

## **Master's Thesis Topics in Corporate Finance**

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## **The 2008–2009 Financial Crisis and Swedish Firms (Empirical Corporate Finance)**

This thesis investigates how Swedish firms adjusted their financing and investment decisions during the global financial crisis of 2008–2009. The research focuses on whether group-affiliated firms had more stable access to financing compared to stand-alone firms, exploring the role of internal capital markets in buffering against external shocks. Students will examine firm-level leverage, investment ratios, and dividend policies during the pre-crisis, crisis, and recovery periods, providing a rich view of firm resilience in times of stress.

The analysis relies on the comprehensive Swedish firm-level dataset from Bisnode, which contains financial statements, ownership structures, and firm demographics. By comparing group and stand-alone firms, the thesis can reveal the importance of corporate structures in mitigating crisis effects. The results will provide insights into financial resilience, investment cyclicalities, and the functioning of internal capital markets in Sweden.

### **COVID-19 Shock and Swedish Firms (Empirical Corporate Finance)**

This thesis examines how Swedish firms responded financially to the COVID-19 pandemic in 2020–2021. The focus is on cash holding policies, investment rates, and dividend decisions, asking whether firms increased liquidity buffers or reduced payouts in response to heightened uncertainty. Students can study heterogeneity across industries, for example between contact-intensive sectors and manufacturing firms.

Using the Swedish firm-level dataset from Bisnode, the thesis allows a detailed analysis of firm-level adjustments before, during, and after the COVID crisis. The project highlights differences in financial resilience across sectors and ownership types. The findings contribute to the understanding of how firms adapt their financial policies in the face of unprecedented economic shocks.

## **Corporate Age, Size, and Resilience (Empirical Corporate Finance)**

This thesis explores whether older and larger firms in Sweden are more resilient during economic downturns compared to younger and smaller firms. The study investigates exit patterns, survival probabilities, and investment resilience, with a particular focus on how firm age and scale interact with leverage and profitability.

The Bisnode dataset provides a comprehensive view of the Swedish corporate landscape, enabling analysis of firm survival across downturns such as 2009 and 2020. By linking firm characteristics to survival rates, the thesis can provide valuable insights into which firms are most vulnerable and which strategies help firms persist during crises. This has implications for financial stability and policy debates on firm support measures.

## **Dividend Smoothing vs. Procyclicality in Sweden (Empirical Corporate Finance)**

This thesis studies the dividend policies of Swedish firms to assess whether they smooth payouts over time or react procyclically to earnings fluctuations. The project compares group-affiliated firms to stand-alone firms, testing whether internal capital markets enable more stable dividend payments. It builds on classic dividend smoothing models such as Lintner's framework and applies them to the Swedish context.

Using the Bisnode firm-level dataset, students will estimate how dividends respond to changes in earnings, with a special emphasis on the persistence of past dividends. The results can shed light on whether Swedish firms prioritize stable shareholder returns or adjust payouts flexibly in downturns. This project combines corporate finance theory with practical evidence from comprehensive firm data.

## **Tax Reforms and Corporate Behavior in Sweden (Empirical Corporate Finance)**

This thesis evaluates how Swedish corporate tax reforms have influenced firm financing and investment decisions. Key reforms include the 2013 introduction of interest deductibility restrictions and reductions in corporate tax rates (2009, 2013, 2019). Students will investigate whether highly leveraged firms adjusted debt ratios or whether investment activity increased following corporate tax cuts.

With the Bisnode dataset, the project provides a natural setting for difference-in-differences analysis, contrasting firms more or less exposed to tax changes. The findings will enhance our understanding of how taxation shapes firm financial policies in Sweden. This topic is well-suited for students interested in public finance, taxation, and corporate financial behavior.

## **EU ETS Permit Holdings and Swedish Firms (Empirical Corporate Finance)**

This thesis studies Swedish firms' participation in the EU Emissions Trading System (EU ETS), focusing on permit holdings, banking, and surrender behavior. The research question is whether firm financial characteristics—such as leverage, profitability, and cash holdings—affect the way firms manage carbon permits. Students will examine whether stronger firms bank more permits or whether constrained firms minimize holdings due to liquidity needs.

The project combines publicly available EU ETS compliance data with the Bisnode firm-level dataset. This makes it possible to link permit positions to financial structures and ownership. The results can provide new evidence on how climate policy interacts with corporate finance decisions and how firms integrate environmental obligations into financial management.