The Effect of Macroeconomic Factors on the Detection Value of the Firm: An Application in Istanbul Stock Exchange

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ABSTRACT

The aim of this study is to examine the effect of macroeconomic factors on firm value determination. First, macroeconomic factors such as national income, inflation, interest rate, money supply, exchange rate, employment level and oil price effects on firm's stock prices have been researched a firm traded on the Istanbul Stock Exchange is selected and wtih the data including the period 2006: 01 - 2016: 06 by simple correlation and multiple regression analysis. Secondly, firm values is determined according to years by using the Price / Earning Ratio method which is one of Market Value Approach in the company valuation methods. Market Value Approach due to the price comparison creating opportunities for firms in exchange methods, this approach provides a comparison of companies in industry or the same sector arm. For the investors, the price / profit ratio method is preferred because the data can be easily analyzed and the results can be obtained in a shorter time. As a result of the study, it is concluded that the firm's stock prices are positively correlated with national income, exchange rate, money supply and employment, while there is a negative correlation between inflation, interest rate and oil prices. While the firm's balance and income statement data and past financial statements are helpful in valuation, it is also possible to estimate the firm's value of the next year, so the firm's value method needs to be selected well.

Keywords: Value, firm's Value, Firm stock, Macroeconomic factors, P / E ratio.
JEL Classification: B26, G1, G30.

Highlights of this paper

- Macroeconomic factors such as national income, inflation, interest rate, money supply, exchange rate, employment level and oil price effects on firm's stock prices have been researched a firm traded on the Istanbul Stock Exchange.
- It is concluded that the firm's stock prices are positively correlated with national income, exchange rate, money supply and employment, while there is a negative correlation between inflation, interest rate and oil prices.
- It is also possible to estimate the firm's value of the next year, so the firm's value method needs to be selected well.

1. INTRODUCTION

The capital market, which allows the transfer of funds from lenders to borrowers in a country, and the stock market, which plays a role in this area, are one of the most important forces of the modern market and the country's economy. Changes in macroeconomic factors and expectations significantly alter stock market returns. There are several elements that affect the strength and vitality of the stock market. These are exchange rates, foreign currency reserves, trade balance, monetary policy, oil prices, etc. (Albayrak, Oztürk, & Tuyluoglu, 2012). Firm value is an important measure that shows the success of business management. Value refers to the benefit / cost. In this context, stock value is one of the important factors affecting the value of the firm (Esmer, 2019). It As the volume of trading in the capital markets increased, changes in the value of the shares began to be closely monitored. Stock value is also influenced by macro and micro factors along with the cyclical situation in the country and changes in the global economy (Kar, Ozer, Santaş, & Budak, 2012). But investors and people who are thinking of investing make investment decisions by first looking at their financial statements when deciding on stock purchases of firms, putting the factors affecting the economy in the background. Therefore, factors that are thought to significantly affect investment decisions of firms whether to have any influence in the valuation of the stocks of the firm are also investors, who want to determine the impact of these macroeconomic factors on firm valuation, and investors in terms of importance.

Shares belonging to the firm are evaluated in the capital market by the price recommended by investors and the method chosen according to the company's activities. When company managers do positive work that will affect the value of the firm with the investment and operating decisions they make, they believe that investors evaluate their performance and reflect it on stock prices. While this is true in the long term, in the short term, due to changes in information owned by company managers and investors, company shares may be overvalued or undervalued (Ureten & Ercan, 2000). Changes in the stock drastically change the current value of the firm, its impact on the economy and its prospects for the future. For example, the 2001 crisis in Turkey country reduced consumption at that time. Therefore, companies have gone on the path of reducing their sales and profitability and taking crisis measures. This negatively affected the company, affecting both sales and profit too much and reducing the value of the company (Arkan, 2010).

In the study, an application was made by considering the shares of a company in the food sector in Istanbul Stock Exchange (BIST). First, the direction and strength of the effect of macroeconomic factors affecting the firm's stock were investigated. For this purpose, simple correlation and multiple regression analysis were performed. As a second stage, an attempt was made to calculate the firm's value using the Price/Earnings ratio method, which is a market value-based approach from generally accepted methods for determining the firm's value. 2006: 01-2016: 06 period the company's financial information and general information about the company were included and it was desired to conclude what the effect of macroeconomic factors on the firm's value determination was during these periods.

