

The impact of the size of the company on the market price of its shares Survey study in companies listed on Damascus Stock Exchange

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Abstract

The objective of this study is to determine the impact of the size of the company on the market price of its shares. To achieve this objective, quarterly data were collected from the financial statements of 21 companies listed on the Damascus Securities Market during the period between the first quarter of 2010 and the second quarter of 2015.

The size of the company was measured by the natural logarithm of the total assets, the profitability of the company through the rate of return on the right of ownership,

And the financial leverage through the percentage of total liabilities to the right of ownership, and the market price of the company's share through the ratio of the market value of the share to the book value of the share.

The results also showed that the size of the company directly affects the degree of leverage in the company, and that the leverage mediated by the impact of the size of the company in the market price of its share.

In addition, the results confirmed that there was no significant effect of the rate of return on the right of ownership in the ratio of market value to book value.

Keywords: Company Size - Share price - Financial leverage - Profitability - Damascus Stock Exchange.

For the Paper in Arabic Language See the Pages (107-126).

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