Accepted Manuscript

Do banks and industrial companies have equal access to reputable underwriters in debt markets?

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PII: S0929-1199(17)30257-2
DOI: doi: 10.1016/j.jcorpfin.2017.04.015
Reference: CORFIN 1192

To appear in: *Journal of Corporate Finance*

Received date: 14 October 2015
Revised date: 24 April 2017
Accepted date: 24 April 2017

Please cite this article as: Santiago Carbó-Valverde, Pedro J. Cuadros-Solas, Francisco Rodríguez-Fernández , Do banks and industrial companies have equal access to reputable underwriters in debt markets?. The address for the corresponding author was captured as affiliation for all authors. Please check if appropriate. Corfin(2016), doi: 10.1016/j.jcorpfin.2017.04.015

Do banks and industrial companies have equal access to reputable underwriters in debt markets?

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We analyze whether banks and industrial companies have equal access to debt markets through reputable underwriters and explore the determinants of that matching for both types of firms. Using a sample of European corporate bonds during the years 2003-2013, we find that the odds of matching with a reputable underwriter were about 1.5 times greater for non-financial companies than for banks. The odds of matching with a reputable underwriter were 10.92 times lower for a bank during the crisis. As for the determinants of the matching probability, the marginal effect of the bond size on the matching probability is 1.70 larger for non-financial firms than for banks. Furthermore, the effect of bond size is greater for large non-financial companies than for large banks while the effect of maturity is larger for banks than for non-financial companies.

Keywords: Underwriter reputation, corporate bonds, asymmetries, banks, underwriting

JEL Classification: G32, G21

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