The effects of national income, inflation, interest rate, money supply, exchange rate, employment level and oil prices on the shares of a company traded on the Stock Exchange are examined as macroeconomic factors and how this firm affects the valuation when determining the value. As a company, PNSUT A.Ş. (PNSUT) have been selected. 2006: 01-2016: 06 period covering PNSUT.it is a study prepared using the financial statements of the company and the latest data published are included in the company information section to contribute to the valuation. The price-to-Earnings ratio method was used as one of the generally accepted valuation methods. Tat Gıda, Ülker, Ersu, Kristal Kola, Pınar Su A., Among the companies that PNSUT is involved in in the same sector, which is necessary for this method it was selected as a similar firm in the valuation. Only financial information about these companies is provided.

Questions about how a macroeconomic factor affects the profit and loss status of firms, how changes in stocks affect investors ' decisions, or in what direction changes in the firm's stock price are when valuing firms are an important part of the study, as they were asked to focus on (Dayı, 2020). When evaluating a firm, researchers who study investors and finance focus more on internal factors of the firm, while from a macro point of view, economic factors in general are considered in the background (Aksoy & Dayı, 2017). This research has been prepared with the idea that it will help determine the value of the firm as a different perspective.

As a result of the research, it will be determined in what direction and force the effect of the selected macroeconomic factors on the firm's shares, and how this relationship affects the firm's value if there is a relationship between stock prices and factors.

2. METHOD

In the first phase of implementation, first, the simple correlation method for the analysis of PNSUT company with stock prices, national income, inflation, interest rate, money supply, exchange rates, employment rates, of whether there is a relationship between oil prices and is intended to provide answers to the questions. According to the data in the following Table 1, among the variables correlation coefficients were determined, values that are smaller than 0.05 indicates a relationship while a value of 0.01 refers to the existence of the relationship. (**marked' figures are 1% and *'marked figures are 5% significance level between the variables the correlation shows that.)

PNSUT stock prices with money supply and employment with 0,952 0,922 between between a very high level and a positive correlation (0,90< r <1.00), with 0,878 0,859 between national income and the exchange rate between the high level and a positive correlation (0.70< r <0,89), with the interest rate -0,574 between medium level and a negative correlation (0,50 < r <0,69) and with oil prices between -0,028 weak level and a negative correlation (0.26< r <0,49) between Inflation -0,206 with very weak level and a negative correlation(0,00 < r < 0.25) is observed. Multiple regression analysis of research findings; "Pınar Dairy Company national income, inflation, money supply, interest rate, exchange rate, and the price of oil istida; the company's stock prices in a meaningful way to explain is it?" in the light of the questions were analyzed. The results of the analysis in the following table is located.

When the Table 2 is examined, the R^2 value of the variation in the dependent variable us is explained by the independent variables into the model implies that much. However, in multiple regression analysis the adjusted R^2 value are taken into account. According to this value of two or more variables implies the change in the dependent variable that can explain how much. According to the data in the table, the R^2 Value calculated as 0,960 and national income, inflation, interest rate, money supply, exchange rates, employment, and oil prices; stock prices change in PNSUT %96,0 'ni can explain. Satisfactory results were achieved in this research indicate that the height value.

Table-1. The impact of macroeconomic factors on equities PNSUT in relation to correlation of assessment.

		Stock	national income	Enflas-directional	interest rate	money supply	exchange rate	Istih-dam	oil prices,
The stock	Pearson Correlation	1	,859**	-,206	-,574	,922**	,878**	,952**	-,028
	Sig. (2-tailed)		,001	,544	,065	,000	,000	,000	,934
	N	11	11	11	11	11	11	11	11
National income	Pearson Correlation	,859**	1	,047	-,669*	,722*	,591	,761**	,244
	Sig. (2-tailed)	,001		,892	,025	,012	,055	,007	,469
	N	11	11	11	11	11	11	11	11
Enflas-direction	Pearson Correlation	-,206	,047	1	,369	-,445	-,459	-,399	,366
	Sig (2-tailed)	,544	,892		,264	,170	,156	,224	,268
	N	11	11	11	11	11	11	11	11
Interest	Pearson Correlation	-,574	-,669*	,369	1	-,603*	-,453	-,634*	-,289
	Sig. (2-tailed)	,065	,025	,264		,050	,162	,036	,388
	N	11	11	11	11	11	11	11	11
Money supply	Pearson Correlation	,922**	,722*	-,445	-,603*	1	,963**	,987**	-,209
	Sig. (2-tailed)	,000	,012	,170	,050		,000	,000	,537
	N	11	11	11	11	11	11	11	11
Exchange rate	Pearson Correlation	,878**	,591	-,459	-,453	,963**	1	,935**	-,422
	Sig (2-tailed)	,000	,055	,156	,162	,000		,000	,196
	N	11	11	11	11	11	11	11	11
Employment	Pearson Correlation	,952**	,761**	-,399	-,634*	,987**	,935**	1	-,090
	Sig (2-tailed)	,000	,007	,224	,036	,000	,000		,792
	N	11	11	11	11	11	11	11	11
Oil prices	Pearson Correlation	-,028	,244	,366	-,289	-,209	-,422	-,090	1
	Sig. (2-tailed)	,934	,469	,268	,388	,537	,196	,792	
	N	11	11	11	11	11	11	11	11

