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# Cash holdings in SMEs: speed of adjustment, growth and financing

Published: 12 February 2018

Volume 51, pages 823–842, (2018) Cite this article



Small Business Economics

Aims and scope  $\rightarrow$ 

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Banking	Capital Markets	Corporate Finance	<u>Microeconomics</u>	<u>Microfinance</u>	
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# Notes

 The agency problems associated with debt are most significant in SMEs (Berger and Udell <u>2003</u>).

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group of firms with lower sales growth will be determined by  $CASH_{it-1}$ . Note that the adjustment speed ( $\gamma$ ) is determined by 1 minus  $\delta_{0}$ .

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# Funding

This research is part of project ECO2013-47486-P financed by the Research Agency of the Spanish government. We also acknowledge financial support from "Fundación CajaMurcia".

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Accepted	Published	t	Issue Date	
18 January 2018	12 Febru	ary 2018	December 2018	
DOI https://doi.org/10.4	1007/s11187-018-9990-y	1		
Keywords				
<u>Cash holdings</u>	Speed of adjustment	<u>SMEs</u>		
JEL classification				

<u>G30</u> <u>G31</u>

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