

Introduction

The following data is compiled in 2006 and contains financial information about a sample of companies whose shares are traded on the stock exchange in Germany, France, Ireland and South Africa.

Data Description

The **Company_profiles.xls** file contains information on:

- Name of the company
- Country where the shares are traded
- Market value of the company (in million pounds)
- Price change %
- Dividend %
- Return on investments
- Volatility= (standard deviation of the share price/mean)*40

Case Questions:

1. Compute numerical descriptive statistics and prepare tables and/or graphs for all variables in the data set.
Comment on the results.
2. A) Is there a significant difference between the companies traded on the four markets (countries) in respect of the company market values?

B) Is there a significant difference between the companies traded on the four markets (countries) in respect of 12-month price?

C) If there are differences, which markets are different and which markets have higher average market value and higher average 12-months price?
3. A) Is there a significant difference between the companies traded on Germany and French markets regarding return on investments?

B) Is there a difference between the companies traded on Germany and French markets regarding dividend yield?
4. Is there enough evidence to conclude that less than 50% of the French companies have volatility level less than 5?

5. Estimate with 95% confidence the percentage of companies that have volatility level less than 5.
6. Can we conclude at 5% significance that the percentage of French companies with volatility less than 5 is more than the percentage of Irish companies?
7. According to history data, shares of the four markets are distributed as follow: Germany had 25% of the total market share, France had 40% of the market share, Ireland had 15 % of the market share, and South Africa had a market share of 20%. Does the data suggest any changes have occurred in the distribution of market shares of the four markets?
8. Is there a relationship between volatility level and 12- month price exchange?
9. Based on your findings, write a report. (the report should include: introduction, data analysis and results, and final conclusions)

GOOD LUCK