EXPLAIN THE RELATIONSHIP BETWEEN OWNERSHIP STRUCTURE AND LIQUIDITY SHARES OF THE LISTED COMPANIES IN TEHRAN STOCK EXCHANGE

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ABSTRACT
According to market therefore of ideal characteristics, the absence of transaction costs and thus higher liquidity. Given the importance of improving its liquidity factors, it can help. Ownership the liquidity of the relationship between the purposes of this study stock company is accepted in Tehran Stock Exchange. So the impact of ownership structure and ownership concentration of ownership of the stock’s liquidity is investigated. Direction study sample consisted of 74 members Hey Tehran Stock Exchange for the period of 5 years (2005-2009) was selected. To test the hypothesis and the relationship between ownership structure (independent variable) and stock liquidity (dependent) linear regression models at 95 % to EXCELL and SPSS software was used. Results of the study show that the level of institutional ownership, the ownership management and ownership concentration is inversely related to stock liquidity and stock liquidity relationship between corporate ownership and there.

Keywords: Liquidity Shares, Ownership Structure and Tehran Stock Exchange

INTRODUCTION
One fundamental issue in the liquidity of assets is the amount invested. The role of liquidity in asset valuation is crucial. Because investors are concerned that if they want to sell their assets, the liquidity of a stock sheet is meant to allow a quick sale.
In Iran, on the relationship between ownership structure and concepts such as corporate governance, corporate performance, profitability, quality and value of its listed companies, but one of the issues in empirical research is obsolete concept stock liquidity.
This study examines the effects of ownership structure on stock liquidity, liquidity will, but what is important and why we study it?
One of the characteristics of the market in the absence of transaction costs and thus liquidity is high. Transaction costs range from the obvious costs such as fees and brokerage fees and taxes are included in non-obvious information from inefficient. will be discussed extensively in the study of factors affecting the provision of useful information to be handled.
According to role in price discovery of assets, distribution of financial risk and financial loss it is important to understand the factors influencing’s. Present and explain the relationship between ownership structure (type of ownership - ownership concentration) and liquidity shares is paid (Rubin, 2007).

Background Investigations
Given the evidence that came from Brazil and Chile became clear that the owners of large blocks of shares, thereby reducing the availability of floating stock market liquidity to the market and thus reduce (Fang et al., 2009).
Institutional ownership and the liquidity of the stock in a research study of the relationship between institutional ownership and stock liquidity in terms of both personnel and intelligence performance is discussed. Overall result of the analysis indicated that Agarwal nonlinear relationship between institutional ownership and liquidity of shares there (Chang et al., 2010).
Ownership level, ownership concentration and liquidity as the Rubin study to examine the relationship between institutional ownership and liquidity of shares and other groups within the company has done. Results of these studies show the relationship between ownership groups within the company's liquidity
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has been unable to see. It has reached the conclusion that the only institutions that are remarkably affect the liquidity of shares apply (Sarin et al., 2000).

Liquidity of shares with institutional ownership level is inversely correlated with institutional ownership concentration. Therefore in this study the performance of both therefore and information or transactions have been approved.

Jakby (2010) included a sample of 3,576 U.S. companies (1071 companies from the NYSE, 323 companies and 2182 of the AMEX Company NASDAQ) to examine the relationship between ownership dispersion (percentage of shares in the hands of shareholders' equity) and liquidity shares began. Results Researcher they suggest that greater dispersion of ownership will lead to improved stock liquidity (Kini and Mian, 1995).

Kyn and the (1995) sample includes 1,063 firms from the Securities and Exchange America explores the relationship between concentration (dispersion) and the difference between the price of buying and selling shares of ownership, and the correlation between these two variables did not realize that (Lesmond et al., 1992).

Explore the role of liquidity in asset prices, the distribution of financial risk and financial loss it is important to understand the factors influencing’s. Present and explain the relationship between ownership structure (type of ownership - ownership concentration) and liquidity is paid (Rubin, 2007).

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Dose studies and others (2000) from a cross-sectional analysis to examine the impact of an entity’s information advantage on the price gap and traders used. They reached the conclusion that the higher Yrsd share ownership by institutions and the directors the person (within the enterprise,) increases the gap between price and market depth is reduced.

