

Rule of Financial Market Success to Growth Gross Domestic Products

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Abstract

This search concentrates on rule of financial market success to growth domestic products which solve problems of increasing general budget deficit and increasing financial market dealing weakness. Searcher found that balancing between producers' fair return and supporters covering needs is the rule. Investors locally and internationally as shareholders, creditors, government, employee and customers can support producing locally in case products covers their different needs with suitable cost but success of supporting producer by financial market is limit as result to seller developing tools to transfer loss, government policies which affect on demand and supply and ignorance causing to get unusual return by speculations or to get other return as result to monopolize information to be costly. Searcher recommended balancing between powers welfares up to rule of financial market success to growth gross domestic products which help to solve depression

Index terms— depression, financial market, gross domestic products, supporters and ignorance.

1 Introduction a) Background

epression case leads to reduce producers. Producers transfer capital and human resource to other countries as result to escape from loosing. Some producers try to develop products to stay in market in spite of loosing but success of this strategy is limit by expect growth therefore length of depression will increase loss. Jordan as case study, faces decreasing of producing as result to loss about 6.2% of companies between 2008 and 2013. Its industry companies and agriculture companies are less than 30% of companies. Dealing in financial market gets in depression (Jordan center bank statically report, 2014). There are weaknesses of financial market to support companies. Deficit problem is increased and frequently It was gotten in correction years ago (Ministry of planning, 1994).

Gross Domestic Producing is standard of economic growth but it is limit. In spite of bad result, Government can increase this standard by selling government assets to keep its reputation of its credit classification by show economic growth. Some economists consider government assets selling as assets inflation because there is no real investing return.

It uses to increase gross domestic products in case of depression statistically ??Manmohan, 2014).

2 b) The Problem

The problem comes as result to find way to solve long term depression case. Length of depression come as result to unsuccessful policies or delay solving problems. It depends on supply and demand equilibrium law by producers and there supporters in financial market to increase gross domestic products. Problem questions are as follow:

1. What are producer supporting factors to growth gross domestic products?
2. What is the rule of financial market success to growth gross domestic products?

4 B) GROSS DOMESTIC PRODUCTS GROWTH BY TYPE OF COUNTRY COMPANIES PRODUCING

c) The Important This study helps to solve long term depression depending on local producing by cover producer supporters needs. It helps to restructure financial market to meet real producer needs and analyses increasing dealing costs in financial market which has been led by causing ignorance to get unusual return or to get other return as result to monopolize information.

3 d) The Objectives

This study aims to solve depression case by success financial market dealing to meet producer a suppliers needs to growth gross domestic products as follow:

1. To find producer supporting factors to growth domestic products. 2. To find rule of financial market success to growth gross domestic products.

e) Studies related to the search Some studies explained government policies affection in market which lead to other changing in environment and establish other problem. (Will and Amana, 2011) explained that general budget management is affected by structural changing in the economic sector and time of needs. Budget strategy and its items adjustment also affected. Therefore it is leading to suggest a dynamic dialectic of control framework. Some studies explain relation between companies and suppliers to growth economic. ??Chatterji, David and Micheal, 2009) (Ahmad, 2003) aimed to analysis general budget up to correcting economic policy. He found that reducing of current expenses and obligate price on essential products produced by local company and increase tax beside courage foreign companies was not succeeded to restructure using producing. Some searchers make rules to success as (Benjamin, Andrew and Randall, 2011) who explained that when there is marketing investing there is fact that buyer reject projects if they do not recognize its value as get return or reduce cost on other hand (Giammario, 2010) explained that if the plan is marketing internationally, the increase in international competition produce effects to reduces domestic profits and income.

show country economic growth until it reach self sufficient then it become a international producer which export products. Some countries concentrate on costs. It prefers to import some products as result to cover local needs with suitable cost. This case is limited by costly locally producing. Other countries depend on type of strategy producing product as oil to import almost products to cover local needs. Some countries have real practically investing which courage producing. Its environment can get producers from other countries. Local companies can be supported locally as result to reduce import cost. It can reduce depending on monopolization exporter. Local companies get support from other local companies in case it reduces cost or complete sectors integration. It is important to produce products locally but it has conditions to success. Every producer comparing Risk, profitability and liquidity between locally producing cost and import cost. Choosing must be profitability with accepted risk. This comparing is different up to producer environment. There must be balancing between its weakness point, strength point, threat points and opportunity points. This balancing will lead to choose avoiding strategy to produce or accept with conditions or transferee risk of producing to other producer. Avoiding strategy shows that import is better as result to big risk and producer can not accept it while transfer risk of accept producing with condition mean producing will not be until there is possibility of transfer risk and apply conditions. See next table: Old/Expire product Ex: industry food products depend on agriculture sector producing. Expired food products can be developed to cover sheep or cow feeding in order to cover citizen needs from milk and meat or to cover industry needs as make bags or clothes from caw skin or sheep wool. Some products become old and not get demand in local market but it has demand on international market as computer programs. Producing these products locally will be to export. This means producing support comes from other country needs also products producing supporting comes as result to products developing. Developing or Improving products has advantages, as increasing quality to be similar as competitor products or solving consumer problems which had with competitor products or giving unique benefit to consumer or establishing standards better than competitor (Rebecca and Kwaku, 2011:106).

