

Econ 234C – Corporate Finance

Lecture 10: Capital Structure

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Outline

1. Updated syllabus
2. Capital Structure (IV): Managerial biases – overconfidence (slides only)
3. Capital Structure (V): Investor biases – market timing
4. Midterm
5. Homework 3

1 Midterm

2 Homework 3 (15 points)

Overview (data + details to be emailed today):

- Mergers and acquisitions SDC data.
 - I will provide you with a subset that I am using myself.
- Identify and describe the methodologies used in the literature.
- Apply them (merging in Compustat).
 - Which items?
- Alternative methodologies.