

Investing of the relationship of assets on the stock Returns of accepted companies in Tehran valuable sheet's stock exchange

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Abreact

The purpose of doing of this research is the investigation of the relation of assets components on the stock Return of accepted companies in Tehran valuable sheet's stock exchange. Studied companies in this research have selected during a period of seven years from 1382 to 1388 that have continuously activity in stock exchange, on this basis, in addition of comprehensive reviewing on related topic literature, in a library research method, for data and information collecting, the financial lists of sample companies, with their accompanying notes that have been extracted through the web site of the company of the management of development research and Islamic studies of Tehran valuable. Sheet's stock exchange organization and also the informational banks of valuable sheet's stock exchange (plan- payer and new memento software) have been used. In this research, the statistical population were 104 active companies in stock exchange, a for the hypothesis testing, the statistical techniques of multiple regression and data panel were used. The result of research has shown that the most meaningfulness relationship of monetary asset, current asset and fixed asset with stock Return, respectively have shown there has been a direct relationship between related variable to current asset, but a reverse relationship between related variables to monetary and fined asset with stock Return, in other performed tests by using of multi variables regression method, the relationship of all assets with stock Return is a reverse relationship.

Keywords: Current asset, fixed asset, monetary asset, financial asset, Stock Return

1. Introduction

The investors as a supplier of required financial resources of economical unites invest with different incentive that can be included of enjoying of cash advantages and interest and also ownership in unites. In the other hand, the economical unites also need to the financial resources for different reasons, but what appears important more than all for investors and private unites, is the stock holder's asset. [1]

The investors in the process of making decision for investing have a special attention to the Return agent. They invest for gaining of interest and before any action, evaluate their investing and do their decision if they predicate that will gain a proper Return. Todays the topic of important effective agents on Return in investors's decision making is among the important topics in associated processes to the financial decision makings. This affair results from this that all meddlesome of capital market face to the questions that for solving of them, it is necessary to refer to the more related information. [2] so increasing of information volume, the problems and complexities of decision making affair increase and their solving needs to the using of different and various methods probably the relation of assets's components with different composite and components is one of the most important aspects that can affect on the level of companies's return and so the relationship of asset's components with stock return of company is among the questions that reveals the necessity of this research. This research is looking for answering to this question whether the relation of assets's components can be related to the company's stock Return? Answering to these questions can help to the investors to be able to make more correct decisions by using of the gained results.

2. Research literature

A part (2005) has paid to the investigation of the relationship between the size of company (the rate of assets) with yield and accepted companies's risk in Tehran valuable sheets's stock exchange, metal and non- metal industrial group.[3] The results of research show there isn't a meaningful relationship between the rate of asset and yield and risk in total of metal and non- metal industries, but there is a meaningful relationship between the rate of assets and Return in non- metal industries.Kooper and others (2009) in a research that have done in American stock market, paid to the effect of asset's growth on the stock Return during 39 years in time duration of 1968 to 2006 on the large sample in American stock market.[4] They reached to this result that there is a strong negative relationship between the growth of total assets and it's

yield. The companies that had the lower growth of asset, in average have had 20% excess more annual Return relative to the companies that have higher asset, they also reached to this result that the effect of asset growth is more effective than a set of other usual effects in stock Return. Lipson and others (2009) in a research under the topic of the explanation of the effect of asset growth on Return reached to this result that the rate of assets growth has higher ability and capability in interpreting and explaining of yield relative to other effective agents on it.[5] Li linden (2008) paid to the investigation of assets growth and stock Return and reached to this result that there is a negative correlation between these two variables.[6] Cogan and young (2003), koochran (1991), Berg and others in 1999. Paid to the investigation of assets growth and stock Return and all reached to this result that there is a negative correlation between these two variables.[7]

3. Research methodology

The method of this research is descriptive- analytic. This research is the type of quantitative experimental researches and the analysis of the relationships among variables is the type of comparative. In comparative analysis, besides the collected information are investigated in a descriptive manner, they are compared. The variables of this research are:

A) Independent variable: current assets, fixed assets, other assets, monetary assets, financial assets

B) Dependent variable: changes of stock exchange

The statistical population of this research includes of all accepted companies in Tehran valuable sheets's stock exchange, that during 1382- 1388 had continuous activity and permanent presence and have the following conditions:

1. Companies that are accepted from 1382 in stock exchange.
2. Companies that the end of their financial year is 29 Esfand.
3. Companies that don't have the change of financial period.
4. In their financial lists, during this period. The loss isn't reported.
5. Required information of these companies is available through existing resources

