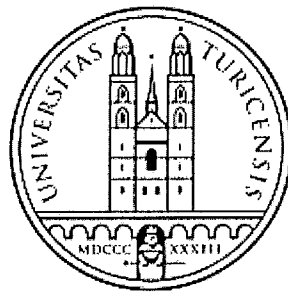


The impact of information depth and creditors protection on debt financing



Bachelorthesis

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Abstract

This thesis examines different financial system typologies focusing on the bank-based intermediation system and the market-based system. It proposes a theory for different observable financial structures and provides empirical evaluations supporting the theory exposed on the base of a 136 cross-country dataset. The main results are a negative influence of both the investor's protection legal rights, and the bank-based financing costs on the debt financing provided by the bank-based system. Moreover, this thesis confirms how poor regulated countries with low investor's protection will be bank-based dominated, whereas in well-regulated countries a market-based system emerges partially offsetting the bank-based dominance.