

## Investigating the Profitability of Tehran Stock Exchange from the Perspective of Financial Statements Using AHP Model

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### ABSTRACT

The main objective of Stock Exchange Investors has always been profitability and identification industries that have the highest profitability has been in priority. Thus, using valid methods to introduce these industries has always been of interest to investors. In this paper with title "Investigating the profitability of Tehran Stock Exchange from the perspective of financial statements using AHP model" Analytic Hierarchy Process and field methods (questionnaire) was used for data collection. And statistical sample in this study has been selected in 15 top companies with A rank from Tehran Stock Exchange in the list. The main objective rating of financial measures affecting the profitability of the industry. The results indicate that respectively the measures of net profit margin, operating profit margin, return on assets, return on equity, capital structure, liquidity, leverage and capital assets are the most and least important in determining the exchange industry with high profitability.

### KEYWORDS

Profitability of Industry, Financial Statements, AHP Model, Tehran Stock Exchange

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### Introduction

For basic evaluation of a company's stock, in addition to internal factors, some influencing external and environmental factors must also be considered. Factors affecting the economic and business environment and macro indicators and the economic outlook of the country, considered as these external factors. A group of the most important external factors for the firm related to a type of activity or industry that the companies are located in that. In different industries the condition and competitive environment, the production process,

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the basic required institutions are different target markets for different productions. And this makes a difference in the performance of the industry. Thus, in assessing and evaluating of the companies the industry factor can explain some differences in performance. As the profitability of a company (as well as risk and stock liquidity of a company) considered as the most important factor for evaluation of that company, in checking the status of an industry, its profitability the most important indicator for performance evaluation. Profitability of the industries can be accessed from the viewpoint of investors and in the perspective of financial statements. To evaluate the profitability of an industry, financial information of operating companies in that industry can be used (Ebrahimi, 2013). Profits considered as valuable information in economic decisions. Conducted studies and researches about profits, constitutes one of the largest and most voluminous research efforts in the accounting history. The profit have been always used by investors, managers and financial analysts as the guidance of dividend payments, the tool for assessment of effectiveness of management and a tool for forecasting and assessment of decisions (Sajjadi et al, 2007). Accordingly, many researchers have tried to identify the factors affecting the profitability of the company that is one of the most important growth factors.

Investing in the stock is done by shareholders and investors based on a lot of information. One of these cases, is available information in the financial statements. Changes in that information can be the basis for decision-making. According to the importance of available information in the financial statements and its effect on investor's decision making, review changes in available items in the effectiveness of these changes on the firm profits is considered (Abdullah, et al, 2013).

On the other hand today, companies are trying to maximize the company's value to attract investors.

In Tehran Stock Exchange as well as companies are trying that by increasing their annual profits, encourage investors to invest in the common stock. On the other hand the investors in the capital market are trying consume their resources in a direct that to be the most profitable for them (Setayesh, et al, 2013).

Generally, owners of production units know the causes for closure of their production units to "lack of profitability" and noted that it is as a result of various factors inside and outside of the firm (Mavlaee, 2004). For economic decisions the information is needed that by using it can be best allocated existing resources. One way to obtain this information using data from the annual financial statements of the enterprises. Financial statements that are comprehensive and widely used, are the best way to provide financial information to the users of them. The general purpose of financial statements, is to provide the needs of users including investors (Ahmadpour and GHolami Jamkarani, 2005).

The results of investigation and studies about the capital markets makes it possible to investors and users of information differentiate more easily the top companies than other companies and thus make a more sensible investment (Ganji et al ,2009).

Dong (2015) in a research entitled with "Financial assessment and prioritization metal industries listed on the Stock Exchange Vietnam based on the Analytic Hierarchy Process (AHP) ", discussed forty top companies on the Stock Exchange of Vietnam which were ranked based on financial ratios (liquidity, operational leverage and profitability) using a combination method of AHP-TOPSIS during 2013. At first, capital market authorities and the views of senior financial experts about the effect of the ratio by using a weight and questionnaire with FAHP technique and then rank of companies were collected based on using FTOPSIS method. The results of this study show that there is poor communication between the two groups of ratings. In fact, the results indicate that the choice of the top stock companies is not necessarily associated with a higher rank in terms of financial ratio. And financial statements of the companies introduced a poor approximation of the possibility of the possibility of superiority of companies in the stock.