Table-2. multiple regression analysis results .

Variable	B	Standard error	β	T	P
Constant	-51,800	28,856		-1,795	,171
National income	,000	,000	,521	3,059	,055
Inflation	-,190	,374	-,061	-,509	,646
Interest rate	,188	,189	-,116	,997	,392
Money supply	,000	,000	-1,140	-1,823	,166
Exchange rate	13,804	8,694	1,195	1,588	,211
Employment	1,497	2,197	,632	,681	,544
Oil prices	,060	,073	-,223	,820	,472

Table-3. Multiple regression analysis results 2.

Stock Prices	R	R^2	Adjusted R Square	$F_{(7,3)}$	P
	0,994	0,988	0,960	34.858	,007

Located in the analysis, the ANOVA test result $F(7,3) = 34.858$ value 0.007 p-value in Table 3. Refers to whether the model is meaningful as a whole. So, the data in the table as a whole, the results of the regression model is significant. Viewed in terms of the other coefficients in the model, was calculated as the coefficient of the term - 51,800 hard. As 0,171 p-value are noted. Here, the constant term is not significant in macroeconomic factors and stock prices are found to be associated with an inverse manner PNSUT. the coefficient β refers to the order of importance of the independent variables in the model. the relative importance of independent variables in the model β coefficients on stocks of order; exchange rate, money supply, employment, national income, oil prices, interest rate and finally inflation.

Significance of T-test results of more significant in terms of national income and money supply, exchange rate, interest rate, oil prices, unemployment and inflation, the significance of the effect, it is understood that have less impact on stock prices. PNSUT was the result of the regression analysis of stock prices to yordanma equality relation and the regression is as follows:
SHARES=-51,800+0,00MGELIR0,190ENF+0,188 INTEREST+0,00 PARZ THE+13,804 CURRENCY+ 1,497 ISTHDM +0,060 OIL

3. PNSUT YEARS AS A P/E RATIO FIRM VALUATION METHOD

In the second stage of the analysis portion of the application, Price/Earnings ratio and determining the value of the company comprise the calculation. The shares of firms in the year ofthe downturn in the information given when the P/E ratio, calculating the behalf of investors by informing shared. This ratio is also given by the investors in the market also refers to the reputation of the firm. Investment towards the person, the company provides its estimate of return on investment will be in the future what P/E ratio method can find k (www.fiyatneder.com). Price/ earnings ratio method, the company, the industry in which it resides, or is supported by the comparison with the performance of similar companies based on profit. Sector P/E ratio average firm profits in anticipation of the product gives the value of the company (www.doczz.biz.tr). For example , when asked to get his phone its features and price with other phones in the market that can be compared with information about performed research; we do not invest in the stocks of a company that can bring to us when researching the benefits and gains and a better way of comparison with other companies in the industry will be useful. Indeed, Bis also the first feature we look at when we're going to buy the company's IR is not as lucrative as that is. A profitable company will be inevitably expensive. P/E the ratio of the firm for every \$ 1 of net income per stock, in return for TL is a ratio that indicates how many investors they are willing to pay (www.forekstrend.blogspot.com.tr) PNSUT also chosen this method for the determination of firm Value Research, and similar firms for the valuation of P/E ratios were also calculated. The company made profitability calculations and estimates for future periods and according to him, investors will be able to guide decisions and policies. The company that can double their investment through the ground to obtain the conviction among investors is split. The company's decided that it can be expensive or cheap. If the company has invested and will improve profitability in the coming period if it is believed that today, expensive looking, this ratio for the next period can actually appear cheap. The result of the analysis 2006: 01 - 2016: work with data in the period 06 PNSUT Company P/E by calculating the ratio of the following table was reached.
Fair value (FV) = Capital * the value of closing stock
PNSUT GUD (2006) = 44 TL 051 951 * 2, 07 at TL = 93 675 048, 57 TL and
P/E Ratio = Fair Value / Net Profit
PNSUT P/E Ratio (2006) = 93 675 048, 57 TL /28 922 585 TL = 3, 25

