

The particularity of stock pricing from the perspective of commodity

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Abstract: - Commodity prices based on the value of goods and the supply and demand, the stock can be used as something of a similar products, it has two functions of the existence of commodity, but it is not completely equal to have the function of the goods. This kind of goods and other commodities are very different, its internal price is based on the issuance of company value rather than the value of stocks. According to the definition of goods, goods should have value and use value, and the value of the goods is by producing goods of the general labor decided there was no difference in the amount of. But stock is not like that, the basis of its value due to the exchange, not as a stock itself has value and use value, determinant is not production it takes general labor time, not because of itself as a commodity supply and demand, but it represents the value and potential of the economic entity and market investors to represent economic entity of interest and the view of future growth (use value), the value of the entity and potential may be expressed through the stock. In exchange for not stock the use value of goods itself, but the stock represented by the value of this commodity variability and the infinite space to grow up for a long time, thus has particularity. So is the price of the stock, but as a special commodity, stocks in price decision factors also has particularity. This article is from the value and supply and demand to discuss the particularity of stock pricing.

Keywords: - Commodity price; Commodities exchange; Commodity perspective; Stock value; Particularity

I. INTRODUCTION

Commodity pricing briefly, Commodity, it is to point to have value and use value, in exchange for labor products. Here contains two meanings, first, must have value and use value, the second is used to exchange, that both [1]. Purpose is to sell goods and exchange, realize their own value and use value. To complete the exchange, you must have a benchmark, is what we call the price in the market.

II. THE PARTICULARITY OF STOCK PRICING VALUE FACTORS IN THE ANALYSIS

Commodity price is decided by two factors: the value of the goods, the use value and the supply and demand. So is the price of the stock, but as a special commodity, stocks in price decision factors also has particularity.

1. As the common market, the stock market and has the same function and characteristic, is the stock market is stock trading. Unlike other commodities, stock itself has no value and use value, is not a commodity, but it can be used for trading, used for trading is that it represents the value of the economic entity and using value [2]. The value of the entity and potential may be expressed through the stock.

2. Stock is a kind of commodity is because it can be used for trading, pricing based on market supply and demand, but it is not a common sense of the goods. According to the definition of goods, goods should have value and use value, which implies that is used for trading goods that you have value and use value, moreover, the value of the goods is by producing goods of the general labor decided there was no difference in the amount of. But not stocks, the value of its determinants is not production it takes general labor time, not because of itself

as a commodity supply and demand, but it represents the value and potential of the economic entity and market investors to represent economic entity of interest and future growth (use value).

3. The formation and the particularity of stock value. In commodity trading, a kind of commodity quality, function and quality of consumers can direct experience, products have the connotation of will was gradually in the process of consumption. Stock is different, as a commodity it can trade, but itself has no intrinsic essence. It can be traded on the market, as investors on similar products of the shares as a thing, just this kind of goods and other commodities are very different, its internal price is based on the issuance of company value rather than the value of stocks.

Companies listed on the stock exchange, is the overall sold as a commodity in the market, unlike other commodities, the consumers in the use of the goods, the goods has both abstract and material. Other items may be only a single material, may be the combination of a few simple goods, its function, quality, connotation and so on can be directly reflected by consumption; Company product is different, it is not only a complex combination of all commodities, all kinds of organization structure of the system combination. In the process of the consumers in the consumer while various products for internal consumption, but not on its internal organizational structure system for consumption, both in time and resources. Due to these reasons, consumers cannot direct contact and the value of the company, direct consumption can be all kinds of information, and the transformed all kinds of information of stock value [3]. The value of the company through the company's statements and other information medium, reflected is probably one of the most, and investors come into contact with the impossible is the original information of the company. So the value of the company to stock value has experienced two processes: one is the value of the company into a kind of corporate information; the other is a by the company information can be converted into stock value, then the value of the shares is the information of the value of the company.

In the process of the first shift, from the point of the information processing, the company to disclose information in order to meet the needs of the external users, such as investors, creditors, shareholders and the government, it has a great deal of information disclosure and processing. From the point of view of the company, in order to meet the requirements of related information disclosure and processing, can classify all the information of the company, division, key primary and secondary. Although some information is very important, because of the need not the outside world, is placed in a secondary position and even give up. Or some information at the time of disclosure is being ignored intentionally or unintentionally to the interests of the company. So the value of the company into the external information, the information represented by the value of the company is not comprehensive. At this stage of information to the value of stocks, stock value directly from the external information published by the company indirectly from the value of the company, the process of information processing and analysis is the external information users, in their eyes is directly in contact with the disclosure of information, they are based on the analysis processing. Due to the outside world with the management of information asymmetry and information processing and the difference of object, the purpose of the company's value and stock value between cannot delimit equal-sign, stock value based on the value of the company and change within a certain range. Here you can see, if the value of the company is objective, so the stock value is subjective; Company is the original information of objective, accounting personnel according to the daily events that weaves registration book, and then into the book. When the company released the information, the subjectivity is generated, on the one hand is the subjective information need and information, on the one hand, information provider and the demand of information to process with subjectivity. Due to these two aspects of subjectivity, the results show the value of the company that the stock value is subjective.

