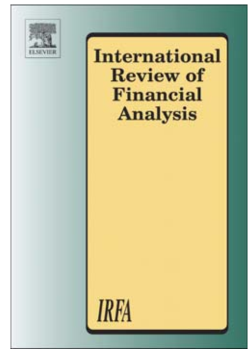
Accepted Manuscript



Does institutional ownership increase stock return volatility? Evidence from Vietnam

Xuan Vinh Vo

PII: S1057-5219(16)30014-X
DOI: doi: 10.1016/j.irfa.2016.02.006
Reference: FINANA 952

To appear in: *International Review of Financial Analysis*

Received date: 1 November 2015
Revised date: 3 February 2016
Accepted date: 10 February 2016

Please cite this article as: Vo, X.V., Does institutional ownership increase stock return volatility? Evidence from Vietnam, *International Review of Financial Analysis* (2016), doi: 10.1016/j.irfa.2016.02.006

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.

ACCEPTED MANUSCRIPT

Does institutional ownership increase stock return volatility? Evidence from Vietnam

Xuan Vinh Vo

School of Banking, University of Economics Ho Chi Minh City, Vietnam

279 Nguyen Tri Phuong Street, District 10, Ho Chi Minh City

Tel: (84 8) 38 551 776 - Fax: (84 8) 38 551 776

and

CFVG Ho Chi Minh City, Vietnam

91 Ba Thang Hai Street, District 10, Ho Chi Minh City, Vietnam

Email vinhvx@ueh.edu.vn

Abstract

The literature on institutional ownership and stock return volatility often ignores small emerging countries. However, this issue is more profound, due to the large size of institutional investors and small stock market size, in emerging equity markets. This paper examines the effects of the institutional ownership on the firm-level volatility of stock returns in Vietnam. Our data cover most of non-financial firms listed on the Ho Chi Minh City stock exchange for the period 2006 - 2012. Employing different analysis techniques for panel data and controlling for possible endogeneity problems, our empirical results suggest that institutional investors stabilize the stock return volatility. Moreover, we document that: i) the stabilizing effect of institutional investor ownership is higher in dividend paying firms, and ii) if firms are paying out more dividends, this

ACCEPTED MANUSCRIPT

Download English Version:

https://daneshyari.com/en/article/5084468

Download Persian Version:

https://daneshyari.com/article/5084468

Daneshyari.com