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: H<sub>a</sub> -6

: H<sub>a</sub> -7

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(Titman and Wessels, 1988; Wald, 1999) : **-1**

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(Mallikarjunappa and

.Goveas, 2007)

.(Myers and Majluf, 1984)

(Myers and Majluf, 1984)

(Gavin and Scott,

.1994)

.(Titman and Wessels, 1988)

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.(Harris and Raviv, 1991)

(Bradley et al, 1984)

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.(Hall et al, 2004)

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(Graham,

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al., 2004)

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.(Heshmati, 2001)

(Myers and Majluf, 1984)

.(Baker and Wurgler, 2000)

(Nishioka and Baba, 2004)

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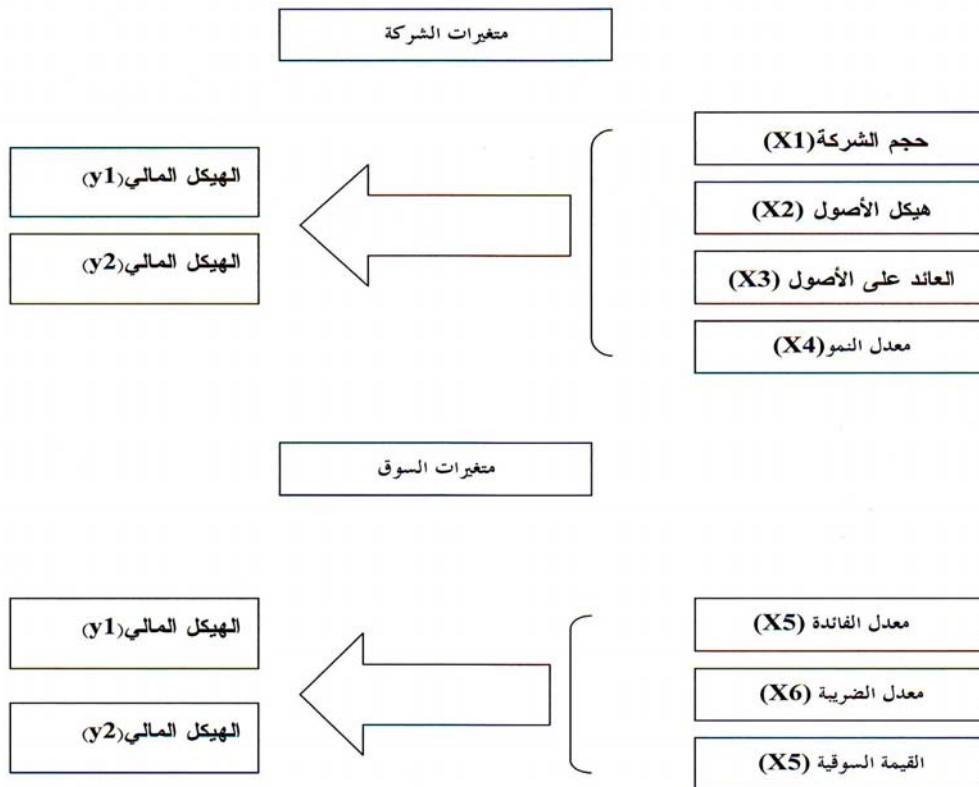
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$$Y_{2it} = a + b_1X_{1it} + b_2X_{2it} + b_3X_{3it} + b_4X_{4it} + b_5X_{5it} + b_6X_{6it} + b_7X_{7it} + E_{it}$$

: Chung(2008)

(1)

/		Y1
/		Y2
		X1
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%70

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							1	
						1	.196**	
					1	-.216**	.204**	
				1	.395**	-.002	.239**	
			1	.024	-.120**	.096*	.217**	/
		1	-0.06	-0.07	-.39	.033	-0.043	
	1	-0.11	-.019	.341**	.140**	-.026	.248**	
1	-0.02	0.003	-0.037	-0.033	-0.036	.002	0.007	

\*\* Correlation is significant at the 0.01 level (2-tailed).

\*Correlation is significant at the 0.05 level (2-tailed).

:H<sub>a</sub>

:H<sub>a</sub>

(%60) R<sup>2</sup>  
 (%60)  
 (17.8) F  
 (0.05)

(4.3) T  
 (0.05)

(%63) R<sup>2</sup>  
 (%63)  
 (19.2) F  
 (0.05)

(4.89) T  
 (0.05)

(4)

		<b>sig</b>	<b>T</b>	<b>R<sup>2</sup></b>	<b>Sig</b>	
0.02	0.06-	0000	4.89	0.63	0000	19.2

(5)

		<b>sig</b>	<b>T</b>	<b>R<sup>2</sup></b>	<b>Sig</b>	<b>F</b>
0.09	0.22	000	4.33	0.60	000	17.86



:H<sub>a</sub>

:H<sub>a</sub>

R<sup>2</sup>(%60)  
(%60)  
(18.04) F  
(0.05)

(4.2) T  
(0.05)

(%58) R<sup>2</sup>  
(%58)  
(17.2) F  
(0.05)

(3.2) T  
(0.05)

(6)

		Sig	T	R <sup>2</sup>	Sig	F
0.05	0.26	000	3.2	0.58	000	17.2

(7)

(D/A)

		sig	T	R <sup>2</sup>	Sig	F
0.023	0.28	000	4.2	0.60	0000	18.04

:H<sub>a</sub>

: Ha

(%62) R<sup>2</sup>  
(%62)  
(12) F  
T (0.05)

(34.95)  
(0.05)

(%63) R<sup>2</sup>  
(%63)  
(13.17) F  
(0.05)

(13.17) T  
(0.05)

(8)

(D/A)

		Sig	T	R <sup>2</sup>	Sig	F
-0.16	0.26	0.260	37.64	0.63	000	13.17

(9)

(D/A)

		sig	T	R <sup>2</sup>	Sig	F
0.26	-0.0076	0.457	34.95	0.62	<b>000</b>	12

(7) F

T

(0.05)

:H<sub>a</sub>

(-0.664)

(0.05)

(%46) R<sup>2</sup>

(%46)

(10)

(D/E)

		sig	T	R <sup>2</sup>	Sig	F
2.62	7.1	0.507	-0.664	0.462	<b>000</b>	7.005

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(%63)

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(%58)

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%26

(%60)

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## **The Determinants of Financial Structure Choice an Analytical Study over Service Sector Firms Listed in Amman's Stock Exchange**

*Gazi F. Al-Momani and Ali M. Hassan\**

### **ABSTRACT**

This study discusses the factors that influence the choices of Firm managers in regard to the debt to financial structure ratio. The study has been applied on service sector companies listed in Amman stock Exchange which are (54) firms, for the period of 2000-2006. The objective of this study lies in the revealing of the reliance extent of financial managers decision, on the firm's own Factors such as "size, Asset structure, Asset returns, and growth rate" in selecting and determining firms debt ratio. Present study discusses the effect of factors of the firm itself, market on financial structure through the use of multiple regression equations. Furthermore, the study revealed the presence of statistically significant relationship among firm's own factors represented in (size assets structure, return on asset and growth rate), whereas firm's size and asset structure have a positive effect on the measurements of financial structures, while return on assets rate has a negative impact on financial structure measurements. In regard to growth rate, it has a positive effect on financial structure. In another aspect, results showed that, there are no effects of (Capital market) upon the firm's financial managers decisions and these factors do not explain the changes that occur in the financial structure.

**Keywords:** Capital Structure, Size Asset Structure, Returns on Asset, Growth Rate, Tax Rate, Interest Rate, Stock Market Volume.

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