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# Corporate Social Responsibility, Investor Behaviors, and Stock Market Returns: Evidence from a Natural Experiment in China

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individual investors, either before the event or after the event. Finally, firms' performance and investors' behaviors jointly affect firms' stock returns after the event but not before the event. This article reconciles the mixed findings in the literature on the effect of firms' CSR performance on their financial performance by showing that such an effect exists in a contingent manner. Furthermore, the authors show that a too low or a too high CSR performance could lead to undesirable responses from investors. Therefore, managers should pay attention to optimizing firms' CSR activities.

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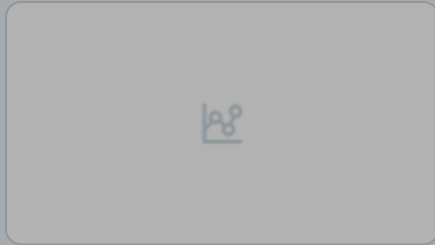
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