PNSUT Company P/E in the calculation of the ratio according to years to get the result based on the closing prices of the shares on behalf of 31 December is taken and at the end of the year, the company Net Profit are mentioned. PNSUT is included in the structure of sales and production that increases with each passing day previous bolumlerle over the years maintained its profit structure. For 2006, the P/E Ratio was 3.25 per cent next year and by more than this rate has increased Table 4. The increase in the rate of profit of the firm along with profits declining in 2008 did not show the same effect has been. However, this decrease sales of the firm, only the firm-profits policies from that situation aside, it is beneficial to look at the effects of economic conditions in this period. The continuous increase in the rate of the stock in the next period, together with the residue of net profits was observed.

Table-4. PNSUT the year the shares of the companyaccording to P/E ratio method of calculation.

| Many years	paid-up capital of TL	as at 31 December, the closing price of the stock TL	TL fair value	TL net profit as of December 31,	P/E Ratio %
2006	44 051 951	2, 07	048 675 93, 57	585 922 28	3, 25
2007	44 951 051	4, 14	186 097 351, 14	660 157 39	4, 69
2008	44 051 951	1, 55	674 69 129, 05	185 34 418	2, 03
2009	951 051 44	4, 48	201 380 708, 48	619 57 821	3, 48
2010	44 051 951	9, 88	444 116 383, 88	075 60 624	7, 39
2011	951 051 44	11, 22	504 792 350, 22	142 72 920	6, 91
2012	44 951 051	12, 62	567 263 282, 62	57 421 066	9, 87
2013	951 051 44	14, 62	365 657 184, 62	67 442 927	9, 74
2014	951 051 44	18, 75	206 842 832, 25	222 076 87	9, 67
2015	951 051 44	15, 52	697 640 311, 52	907 235 62	11, 2
2016	44 951 051	15, 30	751 687 080, 30	213 297 43	15, 88
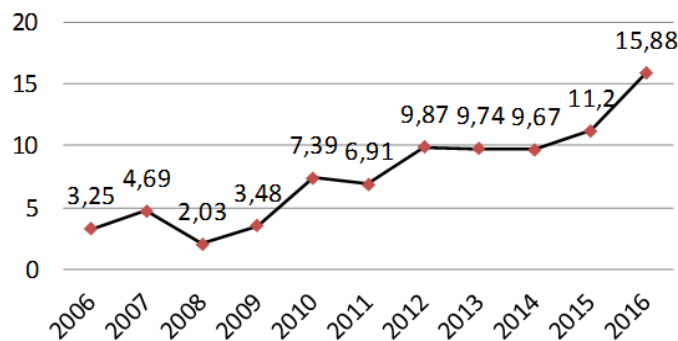
Figure-1. PNSUT P/E ratio change compared to the years of 2006-2016.

Pretty good in the industry who are in a position and high Q PNSUTnet profit obtainedas a result of the pulses, 2006 2016 was in the month of June of the year between the dates of a profitable structure. Figure 1 As seen in the results of this valuation, has enabled us to create more demand for more stocks to increase the value of. While valuation has investors compared to previous years, you will want to also have to predict the future. This estimation also for the company residual effects of past years net profit or by looking at the closing price of the company's stock price compared to estimation may need to be made. The scope of the research important findings, which is subject to the Valuation Price, Net Profit fair value or macroeconomic factors that affect the effect of the sales of the company. In the conclusion of the research will be included in the overall valuation results and the effect of stronger company each year PNSUT factors which will be created by the designated.

Table-5. PNSUT estimated firm valuation by P/E ratio method over the years.

Year	Net profit	P/E Ratio	Fair value	P/E the ratio of the difference in	Valuation value difference
2006	28585922	3,25	93048675,57	1,325	37731917,58
2007	39660157	4,69	186097351,1	45,88	1819516788,35
2008	34185418	2,03	69674129,05	142	4225419042,21
2009	57821619	3,48	201380708,5	13,37	772913571,67
2010	60075624	7,39	444116383,9	25,35	1522759545,88
2011	72920142	6,91	504350792,2	72,72	5302280115,24
2012	57421066	9,87	567282263,6	53,15	3051393315,70
2013	67442927	9,74	657184365,6	47,23	3185039185,57
2014	87076222	9,67	842832206,3	59,8	5206352936,09
2015	62235907	11,2	697640311,5	14,75	917381475,13
2016	43297213	15,9	687751080,3	11,22	485603392,00

Note: * The month of June until the end of 2016 are included in the calculations.