Chunk and Hnkaran (2010), in research as liquidity and stock returns in Japan to investigate the relationship between stock returns and liquidity strength of it. They concluded that a negative correlation (positive) between the strong liquidity (lack of liquidity) and return there (Chordia et al., 2008).

Fang and colleagues (2010), research on the stock market liquidity and firm value relationship between stock liquidity and firm performance began. Results of the study show a strong positive relationship between stock liquidity and firm performance there (Jacoby and Zheng 2010).

Chang and others, 2008, Effects of corporate leaders on stock market liquidity using 24 indicators related to governance and ownership structure of companies engaged in financial and operational transparency. They found that the steering of liquidity more-or-gap better caused has fallen by price effect (Cueto, 2009).

Cherdya and bending as liquidity and market efficiency research in 2008 stated that in the short-term horizon predictability of stock returns are negatively correlated with market performance. They found when the distance bid prices gliding sales and narrow the capability to predict efficiency will be lower. Believe in efficient market returns of the past to predict the least efficient (Chung et al., 2008).

Rahmani and Rezapour 2010 as regards research in institutional ownership and stock liquidity to examine the relationship between institutional ownership and stock liquidity is discussed. According to the research hypotheses, they have concluded that there is a direct relationship between the level of institutional ownership and stock liquidity, but there is an inverse relationship between the concentration of institutional ownership and stock liquidity. Therefore both theories have been approved (Rezapour, 2010).
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Zadinia and Rsayyan 2010 as the dispersion of ownership and liquidity shares his research examines the relationship between ownership concentration and liquidity shares of listed companies in Tehran Stock Exchange have been. The distribution of the results of this research indicates (focus) ownership and liquidity shares on the Tehran Stock Exchange not significant (Izadi and Rsayyan, 2010). Rsayyan 2009 Izadinia and research as the difference between bid and offer prices and the quality of earning to assess correlations between variables. Researchers in their studies benchmark price difference between buying and selling using order to measure the shares i liquidity have ten. Findings indicate that 27% of the variation in price between bid and offer change in the quality of earnings is explained (Izadi and Rsayyan, 2009).

Research Hypotheses

Test the following hypotheses will be considered:

First hypothesis: There is a relationship between the level of institutional ownership and stock liquidity.
Second hypothesis: the level of managerial ownership and stock liquidity are related.
Third hypothesis: There is a relationship between the level of ownership concentration and liquidity shares.

MATERIALS AND METHODS

The purpose of this research is applied in terms of the nature of the procedure and descriptive - correlation. Purpose of this study was to investigate the relationship between ownership structure (independent variable) and stock liquidity (the dependent variable) is linear regression models to examine the relationship between these two variables are used. Hypothesis of the study was to investigate the 95% confidence level. Should be noted that the non-linear relationship between variables in the test is performed according to the statistics and significance level have been defined. Best fit variables offers.

Methods of Data Collection

In this research, gather the data needed, go to the library and archives of the methods used. Research tools, including financial statements, financial notes and reports is studied by a software approach bring new and official website of the Tehran Stock Exchange and calculated variables are collected and then classified the data using Excel, SPSS software was used.

Models and Methods of Measurement of Variables

To test the hypotheses proposed in this study, Rubin (2007) has been used. The general models used in the study are as follows:

LIQUIDITY MEASURES = \( \alpha + \beta_1 (OWNERSHIP_{I,t}) + \beta_2 BLOCK_{I,t} + \beta_3 SIZE_{I,t} + \beta_4 PRICE_{I,t} + \beta_5 BM_{I,t} + \beta_6 VOLAT_{I,t} + I,t \)

LIQUIDITY MEASURES: Various measures of liquidity for company i in period t
OWNERSHIP: Property Type (shareholders) of firm i in period t
BLOCK: Ownership concentration of firm i in period t
SIZE: Size of firm i in period t
PRICE: The share price of firm i in period t
BM: Book-to-market ratio of firm i in period t
VOLAT: Volatility of firm i in period t
I,t: Company i in period t, including error

Independent Variables

In this study, the independent variable is the ownership structure that has been studied under two main aspects:

A: The type of ownership (shareholders)
Institutional ownership: the percentage of total shares held by state-owned enterprises and public capital stock.
Corporate ownership: percentage of shares held by corporate components of total capital.
Property Manager: represents the percentage of shares held by the members of the board.
B: concentration of ownership:
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Holders of shares in blocks of shares Percentage of issued shares of the company in the hands of five major shareholders of the company.

