)	0.0314*** (0.00181)		0.0353*** (0.00175)	0.0206*** (0.00180)
zee_ind_b_lev			0.0590*** (0.00208)			0.0453*** (0.00164)
zee_cf_vol_tr			-0.0132*** (0.00123)			-0.0166*** (0.00121)
pays_dv			-0.0601*** (0.00301)			-0.0759*** (0.00330)
zee_i_m_lev				0.134*** (0.00225)	0.102*** (0.00219)	0.0922*** (0.00212)
Constant	0.254*** (0.00167)	0.244*** (0.00160)	0.282*** (0.00208)	0.298*** (0.00195)	0.285*** (0.00169)	0.329*** (0.00226)
Observations	106,957	106,957	106,957	94,490	94,490	94,490
R-squared	0.021	0.148	0.226	0.259	0.428	0.465

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

VARIABLES	(1) b_lev_tr	(2) b_lev_tr	(3) b_lev_tr	(4) m_lev_tr	(5) m_lev_tr	(6) m_lev_tr
zee_i_b_lev	0.296*** (0.0133)	0.246*** (0.0128)	0.211*** (0.0123)			
zee_l_sales_tr		0.0192*** (0.00229)	0.0264*** (0.00246)		0.0334*** (0.00290)	0.0422*** (0.00307)
zee_m_b_tr		-0.0141*** (0.00266)	-0.00902*** (0.00264)		-0.0887*** (0.00364)	-0.0813*** (0.00347)
zee_profit_tr		-0.0630*** (0.00329)	-0.0578*** (0.00314)		-0.108*** (0.00433)	-0.103*** (0.00386)
zee_tang_tr		0.0350*** (0.00250)	0.0203*** (0.00261)		0.0389*** (0.00299)	0.0185*** (0.00316)
zee_ind_b_lev			0.0400*** (0.00265)			0.0501*** (0.00296)
zee_cf_vol_tr			-0.0113*** (0.00240)			-0.0208*** (0.00275)
pays_dv			-0.0518*** (0.00477)			-0.0732*** (0.00603)
zee_i_m_lev				0.118*** (0.00385)	0.0841*** (0.00354)	0.0733*** (0.00339)
Constant	0.249*** (0.00224)	0.249*** (0.00289)	0.279*** (0.00413)	0.295*** (0.00339)	0.287*** (0.00364)	0.331*** (0.00496)
Observations	49,663	49,663	49,663	42,026	42,026	42,026
R-squared	0.216	0.309	0.349	0.220	0.460	0.498

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

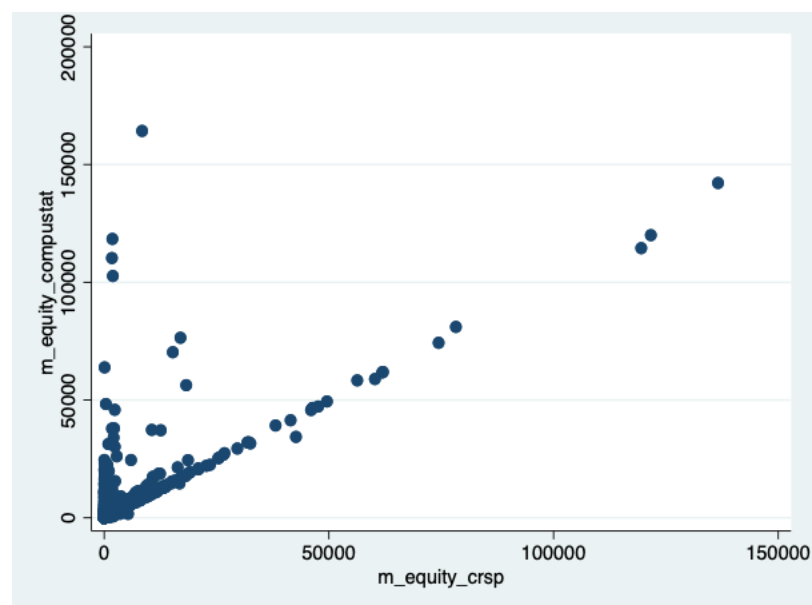
3 Question 3

VARIABLES	(1) b_lev_tr	(2) b_lev_tr	(3) b_lev_tr	(4) m_lev_tr	(5) m_lev_tr	(6) m_lev_tr
zee_l_sales_tr		0.0497*** (0.00394)	0.0551*** (0.00386)		0.0716*** (0.00421)	0.0782*** (0.00415)
zee_m_b_tr		-0.00385*** (0.00123)	-0.00292** (0.00122)		-0.0578*** (0.00155)	-0.0557*** (0.00153)
zee_profit_tr		-0.0433*** (0.00139)	-0.0434*** (0.00138)		-0.0658*** (0.00167)	-0.0678*** (0.00165)
zee_tang_tr		0.0539*** (0.00269)	0.0509*** (0.00264)		0.0530*** (0.00287)	0.0503*** (0.00284)
zee_ind_b_lev			0.0399*** (0.00185)			0.0376*** (0.00211)
zee_cf_vol_tr			-0.00298*** (0.000995)			-0.00951*** (0.00109)
pays_dv			-0.0337*** (0.00256)			-0.0517*** (0.00314)
Constant	0.255	0.245*** (0.000670)	0.263*** (0.00154)	0.298	0.282*** (0.000709)	0.311*** (0.00181)
Observations	108,166	106,424	106,424	108,166	106,424	106,424
R-squared	0.705	0.724	0.733	0.688	0.755	0.761

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

4 Question 4



VARIABLES	(1) m_equity_compustat
m_equity_crsp	1.050*** (0.00701)
Constant	108.4*** (19.05)
Observations	16,263
R-squared	0.580
Standard errors in parentheses	
*** p<0.01, ** p<0.05, * p<0.1	

5 Question 5

VARIABLES	(1) b_lev_tr	(2) m_lev_tr
zee_i_b_lev	0.248*** (0.00960)	
zee_l_sales_tr	0.0203*** (0.00173)	0.0336*** (0.00204)
zee_m_b_tr	-0.0147*** (0.00134)	-0.0707*** (0.00165)
zee_profit_tr	-0.0342*** (0.00147)	-0.0544*** (0.00158)
zee_tang_tr	0.0207*** (0.00176)	0.0168*** (0.00201)
zee_ind_b_lev	0.0412*** (0.00170)	0.0477*** (0.00176)
roa_vol	-0.115*** (0.0126)	-0.154*** (0.0177)
pays_dv	-0.0442*** (0.00305)	-0.0647*** (0.00362)
zee_i_m_lev		0.0864*** (0.00238)
Constant	0.284*** (0.00254)	0.328*** (0.00306)
Observations	56,970	51,313
R-squared	0.370	0.492
Robust standard errors in parentheses		
*** p<0.01, ** p<0.05, * p<0.1		