

Research Article

The Effect of Dividend Policy on Stock Price: Evidence from An Emerging Country¹

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Abstract

This study attempts to explore the effect of dividend policy on the stock prices of the companies in Turkey. A balanced panel data set has been formed with 102 companies listed on Borsa Istanbul Industrial Index (XUSIN) for the period 2004-2016. The results of the models used in the study show no statistically significant effect of gross dividend payout ratio, cash dividend payout ratio and their one-year lagged values on stock prices.

Keywords: Dividend Policy, Stock Price Return, Borsa Istanbul, Turkey.

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