Saswata (2015) conducted a research entitled with "Financial evaluation and prioritization of base metals industry based listed on the London Stock Exchange using Analytical Hierarchy Process (AHP)" which has taken place with the purpose of to provide a financial assessment and prioritization based companies listed on the London Stock Exchange in a 5-year period from 2010 to 2014.

To this purpose, 20 financial ratios such as liquidity ratios, operations, leverage and profitability derived variables of financial statements of listed companies through the Analytic Hierarchy Process (AHP) was performed using the software Expert Choice. According to this 8 financial ratio has chosen as the main variables of the research. The results showed that copper and lead industries and zinc companies will be on the top and on the base of metal industry.

Al Jafari & Al Samman (2015) in a research entitled with "Factors affecting the profitability: evidence from industrial companies listed on Muscat stock exchange" have used factors, including profit margin, return on assets, the average tax rate, size, growth, fixed assets, financial leverage and working capital that will affect corporate profits and were evaluated 54 companies listed on the Muscat Stock Exchange using multivariate regression. And the results of this study showed that the proportion of fixed assets, return on assets working capital had the greatest impact on profitability. So the question arises with respect to the expression, which industries enjoying the higher profit quality for investing. To provide solutions in the investigation is used a model called Analytical Hierarchy Process (AHP). This method to provide a way of organizing information and apply it in making judgments and decisions based on ability, emotion and logic. Then combine the judgments in the form of results that are consistent with internal expectations. The mentioned process to solve complicated issues by a hierarchy of indicators and results and helps us by using judgment extraction in the way of advancing priorities. The process can be used for prioritizing and resource allocation options.

### **Methodology**

This research in terms of execution and according to purpose is practical and according to data collection is descriptive and experimental. And in terms of implementing method is survey. According to the research question and the

need to respond to it, research executive is as follows: Financial measures affecting profitability can be identified by the use of library studies. To assess how realistic the final results, the analysis done by the Expert choice software. Sensitivity analysis for this study is important. Because the lack of statement analysis and model dimensions, makes it become a black box. In decision-making process can be paid the main role of sensitivity analyses and proposed a series of simple questions that can be answered by using a parameter in time of sensitivity analysis. So with the help of new techniques of SA, decision-makers and analysts can offer more precise management than usage of information in each model. The population in this study can be defined on two levels. On one level in order to identify financial measures affecting the profitability of industry and extracting the weights of measures importance, the experts of Tehran Stock Exchange was used. Sampling of the elite was random and available sampling and more desirable results would be obtained by selecting a limited number of experts which are more specialized in the considered field and they both in theoretical and practical views have had activity in this field. Thus, 15 elite and experts and investors which in the latest rankings announced by the Stock Exchange of Tehran had received rated A were selected. The second level of population study, industries listed in the stock exchange which its financial statements are available. We consider the timeframe of the research due to using hierarchical model and sensitivity analysis of the last time period that its statistic and information of financial statements industries (period) is available. Data collection in this study is based on field and data collection tool is a questionnaire .also the data and information of stock industries and reports of Tehran Stock Exchange are used in order to require information to determine scores and final priorities of each industry for determined standards. Validity of the questionnaire was confirmed by experts. After content validity of questionnaire to investigate its reliability a questionnaire distributed in separate steps between the considered population and asked them zero coefficient (no reliability) to one (perfect reliability) give to each of the constituent elements of their questionnaires.

The obtained data from the questionnaire entered through direct formula in the Expert Choice formula then by combining data and doing pair wise comparisons by software weight normalized, relative final total weight - Calculates AI-state synthesis of ideas for all the tests is calculated. In this study, quantitative-comparison analysis method has been used. to review profitability of industries by 9 degrees questionnaires made by Thomas L. Saati were studied paired financial measures affecting the profitability of the sample population by industry. Then the resulted data by using AHP model that has been analyzed in the software package Expert Choice to implement the techniques of the programming Analytical Hierarchy Process and to investigate effectiveness of each criteria on the profitability of the industries the sensitivity analysis method by changing the input variables in the model software is used.

