

THE INFLUENCE OF FINANCIAL RATING AGENCIES ON INVESTMENT BEHAVIOR

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Abstract

The evaluations and forecasts of financial rating agencies represent an interesting and also an important component of the contemporary world economy(Sechel, 2010). This truth became very relevant from the perspective of nowadays economical and financial crisis.In this context, the evaluations have a determinant role for estimating the associated risks for financial instruments. Actually, the rating represents the probability that an entity can ensure the payment of its financial obligations towards its creditors.We could say that, the evaluations of different entities for establishing a rating, has become an extremely actual subject, in the crisis conditions.This information have a significant contribution for the investors horizon but, we can take into consideration the question about the legitimacy of this activity, and also a natural question that arises from here: can we talk about stock market manipulation, based on these evaluations?

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