(Informational stations of stock exchange) Thus, among these companies in Tehran valuable sheets's stock exchange in studied time duration, 104 companies in 5 industries had mentioned conditions and were selected as a statistical sample. Required information and data in this research have been collected by using of two ways. First, some of the information that are related to the research theoretic discussions have been collected, then the required information and data for the analysis of the relationship among data, have been collected generally through informational bank of new memento and official site of Iran valuable sheets's stock exchange organization. The related information to the monetary asset and financial asset which were not available in the informational bank of new memento, were extracted and collected by referring to the official site of Iran valuable sheets's stock exchange and referring to the accompanying balance- sheet and notes with financial lists for every sample companies for research time period (1382 to 1388) in a manual manner. Then transferring of data to the broad folio of excel software, the data were summed up are after doing required computations, the above mentioned information for analysis has been ready. The final analysis was also done by the help of statistical software Eviews by the method of data panel.

3.1. Statistical model of research hypothesis

In this research by using of multi- variables regression model, the relationship of assets and stock Return was, investigated in a pooled- analytical manner.

$$(1) \quad y = c + a_1 x_{it} + a_2 x_{it} + a_3 x_{it} + a_4 x_{it} + a_5 x_{it} + u_{it}$$

X_1 : Current asset

$\hat{C}$: Latitude

X_2 : Fixed asset

X_4 : Monetary asset

Y : stock Return

X_3 : Other asset

X_5 : Monetary asset

4.1. Research hypothesis

A: Main hypothesis

There is a meaningful relationship between the assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return?

B: Secondary hypothesis

- 1) There is a meaningful relation between current assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return.

- 2) There is a meaningful relationship between fixed assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return.
- 3) There is a meaningful relationship between other assets of accepted companies in Tehran valuable sheets's stock exchange. with stock Return
- 4) There is a meaningful relationship between monetary assets of accepted companies in Tehran valuable sheets's stock exchange. with stock Return
- 5) There is a meaningful relationship between financial assets of accepted companies in Tehran valuable sheets's stock exchange. with stock Return

These hypotheses can be stated in a format of following zero and alternative hypothesis:

$$\begin{cases} H_0 : \rho_i = 0 \\ H_1 : \rho_i \neq 0 \end{cases}$$

H₀: There isn't a meaningful relationship between assets and stock Return

H₁: There is a meaningful relationship between assets and stock Return.

4. Results and founding of research

Table number (1) shows the selection between pooled model and fixed effects at the level of all companies.

Table 1. Selection between pooled model and fixed effects in main hypothesis

Effect test	Statistic	Degree of freedom	Meaningfulness level
Cross- section F	495226/0	(11,66)	0/0083
Cross- section Chi-square	64/112981	1	0/000

Table number (2) shows the result of main hypothesis at the level of all companies.

Table 2. multi- variables regression analysis between total asset with stock yield

Dependent variable: Stock Return			variable
p- value	t- statistic	coefficient	
000/0	9/778005	47/60218	C
0/0001	-3/995466	-1/03E-05	Total asset
1/85518	Doorbin Watson	063385/0	Mediated determination coefficient
0/009526	Prob (F- statistic)	405392/1	F- statistic

Founding of main hypothesis

By attention to the figure number (1) , by attention to the result of pooled method and fined effects test, the proper selected method of research is fixed effects model . Because for selection between fixed effects and random model, the Husmen test is used.

In the test of main hypothesis, by attention to the figure number(2) the equation of multi- variables regression for explanation of the relation of total assets as an independent variable and stock Return as a dependent variable is as follow:

$$re = 47.60218 - 1.03E - 05X_{1it} = u_{it}$$

The above relation is indicative of this matter that there is a meaningful relation ship between total assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return and the lack of denial of hypothesis shows the relationship of assets with statistical to 0/0001 at the error level of 5 percent 15 meaningful. The coefficient of this variable

Is -1/03 E-05 and shows there is a reverse relationship between total assets and stock Return. In the other hand, by increasing of assets of accepted companies in Tehran valuable sheets's stock exchange, the stock Return shows tangible decrease.

Table number (3) shows the selection between the poled model and fixed effects in secondary hypothesis at the level of all companies.

Table 3. Selects between pooled model and fixed effects of secondary hypothesis at the level of all companies

Effects test	statistic	Degree of freedom	Meaningful ness level
Cross- section F	0/495226	(102,405)	1/000

Table (4) shows the results of secondary hypothesizes at the level of all companies.