## **Results and Discussion**

### ***Calculation of normalized and relative weights of financial measures affecting the profitability of industries***

In Table 1, it can be seen that the net interest margin measures with the normalized and relative weights are 1.0 and 0.231, the margin of operating

profit with normalized and relative weights are 0.714 and 0.165, return on assets with normalized and relative weights are 0.653 and 0.151, the normalized return on equity and relative weight are 0.612 and 0.142, Capital structure with normalized and relative weights 0.462 and 0.107, liquidity with normalized and relative weights 0.418 and 0.097, debt to the property with normalized and relative weights 0.292 and 0.068 and capital to property with normalized and relative weights 0.173 and 0.04 have the most and less important in determine exchange industries with high profitability.

**Table 1.** normalized and relative weights of financial standards affecting industries profitability

standards	Normalized weight	Relative weight
Capital structure	0.462	0.1.7
debt to the property	0.292	0.068
Operational margin profit	0.714	0.165
Capital to property	0.173	0.040
Net margin profit	1.000	0.231
Returns of assets	0.653	0.151
Return on Equity	0.612	0.142
liquidity	0.418	0.097

Source: research findings

In the following graph the normalized and relative weight of financial standards in the model of determine stock industries with high profitability measured and its results has shown in the above table. As can be seen in this graph the value of inconsistency rate of model is equal to 0.00478 that the smaller figure or equal to 0.1 indicates acceptable consistency and not need to improving inconsistency.

**The financial measures are calculated for each industry**

Statistical data of companies operating in Tehran Stock Exchange has been brought separately in Appendix of the industry. Here the value of criteria obtained by using statistical data of financial statements of stock companies obtained from companies of stock management technology has calculated for each industry according to table 2.

**Table 2.** The value of calculated criteria for each stock industries (Source: Tehran Stock Exchange)

Final Weight	Capital Structure	Debt to Property	Operational Margin Profit	Capital to Property	Net Margin Profit	Returns of Properties	Liquidity
Industry							

Automotive And Parts Manufacturing	0.91375	0.752402098	0.093149154	0.301489431	-44.51125	-8.42125	0.2025
Production of Metal Products	1.13	0.528701761	0.181303409	0.631475008	16.75	8.565	0.18
Chemical Products	0.702857143	0.406615585	0.152783598	0.302070315	88.43	24.05857143	0.094285714
Basic Metals	1.806666667	0.569754172	0.1552443	0.258215295	9.86	3.913333333	0.046666667
Petroleum, Coke And Nuclear Fuel	1.48	0.555947817	0.015462853	0.28562516	2.005	7.025	0.245
Companies Industrial Conglomerates	0.3575	0.252826228	0.991441605	0.359057777	99.1925	19.4875	0.1725
Extraction of Metallic Ores	0.89	0.430999346	0.533849433	0.390527263	58.41333333	9.41	0.023333333
Banks And Credit Institutions	14.975	0.929255585	0	0.045073238	0	0	0
Telecommunications	1.805	0.558201476	0.611462144	0.189807936	62	23.365	0.165
Investments	0.225	0.16836296	1.152958692	0.593790957	104.8	11.545	8.15
The Supply of Electricity, Gas, Steam And Hot Water	1.095	0.441786734	0.444394909	0.247731428	35.44	26.235	0.215
Pharmacy	0.28	0.217354492	0.98138487	0.338342869	98.45	34.93	0.01
Other Financial Intermediation	4.02	0.800894647	0.343889585	0.10895708	33	6.04	0.06
Machinery & Equipment	2.35	0.701605754	0.386070179	0.112286804	24.91	8.42	0.05
Technical And Engineering Services	3.67	0.786070411	0.329155885	0.060757418	21.16	4.14	0.02

Transport, Storage And Communication	1.91	0.655840066	0.67926164 <sub>4</sub>	0.28627712	81.14	4.51	0.11
Medical, Optical And Measuring	1.25	0.55538074	0.39049024 <sub>3</sub>	0.02291993	35.5	35.34	0
Computer And Related Activities	0.5	0.331978391	0.51594512 <sub>4</sub>	0.16415957 <sub>9</sub>	55.7	32.56	1.25

### Calculating the final weight of industries

After calculating the geometric mean pair wise comparison matrices financial measures affecting the profitability with paired comparisons industries of criteria by defining criteria formula and network statistical data related to each industry standards in software Expert Choice, the final weight in order to determine the exchange industry with high profitability in the ideal synthesis (not ranked considered when selecting Options) on the basis of all individual and general measures Table 4-6

### Results based on the capital structure

In this part the exchange industry are examined in terms of benchmark capital structure. in the table 2 is seen that respectively industrial multi field companies, investments and the materials of pharmacy with final weight 0.064 and computer industry and activities related to it with final weight of 0.063 have the lower capital structure in comparison with other stock industries and have high profitability in terms of criterion of capital structure. And the industry of banks and credit institutions with final weight of 0.000 have the more capital structure in comparison with other stock industries and is allocated lower profitability benchmark in terms of capital structure.