Dependent Variable

To calculate the reliability of research Quito (2008) and Agarwal (2008) and Rubin (2007) have been selected:

1. Trading volume: number of shares traded in the period.
   \[ \text{TVO} = \text{Trading volume} \]

2. The value of stock trading the stock price multiplied by the volume of transactions is achieved. The benchmark one-year intervals have been calculated.
   \[ \text{TVA} = (\text{TVO} \times \text{PRICE}) \]
   \[ \text{TVA}: \text{The value of stock trading} \]
   \[ \text{TVO}: \text{Trading volume} \]
   \[ \text{PRICE}: \text{The price per share} \]

3. Rate of stock turnover volume of shares traded divided by the number of shares outstanding in the company's stock at a specified time interval Roll show.
   \[ \text{TOR} = \frac{\text{TVO}}{\text{S}} \]
   \[ \text{TOR}: \text{Rate of stock turnover} \]
   \[ \text{TVO}: \text{Trading volume} \]
   \[ \text{S}: \text{Number of shares outstanding} \]

Control Variables

1 - Share prices: Average stock price at the required return on an annual or quarterly
2 - Size: natural logarithm of firm value at end of period
3 - Book value to market value of this measure by dividing the book value of the company's value at the end of the period.
4 - Volatility: This variable is used as an indicator of risk control. To determine the standard deviation of return during the period has been calculated.
5 - Community sample:
   The Tehran Stock Exchange for the period 2005 to 2009 during which all of the following conditions must be met:
   1 - Before 2005, the company is listed on the Tehran Stock Exchange.
   2 - End of the financial year 29 Esfand each year.
   3 - The number of trading days in each fiscal year of the company not less than 70 days.
   4 - not only financial and investment companies.
   5 - Corporate and financial information required to be accessible.

Due to the limitations of 74 companies from the information society to eliminate systematic approach to sampled and studied.

6) The findings and data analysis:

<table>
<thead>
<tr>
<th>Result</th>
<th>Watson statistic camera (Adjusted)</th>
<th>Be explained</th>
<th>Analysis of variance Statistics, F Significant</th>
<th>Independent variable Level of institutional Coefficient</th>
<th>Dependent variable Liquidity variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>confirmation</td>
<td>1.958</td>
<td>0.357</td>
<td>0.366</td>
<td>0.605</td>
<td>42.013 (0.000)</td>
</tr>
<tr>
<td></td>
<td>1.956</td>
<td>0.386</td>
<td>0.394</td>
<td>0.628</td>
<td>47.399 (0.000)</td>
</tr>
<tr>
<td></td>
<td>1.948</td>
<td>0.362</td>
<td>0.317</td>
<td>0.609</td>
<td>42.860 (0.000)</td>
</tr>
</tbody>
</table>
Findings and statistical analysis tests in table (1) show that a measure of stock liquidity is negative and significant. Given that sig (significance level) T and F statistics in all models explained less than 5% are denied this information, it assume hypothesis H0 and H1 are assumed. Stock liquidity is reduced significantly as the first research hypothesis is confirmed.

Table 2: Test results of the second hypothesis

<table>
<thead>
<tr>
<th>Result</th>
<th>Watson statistic camera</th>
<th>Be explained</th>
<th>Analysis of Variance</th>
<th>Independent variable corporate ownership</th>
<th>Dependent variable Liquidity variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(Adjusted) R²</td>
<td>R²</td>
<td>R</td>
<td>Significant Level of corporate ownership Coefficient</td>
</tr>
<tr>
<td>Confirmation</td>
<td>1.987</td>
<td>0.402</td>
<td>0.410</td>
<td>0.640</td>
<td>50.573 (0.000) 8.356 (0.000) 0.266 TVO</td>
</tr>
<tr>
<td>confirmation</td>
<td>1.980</td>
<td>0.430</td>
<td>0.438</td>
<td>0.662</td>
<td>56.660 (0.000) 8.532 (0.000) 0.230 TVA</td>
</tr>
<tr>
<td>Confirmation</td>
<td>1.978</td>
<td>0.383</td>
<td>0.392</td>
<td>0.626</td>
<td>46.890 (0.000) 7.983 (0.000) 0.591 TOR</td>
</tr>
</tbody>
</table>

The results obtained from the tests and statistical analysis table (2) shows that the coefficient of the independent variable corporate ownership pattern in the mail first, second, and third, that the criteria of liquidity stock is positive and significant. Given that sig (the significant) and T, F statistics in all models is explained less than 5%.

