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Editors

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Preface

The field of finance is very broad. It includes both macroeconomic (e.g. public finance, monetary policy) and microeconomic issues (e.g. corporate finance, accounting, investment decision on capital market). The field of finance is also very vital. This is evidenced by research undertaken by contemporary researchers. Some of the results of these researches were presented during the International Conference on Accounting, Finance and Financial Institutions. Theory Meets Practice (ICAFFI), which took place in Poznań, on 19–21 October, 2016. A part of the papers discussed during ICAFFI have been presented to the wide audience in this book. We tried to choose this volume articles representing a broad scope of financial issues. The issues related to decisions taken in the capital market are represented by three articles: Leszek Czapiewski, Jarosław Kubiak, *Investor Reactions to Dividend Announcements of Companies Listed on the Warsaw Stock Exchange*, Krzysztof Piasecki, Joanna Siwek, *Two-Asset Portfolio with Triangular Fuzzy Present Values—An Alternative Approach*, Szymon Stereńczak, *Stock Market Liquidity and Company Decisions to Pay Dividends: Evidence from the Warsaw Stock Exchange*. The paper of L. Czapiewski and J. Kubiak concerns the impact of changes in the quality of dividends paid and changes in the dividend rate on the return of excess rate of companies whose shares were listed on the Warsaw Stock Exchange (WSE) in 1996–2014. The article written by K. Piasecki and J. Siwek proposes an alternative approach to the characteristics of a two-asset portfolio in a case of present value estimated by a triangular fuzzy number. The goal of Sz. Stereńczak’s paper is to investigate the relationship between stock liquidity and both companies’ propensities to pay dividends, and the level of dividend payments.

Two articles concern corporate finance: Józefa Gryko, *Managing of Financial Flexibility* and Sanjeev Kumar, K. S. Ranjani, *Financial Constraints and Cash Flow Sensitivity to Investment in Indian Listed Manufacturing Firms*. The paper of J. Gryko focuses on showing the importance of financial management in creating the flexibility of the company and identifying conditions affecting the decision on the company’s financial flexibility. The article of S. Kumar and K. S. Ranjani is an effort to test the validity of cash flow sensitivity to investment as a measure of

financial constraints in Indian manufacturing firms using panel data for 768 listed firms over a period of 6 years (2010–2016).

A paper proposed by A. Wójcicka, *Credit-Risk Decision Process Using Neural Networks in Industrial Sectors*, concerns the assessment of credit risk. The author focuses on factors determining credit risk; she proposes using neural networks in the process of credit-risk management.

The paper of K. Charoontham and T. Amornpetchkul, *Impact of Pay-for-Performance on Rating Accuracy*, discusses the role of credit rating agencies (CRAs). The authors analyse whether the pay-for-performance scheme can encourage to issue accurate ratings under an investor-pay model.

The article of M. D. Stasiak, *Modelling of Currency Exchange Rates Using a Binary-Temporal Representation*, proposes methodical point of view. The author presents a new method for modelling exchange rates with a binary-temporal representation.

The field of public finance is represented by the article *The Role of Tax Havens in Tax Avoidance by Multinationals* written by M. Kutera. The main purpose of this publication is to present the scale of tax avoidance by multinational firms and the possible impact of that avoidance on the capital flows in the global economy.

Astonishing, but interesting, research problem was taken by A. Pavković, K. Dumičić, and B. Žmuk in the article *Number of Automated Teller Machines in Selected European Countries: Exploration of Trends and Development Indicators Impacts*. The authors discovered and compared variability and trends in the number of automated teller machines (ATMs) in the recent history in the European Union member states. They also studied the influence of selected factors on the number of ATMs.

The paper of I. Pyka and A. Nocoń, *‘Repolonization’ Process of Domestic Banks. Analysis of Conditions and Opportunities*, has a more journalistic character and concerns the ‘hot’ issue of the so-called repolonization of the banking sector in Poland.

Finally, we would like to thank all the contributing authors and the reviewers for their contribution to this book. We also wish an interesting reading to academics and practitioners.

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