



Fig. 3. Calendar-time cumulative abnormal returns by size of SEO issuer. The sample is 4526 seasoned equity offering (SEO) firms that issued equity between 1976 and 1992. For each firm in the sample we calculate a time-series regression of its excess return on the Fama and French three factors including a momentum factor where all factors have been purged of issuing firms. From each such regression we keep the intercept and residuals. We calculate size breakpoints each month using market capitalization at the beginning of the month and plot the equal weighted cumulative sum of these estimates for three size sorts.