### Results based on debt to property

In this part the exchange industry are examined in terms of standard debt-to-asset.it can be seen in Table 2 that the investment industry with a final weight of 0.109 and the industry of pharmacy industry with final weight of 0.102 from debt to asset enjoy lower profitability in comparison with other stock industries and have more profitability in terms of debt-to asset and the industry of banks and credit institutions with final weight of 0.000 of debt-asset in comparison with other industries and have less profitability in terms of debt to asset.

**Table 3.** The final weight of stock industries in the ideal synthesis

Final Weight / Industry	Capital Structure	Debt To Property	Operational Margin Profit	Capital To Property	Net Margin Profit	Returns Of Properties	The Return Of Shareholders	Liquidit y	Final Weight
Automotive And	0/061	0/025	0/012	0/0640	0/000	0/000	0/031	0/018	0/021

Parts Manufacturing									
Production Of Metal Products	0/060	0/057	0/023	0/141	0/039	0/042	0/035	0/016	0/045
Chemical Products	0/062	0/075	0/019	0/065	0/084	0/081	0/079	0/009	0/068
Basic Metals	0/057	0/052	0/019	0/054	0/034	0/031	0/021	0/004	0/036
Petroleum, Coke And Nuclear Fuel	0/059	0/053	0/002	0/061	0/029	0/038	0/025	0/022	0/035
Companies Industrial Conglomerates	0/064	0/097	0/124	0/078	0/091	0/069	0/051	0/016	0/081
Extraction Of Metallic Ores	0/06100	0/071	0/067	0/085	0/065	0/044	0/034	0/002	0/058
Banks And Credit Institutions	0/000	0/000	0/000	0/005	0/028	0/021	0/000	0/000	0/012
Telecommunications	0/057	0/053	0/076	0/039	0/067	0/079	0/091	0/015	0/068
Investments	0/064	0/109	0/150	0/141	0/094	0/050	0/024	0/742	0/093
The Supply Of Electricity, Gas, Steam And Hot Water	0/060	0/070	0/056	0/052	0/050	0/086	0/102	0/019	0/065
Pharmacy	0/064	0/102	0/231	0/073	0/090	0/108	0/086	0/001	0/091
Other Financial Intermediation	0/048	0/018	0/043	0/20	0/049	0/036	0/058	0/005	0/043
Machinery &	0/055	0/018	0/048	0/021	0/044	0/042	0/054	0/005	0/044



Equipment									
Technical And Engineering Services	0/049	0/021	0/041	0/009	0/041	0/031	0/037	0/002	0/038
Transport, Storage And Communication	0/057	0/39	0/085	0/061	0/079	0/032	0/025	0/10	0/058
Medical, Optical And Measuring	0/060	0/054	0/049	0/000	0/051	0/109	0/153	0/000	0/070
Computer And Related Activities	0/063	0/086	0/064	0/033	0/063	0/102	0/094	0/113	0/074

Source: Research Findings

### **Results based on operating profit margins**

In this part of the exchange industry are examined in terms of benchmark of operating profit margins. it can be seen in table 3 that investment industry with final weight 0.150, Industrial Conglomerates companies with a final weight 0.124 and medicinal products with a final weight 0.123 from the operational profit margins in comparison with other exchange industries and have high profitability in terms of criteria of operational profit margin and industries of banks and credit institutions with final weight of 0.000 and petroleum productions of coke and nuclear fuel with final weight of 0.002 have less operational margins in comparison with other sock industries and have lower profitability in terms of operational profit margin.

### **Results based on capital to assets**

In this part exchange industry are considered in terms of criteria capital to assets. it can be seen in Table 3, respectively Metal Product Manufacturing industry, Investments with a final weight of 0.141from have the more capital to asset in comparison with exchange industries and have high profitability in terms of capital to asset criteria and the industry of medical and measurement tools with final weight of 0.000 have the lowest capital to asset in comparison with exchange industries and have lower profitability in terms of capital to asset.