4. Stock trading is to get the purpose of the enterprise value of appreciation. Commodity Exchange, not for the value, it is to use value, in order to obtain value-added in the future. Stock is different: the use of general

merchandise value is clear, and to some extent can be quantitative determination of concrete and consumption; The minimum price of stock, stock is zero, ceiling uncapped. For investors, the use of stock value is infinite appreciation, is spread, wealth loss is the largest amount of investment principal, there is no other investment of collateral damage.

III. THE PARTICULARITY OF SUPPLY AND DEMAND ANALYSIS IN THE STOCK PRICE

Stock as a special commodity, in addition to value determinants and the use value is different from ordinary commodities, the influence factors of supply and demand is also different from general merchandise. Due to stock value and the representation of the value of different general merchandise, which caused the differences in the composition of influencing factors in the supply and demand.

3.1 The determination of the stock market demand function

For general merchandise, the influence of the demand for the main performance in price, alternative, and consumer income, etc; But the stock is not the same as general merchandise, its influence factors in the following aspects:

1) The enterprise development. Investors choose not to get regular dividend, stock investment to stock growth returns, mainly spreads or short-term changes, realize the investment value; Investors expected development status of stock according to the data between the past and the situation of the company in the future [4]. When the expected good, demand for the shares will rise; The opposite counter.

2) The investment style preferences. If investors preference stock investment, the more you on demand; Vice is less.

3) The appetite for risk. If investors preference of risk investment, then the more demand for the shares, whereas less.

4) The amount of investment channels. The more the more investment channels, the choice of the investors, the investors' investment mode selection of the more demanding, the less investment in stock; The more you instead of stock investment.

5) The overall credit situation of the stock market. Credit is a kind of capital, the first thing to consider when buying goods commodity buyers production units of credibility, reputation affect the demand for goods, the stock market, the higher the credibility, the more demand for the shares.

6) The overall quality and level of listed companies. The quality of listed companies affect people's trust in the stock market and investment income, the lower quality, means that the risk is big, interest in investing in the stock market will be relatively reduced; On the contrary, the higher the quality, small risk, is an increased interest in the stock market, investment demand will increase.

3.2 Determining the supply function of stock market

Generally the supply of goods by the commodity price, the manufacturer's technical ability and other factors; Stock is different, it is the stock issuance can obtain capital reserves and other factors, performance is as follows:

1) The stock issue of capital reserves. Enterprises demand for equity offerings depends on how much capital reserves can obtain; Capital reserves, the more the more access to capital and revenue from distribution, enterprise to the financing preference.

2) Enterprise management preference for equity offerings. Due to the advantages of stock issuance, the company leaders often like to choose share issue to raise money this way: shareholders can obtain revenues;

Both stock can increase the credibility of enterprises; 3 to optimize enterprise capital structure; Four available options to management and future earnings growth, management can get stock options.

3) The forecast to the stock market development. If owners and executives expected stock market boom, then companies will choose to issue stock to raise money.

4) The amount of corporate financing channel. Because of the listed companies have the same obvious advantages and disadvantages, the enterprise financing ways and channels, the more there will be less demand for stock issuance and the less financing channels and means, the more the demand for equity offerings.

5) Release the level of risk. Offering a risk, if the company performs poorly, reflected in the stock market decline in stock prices will cause the loss of the company's reputation, which can produce two consequences: one is after the company to raise equity in the stock market will be difficult, when choosing other financing channels, financing costs will increase; Second, companies are intentionally annexed the possibility of its corporate acquisition holding at a low price.

6) To the difficulty of the listed company. The higher the threshold of the listed company, the more difficult it is to share issuance, there will be less willing to listing financing of the company; Issued shares listed on the contrary, the threshold is lower, the more easily, the greater the willingness and interest of listed companies.

7) A public company way of examination and approval and body. Listed companies, the examination and approval of the subject affect the listed companies, when new rights in the hands of the securities supervision commission, the existence of inevitable administrative role, for the determination of the listed company is probably not in accordance with the company quality, but according to the factors such as administrative division. When approval rights on the stock exchange, as long as the company listing applicants to exchange listing requirements, he shall not be restricted, such listed company without being limited by the number and area.

IV. CONCLUSIONS

1. According to the political economics and capital, the price of the goods is determined by its value and supply and demand, value is the basis of the price and the deciding factor, however, only the value is not enough, the supply and demand makes prices fluctuating around the core value.
2. The types of goods and the nature of the differences in value and supply and demand for different commodities in the process of price decision role is very different.
3. The stock and goods because it is not a commodity, so he has particularity. Stock is commodity shows that it has the characteristics of similar product, not a commodity that it has many different from ordinary commodities, such as value of performance, the influence of supply and demand and the factors, etc.
4. The function of the stock is not the same, people's consumption is reporting and disclosure of information, and according to their own needs to pick up his/her needs and from the information disclosure by means of combination of information analysis, to get what they need. People buy goods for consumption, the use of consumer goods value; the function of the general goods can experience through specific consumption.
5. Your company information is not specific function, with the purpose of the information needed, as well as the preferences of the investor's investment patterns, abstractly said that its function is to in order to meet the requirements of the outside world and their own, however, was unable to realize the specific characteristics of the fixed, it has the characteristics of mobility, it is because of the particularity of stock value and of the differences between supply and demand, the particularity of stock pricing.

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