Table 4. Analysis of multi- variables regression between research variables with stock yield

Dependent variable: stock Return			variable
p- value	t- statistic	coefficient	
0/0000	6/174875	7/341692	C latitude from basis
0/0003	3/633271	3/67E-06	Current asset
0/0196	-2/341607	-2/13E-06	Fixed asset
0/8658	-0/169136	-5/65E-07	Other asset
0/0002	-3/733228	-4/00E-06	Monetary asset
0/1817	1/337299	1/35E- 06	Financial asset
0/0000	-5/000111	-0/039564	AR (2)
1/922607	Doorbin Watson	0/053357	Mediated determination coefficient
0/000007	Prob (F- statistic)	5/819144	F- statistic

Founding's of research secondary hypothesis

By attention to the Table number (3), by attention to the result of pooled model and fixed effects, the proper selected model of research is pooled model. Because p-value of F-test is larger then 0/05, for selection between fixed effects and pooled model test, the F-test is used.

In the test of secondary hypothesis, by attention to the Table number (4) the multi variables regression for explanation of the relation of assets components (current asset, fixed asset, other assets, monetary asset, financial asset) as an independent variable and stock Return as a dependent variable is as follows:

$$re = 7/341692 + 3/67E - 06X_{1it} - 5/65E - 07X_{3it} - 4/00E - 06X_{4it} - 4/00E - 07X_{5it} + u_{it}$$

Gained result from investigation of secondary hypothesis (1)

There is a meaningful relationship between current assets of accepted companies in Tehran valuable sheets's stock exchange. The relationship of current asset with t- statistic equals to 3/6332713 and p-value equals to 0/0003 at the error level of 5% is meaningful. The coefficient of this variable is 3/67 E and shows and is indicative of positive relation between current asset with stock Return. In the other hand by increasing of current asset of accepted companies in Tehran stock exchange, the stock Return shows increasing.

Gained result from investigation of secondary hypothesis (2)

By doing of test between fixed assets of accepted companies in Tehran valuable sheets's stock exchange with stock return and proving of the presence of meaningful relationship between two variables, shows the lack of denial of hypothesis.

Fixed asset by t- statistic -2/341607 and the probability %196 at the error level %5 is meaningful. Coefficient of the variable is -2/13E -06 and is indicative of a reverse relationship between fixed assets with stock Return. In the other hand, by increasing of fixed asset of accepted companies in Tehran stock exchange, the stock Return shows decrease too.

Gained result from investigation of secondary hypothesis (3)

By doing of test between other assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return and the lock of the existence of meaningful relationship between two variables, shows denial of hypothesis other assets with t-statistic -0/169136 and probability 0/8658 at the error level of 5% isn't meaningful.

Gained result from investigation of secondary hypothesis (4)

By doing of test between monetary assets of accepted companies in Tehran valuable sheets's stock exchange with stock Return and proving of existence of a meaningful relationship between two variables, shows the lade of denial of hypothesis. Monetary asset with t- statistic and also by attention to the probability 0/0002 at the error level of 5% is meaningful. The coefficient of this variable is 4/00- E06 and is indicative of a reverse relation between monetary asset with stock Return. In the other hand, by increasing of monetary asset of accepted companies in Tehran stock exchange, the stock Return shows decrease too.

Gained result from investigation of secondary hypothesis (5)

By doing of test between financial assets of accepted companies in Tehran valuable sheets's stock exchange with Return and the lack of the presence of meaningful relation between two variables, shows the denial of hypothesis.

5. Discussion and concluding

Gained results from the test of research hypothesis is indicative of meaningful relationship between the rate of stock Return and the assets of all studied companies without regarding to the industry that belong to it. Also, this relationship about assets components with stock yield of studied companies is meaningful. This problem means that the usage of investigated assets for predicting of Return rate can be useful. In gained results from hypothesis's, test at the level of all companies, it is specified that the meaningfulness relationship of monetary asset, current asset and fixed asset with Return has shown that there has been a direct relationship between related variable to the current asset with Return, but there has been a reverse relation between variables related to the monetary asset and fixed asset with stock Return and the relation of total assets with stock Return is a viewers relation. These founding's are indicative of the importance of assets in valuable sheets's stock exchange market and it appears every proper information about this field can be useful in making decisions of companies's managers and investors for investing and obtaining more yield in stock exchange market.

6. Suggestions based on the research results

- 1) By attention to that in this research, the relation between asset and Return is set, the change of assets (current fixed, other, monetary, financial) in marking decision can be more paid attention.
- 2) By attention to that the relation of total assets with Return is reverse relation, it can be concluded that still the assets agent for investing be paid attention by caution.
- 3) By attention to that the monetary asset has the most effective negative and reverse relation on stock Return, it is suggested that the managers of companies have more attention to the changes of his/her companies assets.

7. References

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