

EMPIRICAL STUDY ON THE IDENTIFICATION AND ANALYSIS OF A PROFILE OF THE AGRICULTURAL COMPANIES

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Abstract

In the current economic environment, marked by a strong instability of the markets, at the real flows and at the cash flows, by significant social changes and with major food price increases, the likelihood of a food crisis is looming more and more obvious. In this situation, in Romania, the agricultural sector can be the engine of economic recovery and the determinant factor in ensuring the food security for our people. In order to streamline this sector, neglected over the past decade, the essential condition is the correct and timely information to investors. They must be given the opportunity and the necessary instrumentation to know the profitability profile of agricultural companies in order to make the best financial decisions. Based on data collected in the agricultural sector companies, listed on the Bucharest Stock Exchange (BSE), this study aims to identify and analyze a profitability profile (for the three types of return: return on assets, return on equity, return on turnover). In analyzing the profitability profile of the firms, the activity objects of agriculture were taken into account (animals breeding and plants crop), the membership of a particular region of the country and the financial structure chosen by specific values of the financial leverage. Moreover, the influence of these factors on the three types of returns examined was determined and estimated. The study was conducted based on a BSE survey-based of 42 listed companies, based on financial information reported for the financial year 2009. In order to obtain the research results, the data analysis methods used were the multiple correspondence factorial analysis (to obtain the profitability profile) and the linear regression analysis with alternative variables, of the Dummy type (to estimate the influence of the factors on the returns). Data were processed using the statistical tools SPSS 19.0 and SAS 9.2.

Key words: profitability profile, financial leverage, agriculture field, multiple correspondence factorial analysis, linear regression analysis