


[DOWNLOAD](#)


## Credit Rating and the Impact on Capital Structure

By Christian Kronwald

Grin Verlag Mrz 2010, 2010. Taschenbuch. Book Condition: Neu. 211x147x13 mm. This item is printed on demand - Print on Demand Titel. - Seminar paper from the year 2009 in the subject Business economics - Banking, Stock Exchanges, Insurance, Accounting, printed single-sided, grade: 1,3, University of Hohenheim (Lehrstuhl für Bankwirtschaft und Finanzdienstleistungen), language: English, abstract: The question about capital structure is one of the most important issues which the management of a company faces in implementing their daily business. Therefore, the question of which factors affect capital structure decisions attracts high attention in the past and recent literature on capital structure. There are many papers providing valuable insights into capital structure choices, starting with the paper of Modigliani and Miller (1958). The MM-Theorem is generally considered a purely theoretical result since it ignores important factors in the capital structure decision like bank-ruptcy costs, taxes, agency costs and information asymmetry. Based on this paper many other theories which consider factors neglected by Modigliani and Miller have been evolved. Two major theories are the Tradeoff- and the Pecking-Order-Theory. The former loosens assumptions stated in the MM-Theorem by including bankruptcy costs and taxes while the latter introduces information asymmetry into the capital structure...



[READ ONLINE](#)

[ 7.64 MB ]

### Reviews

*Thorough guide for ebook lovers. I am quite late in start reading this one, but better then never. Its been designed in an remarkably straightforward way which is simply soon after i finished reading this publication in which actually altered me, affect the way i think.*

-- **Gunner Labadie**

*A whole new e book with an all new point of view. It is one of the most incredible book i actually have go through. I am easily could possibly get a enjoyment of reading through a written book.*

-- **Nathanael Treutel**