These assumptions implies the rejection of H0 and accept H1 is assumed to represent the second hypothesis is accepted, then the overall level of corporate ownership and liquidity shares a direct relationship values (positive,) there.

Table 3: Third Test Hypothesis

<table>
<thead>
<tr>
<th>Result</th>
<th>Watson statistic camera</th>
<th>Be explained</th>
<th>Analysis of Variance</th>
<th>Independent variable managerial ownership</th>
<th>Dependent variable Liquidity variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(Adjusted) R²</td>
<td>R²</td>
<td>R</td>
<td>Statistics F (Significant) Coefficient</td>
</tr>
<tr>
<td>confirmation</td>
<td>1.962</td>
<td>0.375</td>
<td>0.384</td>
<td>0.619</td>
<td>45.321 (0.000) -7.166 (0.000) 0.088 TVO</td>
</tr>
<tr>
<td>confirmation</td>
<td>1.956</td>
<td>0.403</td>
<td>0.411</td>
<td>0.641</td>
<td>50.826 (0.000) -7.288 (0.000) 0.076 TVA</td>
</tr>
<tr>
<td>confirmation</td>
<td>1.950</td>
<td>0.356</td>
<td>0.365</td>
<td>0.604</td>
<td>41.812 (0.000) -6.752 (0.000) 0.194 TOR</td>
</tr>
</tbody>
</table>

The results obtained from the tests and statistical analysis in table (3) shows that the coefficient of the independent variable of property management in models I, II and III that relate to metrics, liquidity stocks are negative and significant. Given that sig (significance level) T and F statistics in all models is explained less than 5%.

This assumption implies the rejection of H0 and H1 is accepted and assumed by the third hypothesis is indicative of the general inverse relationship between property management and liquidity of shares there.
Table 4: Forth Test Hypothesis

<table>
<thead>
<tr>
<th>Result</th>
<th>Watson statistic</th>
<th>Be explained</th>
<th>Analysis of Variance</th>
<th>Independent</th>
<th>Dependent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>camera R²</td>
<td>R²</td>
<td>R</td>
<td>Statistics, F (Significant)</td>
<td>Concentration ownership Statistics, t (Significant)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Confirmation</td>
<td>1.957</td>
<td>0.424</td>
<td>0.432</td>
<td>0.657</td>
<td>55.275 (0.000)</td>
</tr>
<tr>
<td>Confirmation</td>
<td>1.948</td>
<td>0.454</td>
<td>0.462</td>
<td>0.679</td>
<td>62.439 (0.000)</td>
</tr>
<tr>
<td>Confirmation</td>
<td>1.942</td>
<td>0.414</td>
<td>0.422</td>
<td>0.650</td>
<td>53.226 (0.000)</td>
</tr>
</tbody>
</table>

Findings and statistical analysis tests in table (4) shows that the level of ownership concentration coefficient of the independent variable in the model first, second and third measures of liquidity stocks are negative and is significant. This assumption implies the rejection of H0 and H1 is accepted and assumed by the third hypothesis is indicative of the general inverse relationship between property management and liquidity of shares there.

RESULTS AND DISCUSSION

Based on the research findings can be concluded that the structure and liquidity shares there is significant correlation between the results of the first hypothesis suggests that the level of institutional ownership and stock liquidity is an inverse relationship. Increased institutional ownership not indicate because there is an information asymmetry institutional ownership concentration on a small number of shareholders can be informed about their informational advantage to make a deal (Sarin et al., 2000).

If the institutions as a strategic shareholder in the firm, a large percentage of company shares are blocked reduces the amount of free float shares will result in a decrease in liquidity (Fang et al., 2009).

The second hypothesis test results show that there is a direct relationship between the level of ownership hypothesis and stock liquidity.

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