

Dear readers,

The **Accounting & Finance Review** (*Revista Contabilidade & Finanças*) has now released Issue 80, which covers the period from May to August of 2019, in its almost 30 years of existence. It is a reason for joy and gratitude to those who collaborated during this journey: authors, reviewers, members of the Editorial Board, editors, and suppliers. This issue is composed of the Editorial and eight theoretical-empirical articles from the different lines of research that make up the scope of the Journal.

Sally Kathryn Widener wrote the **Editorial** under the title **Rallying researchers to examine the interplay between management control and ethics**. The author and researcher from Clemson University, in Clemson, United States of America, discusses ethical behavior inside organizations, focusing on management control.

**Underreaction to open market share repurchases**, an article developed by F. Henrique Castro and Claudia Yoshinaga, analyzes the long-term performance of a portfolio of firms that announced the repurchase of their own stocks in the Brazilian market from 2003 to 2014. The authors found evidence that these announcements in the open market signal stock underpricing.

What is the relationship between the level of adherence to the parameters of the compliance program of the anticorruption law and the implementation of new internal controls in publicly listed companies? This is the topic addressed by Patricia Reis Castro, Juliana Ventura Amaral, and Reinaldo Guerreiro in the article titled **Adherence to the compliance program of Brazil's anti-corruption law and internal controls implementation**.

Breno Valente Fontes Araújo, Marcos Antônio de Camargos, and Frank Magalhães de Pinho developed the research for the article **Modeling conditional volatility by incorporating non-regular trading hours into the APARCH model**. With a sample composed of the 20 stocks of Brazilian companies listed on the São Paulo Stock, Commodities, and Futures Exchange and also belonging to the BR Titans 20 with ADRs listed on the New York Stock Exchange and the Nasdaq, the authors analyzed if the after-market and pre-opening periods affect the estimation of conditional volatility one day ahead.

Edilson Paulo and Renato Henrique Gurgel Mota are the authors of the article titled **Business cycles and earnings management strategies: a study in Brazilian public firms**. The research challenge was to identify different discretionary behaviors among economic cycles. The results show that managers may increase or reduce opportunistic behavior in periods of great economic oscillations.

João Gabriel de Moraes Souza and Ivan Ricardo Gartner are the authors of the article titled **Market reaction to bank merger and acquisition events in Brazil: an analysis of the effects of market waves**. The article investigates the stock market's reaction to bank merger and acquisition events in Brazil when the market is heated, pointing to the emergence of positive cumulative abnormal returns for rivals of newly-merged acquiring banks and zero ones for acquired banks.

**Factors associated with the structural liquidity of banks in Brazil** is the title of the article that aims to identify the relationship between the Structural Liquidity Index and macroeconomic variables, bank characteristics, and the validity period of the Basel III Agreement. The authors, Vanessa Rodrigues dos Santos Cardoso, Lorena Almeida Campos, José Alves Dantas, and Otávio Ribeiro de Medeiros, concluded that the Structural Liquidity Index presented a positive relationship with changes in the exchange rate, international reserves, and reserve requirements, as well as with the profitability, size, and main specialization of the institution.

Alex A. T. Rathke, Amaury Jose Rezende, Rafael Moreira Antônio, and Marcelo Botelho C. Moraes are the authors of the research titled **Last chance for a big bath: managing deferred taxes under IAS 12 in Brazilian listed firms**, which investigates whether Brazilian loss-making firms manage deferred income tax as a form of big bath strategy. The results indicate that loss-making firms disclose significantly higher excess net deferred tax expenses, and that these excesses increase with losses.

**Upper and lower bounds for annuities and life insurance from incomplete mortality data** is the title of the article from Filipe Costa de Souza. This article aimed to set upper and lower bounds for the expected present value of whole life annuities and whole life insurance policies based on incomplete mortality data, and might have major applications in markets lacking historical records or those with unreliable mortality data, as well as in new markets that are still poorly explored.

I wish you a productive and inspiring read.

**Fábio Frezatti**

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