Producer risk management limits products types, contracts types, producing supporter needs and type of country companies producing. These limits affect on Gross domestic products growth therefore producers are responsible on growth.

4 b) Gross domestic products growth by type of country companies producing

Globalization increase transferring between countries as result to link. Local companies can make integration of producing as result to transfer capital and humane sources besides using of land between many countries. It may prefer to produce out country to cover locally needs. Types of companies producing are show by next table: International producing done by nation companies to produce in other countries up to reduce costs of import Some countries try to solve deficit problem by courage international companies' investment in its local market but these companies balance between managing risk of markets changes and market inflation. By having operations in many markets companies can control changes that occur in each market. Inflation risk in market comes as result to increase loan cost. Many loans have floating interest rates. Inflation will increase the interest rate on the loan as will as affect the exchange rate of the currency therefore bring international invest will not success in case of increasing inflation and changes (Lawrence, 2000). To get unusual profit in short time speculator If producer does not cover needs of producing supporter he will loss supporting to get financing or courage sales

marketing or to get help in case of loss. Supporting producers can be in direct way as deal with companies direct product sales. Selling contracts show buyer getting products after buying its fees. By time selling contract become by selling rights of possibility of owning products as in future contract which will give product to buyer in future by promising. This promise gives buyer right to own product in future but not own product in currently time. Sell rights of possibility owning shows other affection on producing support. Demand can be measured by ordering to get product up to buying products and up to buying right of getting product up to promises. Selling rights of future owning will affect on future pricing to produce. Increasing of future contracts pricing will courage producer to increase producing. There are limits of positive effect on producing for sales contracts and its future contracts. These limits refer to real producing to cover real needs, see next figure:

5 c) Gross domestic products growth by producing supporters

6 3-to sell product as trader

7 Selling currently

It increases locally producing if the contract is real by give capital to producer currently to get products in future which courage producer to cover future demands but if producer sell products with future capital it will be not profitability until price cover default possibility of buyer to buy in time.

1-To fixed cost of producing or trading by limit price in case of possibility increasing price risk. 2-To get unusual profit by speculation as result to possibility future increasing price.

8 Future selling

Future sales have suspect case. It may done as expected or not done as result to loss ability to deliver product as in war case or employees strike or increasing cost of producing which will affect negative on buyers as first buyer or right buyer to get product from the first buyer. Buyers are the loser.

9 III. Rule of Financial Market Success to Growth Gross Domestic Products

Financial market gives financial tools, investment tools and saving tools. These tools can support economic sectors up to needs because of many dealers and many choices. It helps to face depression case because it courage dealer. Many small investors and many small financiers can build huge capital to finance economic sectors needs. It helps to liquid long term investing in days to get cash. Success financial market will get capital from local resources and from international resources. Rule of financial market success depend on fairly dealing. Dealer must understand affection of dealing ways as selling or hedging and standards to avoid loss by misunderstand. There must be rule to avoid ignorance and deceiving. This comes as result to follow big seller in case of buying but when big seller sell big amount prices there will be decreased as loose demand and lead to big loss to other. Some countries face pricing crises by face speculation but other countries try to courage speculations to increase financial market dealings as standard to its economic growth beside commissions of selling and buying will increased by speculators dealing which increase tax to finance general budget and helps to pull liquidity of cash dealing from market to real invest. It helps to reduce increasing of price as result to inflation. Investors can get usual return which shows in contract conditions from investing beside possibility to get unusual return up to expect increasing value in market. Ex: buying contract to get Iron amount by 2000000\$ in sep/2014 to be sold in nov/2014 by 2100000\$ seller will get 100000\$ as usual return but in case of closing import iron by government, seller can get more return by monopolization which may lead to be sold by 5000000\$ in order to get 3000000\$ because of unusual return. Also seller may loss some cash in case seller sell iron by 900000\$ or loss unexpected return as open import iron case which reduces price to be sold by 100000\$.

Financial market affected negatively by dealer loosing. It leads to loose savings and transfer capitals to other countries. Players in financial market policies as financial policy can affect positively to increase returns or negatively to decrease return. Sellers can increase ignorance by developing financial tools and investing tools. It is important for financial manager to transfer loss. Some companies sell bonds of projects in spite of good fixed return as result to discovering default problems which lead to loose at the end of projects contract time therefore ignorance is useful for causer. It gives way to get new return in direct way or establish other organizations to as way to solve problems up to monopolize information. Ignorance increases dealer cost. They buy add cost to get information. Ignorance leads to establish new organizations as insurance companies to guarantee dealing in suspect cases of loss also establish organizations which give information as selling services. By time ignorance become problem to be solved which increase cost of financing and investing. Needing information has developed ways of getting data and analysis beside build information system to show all factors affect on dealing as collecting information from banks, courts, government, investors and families.