PNSUT P/E ratio is considered when the 2006 in the year, while the industry average 3,25 4.57 next year, the industry's pretty but your wife had resumed below seen. As seen in Table 5 the value of the firm in 2006. while 130780593,15 tahim for the TL, 2016 TL for the period of June 1173354472,30 have been calculated. However, the selected companies for not being in periods of losses each year, the P/E ratio was high in some years in some years were lower. Overall, the sector in when the average high is in the company it has been seen. This situation industry PNSUT below average for the remaining valuation stocks after investment gave rise to the conclusion that it is more appropriate. P/E Ratio the result is that the lower investors more with the idea that the gain is high more investment will be demanded. Pinar Investments continue to milk that is, the opening of new production facilities, development activities and increase their production the idea of increasing the company's net profit this ratio subsequent periods, expensive-looking for cheap has created the possibility of being able to appear. Firms that regular profits and increase your profits price-to-earnings ratio is usually high it is known (www.fiyatneder.com).

Valuation closing stocks at 31 December for addressed to prices from 2006 until 2010 although after these years show fluctuations has been on an upward trend. As the years The highest traded on Borsa Istanbul in the month of the closing price on 31 December 2014. 18,75 TL. Compared to other years during this period the highest net company valuation 143,34 6 185 049 TL. Used the most profitable method in the food sector structure of the selected companies, PNSUT's to get a very high value of there have been reasons. Method for the investors the simplicity and the easy availability of the data in terms of when choosing this method, too much emphasis on the time dimension given the accuracy of the results in terms of certainty does not provide. Next the period estimated by the profitability of the method investors because it's being referenced historical data and future company and in the period are taking outside factors into account. Two thousand six the period between 2010 and looking at PNSUT's stock price fluctuations in P/E in the rates is seen. 2006 North milk production 25% contribution to economy partial while providing experienced an increase in exports during this period PNSUT had a negative impact on. The government, during this period, foreign currency purchases stop inflation with liquidity arrangements the issue has brought. EU harmonization process studies, in national income % at a rate of 6.9 growth, increase in employment experiencing in this period of PNSUT 10 % growth has provided. P/E ratio while 3,25 TL 593,15 firm valuation has increased to 130 780.Two thousand seven in the years of global crisis-risk countries in Turkey the effects while under the influence it has been seen. Food and feed prices the increase in production and sales this period while active, oil prices have risen, and inflation the increase in interest rates negative for stocks has influenced. Foreign investments into the country PNSUT shares and the increase in the exchange rate 4,14 TL prices make the end of the year compared to 2006, while profits increase they are also very high value of the firm increased. U.S. housing in 2008 that shows itself totally the crisis in the markets, the

economy is pretty shares traded in the stock market negatively quite depreciated stocks, %52,6% in declined. This period closes with low profit studies in Turkey, PNSUT and activities as a result of to be the leader in the industry it continued. Lowest closing prices, while other firms leap as a result of the company valuation 4 093 295 171. Found 26 TL. With the decrease of the impact of the crisis Increased investment incentives in 2009, decreased interest rates, financial the capital markets for funding needs in the system, and you're the IPO has taken place. PNSUT during this period of 26 % percent growth has shown. Therefore, PNSUT's the value of the firm per year minimum the value received. 2010 to 2014 when viewed between Turkey through the process of recovery the economy after the crisis, thanks to structural reforms and fiscal discipline, 9.2 % growth has realized. Milk products on the market of 8% growth,while experienced a decline in the exchange rate, keeping interest rates low inflation experienced fluctuations, PNSUT investments China has increased its exports. In 2011, developing countries BIST the fourth row between Exchange Place when buying increase your confidence with PNSUT the closing price of TL 11,22, reaching 142,00 TL net profit for the period 920 72 the firm has been 907,46 5 880 630 of the value of TL. In the economy developments of a selected Company P/E ratios 79,63 affect an average of ' e reaches is known. Both the 2012 and 2013 Turkey PNSUT showed similar properties. A fall in inflation rates PNSUT new plant expansion in years gone, contribution to employment, providing production support in the food industry has maintained a leading position in its place. The determination of firm value to each other pretty this year to close has increased.2014. when it comes to milk production in Turkey compared to the previous year increased by 1.5% points. PNSUT's sales this period increasing transactions in the stock market increase from PNSUT shares biryani show their prices have increased, according to the year the year highest closing price has completed. The Turkish economy decline gone, important macro-economic factors affected stocks the employment rate increase this year is the past. Exchange rate and money supply the increase in the decline in foreign oil prices while the balance of trade affects the stock market rise,and past, stocks are assessed. Of 2015 and 2016 If closing the month of June comes to an end when stock prices searching for. 2015. Troubled for Turkey and the world a year ago, the uncertainties in the economy, the Fed' s the work of monetary tightening, weaknesses in capital inflows, rising inflation, exchange rate, shares rise the shares affected. This year the stock market over a 6.8 % while lost, PNSUT stock price increase, however, the companies selected for this financial uncertainty has not been affected in a good way. A selected Company P/E ratio is low PNSUT's though stable, profitable the structure of the firm value highly carried out TL 1 615 021 786,65 has been identified. The first six months of the year 2015 2016 during this period in oil prices, continued in effect declines occurred in stock mobility caused. Shares at the end of June stock the closing price of 15,30 TL,while P/E ratio and firm value; the twelve-month is not calculated has increased at a high rate.

