
The relationship between Corporate governance and transparency Regards to stock return synchronicity

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Abstract: The purpose of this study is to investigate the relationship between corporate governance and information transparency in Tehran Stock Exchange, which can lead to identifying appropriate corporate governance criteria for increasing information transparency. In this paper, the synchronization of stock returns has been used as a measure of transparency. Also, for reviewing corporate governance, the five criteria for managing director dichotomy, board size, board composition, audit quality, and institutional ownership have been used. Meanwhile, variables of standard deviation of return on assets, market value to stock and standard deviation of stock returns are also included as control variables affecting the model. To test the hypotheses, 130 companies 1391 to 1395 were ed among listed companies in Tehran Stock Exchange and research variables were analyzed by Pooled data model and using Eviwes9 software. Were placed. The results of the hypothesis test showed that when the impact of market returns on the company's returns is simultaneous, the quality of audit and institutional ownership with transparency (SYNCH1) have a positive and significant relationship. Thus, in such a market, hypotheses 4 and 5 can be confirmed. . But when we assume that the effect of the market returns on the company's returns is asynchronous, then only the fourth hypothesis, the quality of the audit, is confirmed that has a positive and significant relationship with transparency (SYNCH2). The results of this research in general show that corporate governance can affect information transparency and lead to a synchronization of company stock returns with market returns. **Keywords:** Corporate Governance, Transparency of information, Stock return synchronization.

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