### **Results based on the net profit margin**

In this part exchange industry are considered in terms of net profit margin. it can be seen table 3 that investing industry with final weight of 0.094, the industry of industrial multi field companies with final weight of 0.091 and the industry of drugs and medicine productions with final weight of 0.090

have the more net profit margin in comparison with other exchange industries and have more profitability in terms of net profit margin and the automobile industry and auto part production with final weight of 0.000 have the less net profit margin in comparison with other stock industries and have less profitability in terms of net profit margin.

### ***Results based on return on assets***

In this part exchange industry are considered in terms of Return on assets. it can be seen in table 3 that respectively the industry of medical instruments optic and measurement with final weight of 0.109, and the industry of pharmacy industry with final weight of 0.108 have more return on asset in comparison with other stock industries and have high profitability in terms of return on asset criteria. And automobile industry and auto part production with final weight of 0.000 have the less return on asset in comparison with other exchange industries and have less profitability in terms of the criteria of return on asset.

### ***Results based on return on equity***

In this part exchange industry are considered in terms of Return on equity. it can be seen in table 3 that respectively the industry of medicine instruments, optic and measurement with final weight of 0.153 and the industry of the supply of electricity, gas, steam and hot water with final weight of 0.102 have more return on equity in comparison with other exchange industries and have more profitability in terms of return on equity criteria and the industry of bank and credit institutions with final weight of 0.000 have the less return on equity in comparison with other exchange industries and have less profitability in terms of return on equity .

### ***Results based on liquidity***

In this part exchange industry are considered in terms of liquidity. it can be seen in table 3 that respectively investments industries with final weight of 0.742 and computer industry and activities related to it with final weight of 0.113 have more liquidity in comparison with other stock industries. And the industries of bank and credit institutions and medical instruments, optic and measurement with final weight of 0.000 have less liquidity in comparison with other stock industries and have less profitability in terms of liquidity criteria.

### ***An analysis of the industries of sensitivity profitability to the criteria***

At this stage we examine and analysis the sensitivity of effects of changes in the importance of financial standards on the profitability of industries in the state of ideal synthesis. The results and data obtained from the analysis of sensitive diagrams and industry dynamics and efficient financial measures The Tehran Stock Exchange has shown in Table 4. according to table 4 the sensitivity of industry profitability to the changes of importance of all standards are not the same. In this study, changes in the weight of all the measures leads the change in the profitability of the industry. Table 4 represents the change in the percentage of minimum financial criteria for change in the profitability of the industry. For example figure of -1.7%, is the least percentage that importance of criterion net profit margin should be reduced (from the first importance %23.1 to %21.4) to cause changes in profitability position of industry of electricity, gas,

steam and hot water with chemical products industry that the lowest sensitivity (the highest rate of increase or decrease in the importance of standards) as compared to the same criteria and the same percent. And also at least it must the importance of capital structure criteria 0.8percent, the criterion of debt to asset 0.5 percent, the criterion of operational profit margin 1.3 percent, the criterion capital to asset 0.3 and the criterion of return on asset  $\frac{1}{2}$  percent of return on equity, 1.1 percent and the liquidity 0.7 percent must be increased to lead change in the position of profitability of vapor and hot water and chemical productions industries with each other. At least 0.3 percent increasing in the importance of capital to asset criterion indicating profitability sensitivity of these two industries to the importance change of this criterion and proximity of their profitability to each other.

**Table 4.** The sensitivity of priority of industries to the standards in the state of ideal synthesis

criteria	Initial importance	Secondary importance	Percentage of changes	Initially profitability of industries	Secondary profitability of industries
Capital structure	10.7%	11.5%	+0.8%	investments	investments
				Pharmaceutical products	Pharmaceutical products
Debt to asset	6.8%	7.3%	+0.5%	Multidisciplinary companies	Multidisciplinary companies
				Computers and industries related to it	Computers and industries related to it
Operational profit margin	16.5%	17.8	+1.3%	Medical instruments, optical and measurement	Medical instruments, optical, and measurement
Capital to asset	0.4%	4.3%	+0.3%	Chemical productions(%6.8)	The supply of electricity, gas, steam and water(%6.7)
				The supply of electricity, gas, steam and water(%6.7)	Chemical productions(%6.7)
Net profit margin	23.1%	21.4%	-1.7%	Extraction of metallic ores	Extraction of metallic ores
				Transport, storage and communication	Transport, storage and communication
Return on assets	15.1%	16.3%	+1.2%	Production of metal products	Production of metal products
				Machinery & electric Equipment	Machinery & electric Equipment
Return on Equity	14.2%	15.3%	+1.1%	Technical and engineering services	Technical and engineering services
				Basic metals	Basic metals