4. RESULTS AND EVALUATION

Application as a result, the company determined the value of shares taken up when according to years of stock prices to macroeconomic factors is pegged to be affected, and the company's from the sector changes in the structure of snow and the profitability of the companies selected for valuation the conditions affect the valuation of this company is known. According to the results of simple correlation of the company with stocks, national income, exchange rate, money supply and the relationship between the employment rate and a high level of this relationship in a positive way. Other the prices of the stocks on hand with inflation, the interest rate the relationship between oil prices and negative the direction is quite weak. In this case, performed as multiple linear supporting according to the results of the regression analysis; each macroeconomic factors the prices of the stocks of in a relationship of factors gives the result that the effects will be gradually reduced. The relative effect on stocks; exchange dry, money supply, employment, national income, oil price, is in the form of interest rate and inflation describes how to. Based

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on the analysis obviously, exchange rates, national income, money supply, the employment rate for the company's stock prices had a significant effect on that, but inflation, interest rate and oil prices, the impact of unbound is quite weak, and even that is concluded.

Company when the value is used in the application is taken into consideration 2006 stock price for the company national income and the positive effect of the exchange rate, the inflation rate the effect will be negative while the firm's profit as a result of firm value. has increased to high. 2007. oil prices, inflation and interest rates negative changes in stock prices again led to a fall in affecting the direction. However, the effects of the crisis being felt within the country of the company with in the sales of protection policies due to your wife's increase have experienced. Two thousand eight together with the worst effects of the crisis, national income and interest rate the most decisive factor affecting stock prices has become. In 2009 interest rates while national income and the employment rate became the priority the increase in the money supply decline and shares had a negative impact on stock prices. During this period, the value of the firm compared to other years it fell. In 2010, foreign exchange rate, interest rate and inflation rate in determining the role of has played. The company's sales and profits the effects of the crisis on a rising trend and is freed from the past and the stock price has increased. In 2011 the determining factor in the exchange rate and the employment rate has been. The company's exports and sales has increased. In 2012, the employment rate the increase of interest rates to control the money supply in the increase has been effective. In 2013 inflation rate, interest rates, employment and the priority of when it happens, lowering interest rates for the company that increase their investments with your wife's a period where increased has been. The employment rate for the year 2014 oil prices and the increase in the money supply the changes has become significant. 2015. oil prices, exchange rate, inflation rate, and continue to impact the employment rate as of 2016 oil prices up to the month of June the fall in the exchange rate the changes in the company's sales and stock investments by affecting have caused changes in prices.

Made the work suggests implementation you want to invest in a company stocks the general condition of the country and the investor, and looking to the future investments in macroeconomics would do to be more profitable these macro factors to consider in determining the value of the firm hold can. Macroeconomic factors and stock prices the effects, both positive and negative change as May, the firm's sales factors that shaped the role of your wife it is important. The company's balance sheet and income statement prior period financial data with the data it can be examined whether the evaluation can help, but industry located close to seen in the information sector companies with comparable comparison results can be evaluated, financial data, macroeconomic data and next year we can look to impact valuing the company the forecast can be made. Hence the value method has to be selected well of the company. P/E ratio as before explained in simple and easily calculated, due to tive investors it is preferred by many, but the estimates in the form of and the final results does not constitute.

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