

New York State Publication House

High-Quality Research platform

Focusing on quarterly data of China's publicly-listed firms from 2013Q1-2017Q3, this paper presents an exploratoryinvestigative analysis of the causes of corporate financing behavior through the channels of firm-level characteristics, country-level factors, and policy-related risks. The analysis uses multidimensional analysis measures the risk of policy related risks, including economic policy uncertainty, geopolitical risk, and political risk. In addition, the corporate finance is the division of finance to deals how the corporation deals with the funding sources so we assess whether the correlations between policy-related risks and financing activities vary under different financing strategies such as debt financing and equity financing. We also examine how financial constraints and the industry differences that influence firm financing and industry. The empirical findings indicate policy-related risks can negatively affect corporate financing decisionsresults. The effect of policy-related risk is larger on debt financing than on equity financing. Evidence also reveals that both firm- and country-level factors are essential determinants that guide corporate financing decisions.

Commented [A1]: Placement of Title changed to Centre

Commented [A2]: Placement of Title changed to Centre

Commented [A3]: Placement of Title changed to Centre

All material in this document is the academic property. The use of information and content in this document in whole or in part is prohibited unless direct authorization has been given in writing by academic property.