				Petroleum, coke and nuclear fuel	Petroleum, coke and nuclear fuel
liquidity	9.7%	10.4%	+0.7%	Automobile and auto part production	Automobile and auto part production
				Banks and credit institutions	Banks and credit institutions

Source: research findings

## Conclusion

The findings of normalized and relative weights related to financial measures affecting the profitability of the industry suggests that respectively criteria's of Gross profit margin, operating profit margin, return on assets, return on equity, capital structure, liquidity, leverage and capital assets have the highest and lowest importance in determining the Exchange industry with high profitability. So financial measures affecting the profitability of different industries have different importance. According to the chart of normalized and relative weights financial measures affecting the profitability of industries and as well as the chart related to final weight industries listed in the Tehran Stock Exchange in the state of ideal synthesis, identified that respectively all standards and industries have good and acceptable weight with consistency rate 0047,0 and 0,00 .in simple expressing the response of all subjects for final decision making is valid and the model of industry determination with higher profitability has consistency. So pair wise comparison matrices for industries with higher profitability based on AHP model have compatible matrix.

Results of tables related to final weight in the ideal synthesis industries listed in Tehran Stock Exchange based on all standards, individually and generally indicates that industries have different profit abilities. Such that industries that industries with higher profitability respectively including investments industries, pharmaceutical products and industry of multidisciplinary companies and industries of metal ore extraction and transport and communications and manufacturing of metal products in comparison with other industries have placed as downstream Industries in terms of profitability and respectively the industry of bank and credit institutions and automobile and auto part manufacturing industry have lower profitability in comparison with other exchange industries.

The findings of the table of sensitivity in the state of ideal synthesis related to sensitivity of industry profitability in the effect financial criteria standards indicated that changing in the importance of each standards is effective on profitability of stock industries. Such that in this research creating change in the importance of each financial standards leads change in the profitability of industries and the industries have the least sensitivity in comparison with net profit margin and have the most sensitivity to the criteria of capital to asset criteria.

According to results we can say that profitability of stock industries is takes place in terms of financial criteria. Given that standards have different importance in this issue. So the efforts of the Stock Exchange should be made in such a way that profitability Exchange program is based on criteria that to

assess the industries in terms of profitability and evaluate industry in order the financial assessment of the favorable investment. It is suggested the inclusion criteria used in this study including financial criteria that includes standards of gross profit margin, operating profit margin, return on assets, return on equity, capital structure, liquidity, leverage and capital assets. In this study, those industries make up the high profitability which higher final weight in terms of the criteria to be examined in this study and the total investigated industry stocks in these standards put these industries and in the upstream industry in terms of profitability. so we can introduce these industries as that have more profitability industries in the changes of standard importance. in other words these industries have the most final weight from the standards and can be introduced as the industries with high profitability in the allocation of investing. Industries those are supportive of higher profitability, industry, investment, industry and Pharmacy Industry Conglomerates industry. Since the final weight of the industry in terms of financial metrics is at higher levels and while more investing in these industries and strengthen its connections with other related industries as advanced industries in the investing pattern in the Tehran Stock Exchange. The available banks have placed in the combination of middle category of old and new industries. However, the benefit of this group of industries, from financial measures less than number one, it means that they have less weight and finally the finally, the less investment allocation for these industries to be understood in the Stock Exchange. But can as fastening rings of leading industries leader in placed in the exchange industry and become more strengthening. In fact, the industry ranks in the middle of the final weight are less able to lead the investment process, but investing on them could provide conditions that in terms of profitability have a more active role. So it is said that this group of industries to strengthen vertical and horizontal linkages between industry and especially industries with more profitability with industries that the Stock Exchange in them have expertise in economic. Industries with lower profitability as well as intermediate products ineligible for allocation of investment. These groups of industries includes industries with low weight should be considered as intermediate rings of high profitability industries and investing for them in order to amplify this role.

### Disclosure statement

No potential conflict of interest was reported by the authors.

### Notes on contributors

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