Rule of financial market success is limit by three major affections as follow:

1. Power of seller developing tools to transfer loss. 2. Power of government to success its policies by affects on demand and supply equilibrium law which make difficult to direct producing and pricing by producer. 3. Power of ignorance causing to get unusual return by speculations or to get other return as result to monopolize

information to be costly. Conflict between these power and market dealer is balanced up to leaders' welfare. As comparing between leaders, some financial market faces its crises by concentrates on real producing to make shares market value as shares real value regardless of speculation returns reducing. It prefers to make disclosure in economic to courage real investing than get tax from frequently of dealing. While some countries courage financial market dealings in ignorance environment to get tax from frequently speculation as transfer owning and from commissions on selling and buying beside tax on organizations return by selling monopolize information. Tax is enough to increase cost of dealing.

IV.

10 Conclusions

There are many factors affect on local producers to growth gross domestic products. Producing possibility up to producer risk management is limited products types, contracts types, producing supporter needs, Type of country companies producing. Balancing between producers' fair return and supporters covering needs is the rule to growth gross domestic products. Investors locally and internationally as shareholders, creditors, government, employee and customers can support producing locally in case products covers their different needs with suitable cost but success of supporting producer to produce locally is limited by power of seller developing tools to transfer loss, power of government to success its policies which affect on demand and supply and power of ignorance causing to get unusual return by speculations or to get other return as result to monopolize information to be costly.

11 V.

12 Recommendations

Practically there is need to balance between powers welfares up to the rule. The idea needs leaders' to courage local producing depending on producer benefits and their supplier benefits including governments. It directs economic up to supply and demand equilibrium law without ignorance cost. Therefore a government job is fairly protector against unfairness. It can share in producing but not as competitor to local companies.

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Figure 1: 2

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a) Gross domestic products growth by product types

Table no (2) : Affection of products types on local producing

products types
Affection on local producing

Row Ma- It helps to make industry producing row material locally or export raw material
terial

Industrial It helps to cover citizens needs by produce Industrial products or to produce in other
product economic sector in order to make integrations or export Industrial products
It helps to developing producing of old products to cover citizens' needs or to
produce in other economic sector in order to make integrations or export old
products to other countries as computer types. Old computers types can be sold in
third world countries while it is old in first world countries.

Risk producer risk Examples Standards
Types

management

Accepted Producing product
risk

Produce industry food

1-Profit
in
direct

Accepted Producing product
risk partly partly with hedge

Produce fruit industry
food in fruit season

investment
by
increasing
net

Unaccepted Transfer Producing

Producer can transfer
possibility of loose

profit
after
tax,

risk with product

by:

reduce
liabili-
ties

possibility
to
transfer
risk to
other

1-General budget sup-
porting by get grant
2-Other producer com-
panies by marketing
its products with com-
mission or get
products up to its quality
to be sell with its
label

and in-
crease
assets
value 2-
Profit

producer

of
speculation
in
financial
market

3-Creditors undertaking
loose
4-Shareholders
undertaking loose
5-Employees undertak-
ing loose
6-Insurance companies
undertaking loose.

Unaccepted Avoid dealing with

Change producing type -
or transfer capital
to other country or clear
and close
business

risk product

no

(3) : Type of country companies producing		
Type of companies producing	Affection of producing type on standards	Resource Transferring
Locally producing by make all assets, debts and equities structures based on the domestic capital market	Gross domestic producing products growth	No Transferring
Locally producing and international producing as result to make branches to produce in other countries up to reduce costs of import	Gross domestic producing products growth and national producing products growth national producing products growth	Transferring partly up to needs in order to reduce cost of import Transferring in order to reduce cost of import

Figure 3: Table no

no

Shareholders as companies, government and citizens	Get loan and interest rate in suitable time and suitable return
creditors	Cover citizens need in suitable cost, get tax, transfer government expenses
government	to be cover by companies as insurance companies to cover car accidents risks
employee	To get salary, social respect, developing training, gifts and facilities to cover their expect risks
customers	To cover products in suitable place with suitable time and suitable cost

Figure 4: Table no (

no

producer Buyer supporter
contract
types

- 1-To use product currently.
- 2-To store product up to needs or
reduce risk of possibility increasing
price in future.

Positive Affections

It increases locally producing if
product cover
needs with suitable quality as ex-
pect

Figure 5: Table no (

185 Companies' details are important to investors as shareholders for long term but not for speculator who looks
186 for unusual return in short term. Speculations make different between share value in market and real value.
187 Speculation may reduce real price to reduce its reputation or increase real price to give false reputation.

188 .1 Chatterji

189 [Ahmad ()] 'Analyses study about general budget in Jordan up to economic correctly policy, Economic Horizons
190 journal'. Ahmad . *U.A.E* 2003. 24 (94) p. .