

# **The analysis of the economy of the Hungarian milk processing companies in 2000 with multivariate methods**

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In the last decade considerable changes passed off in the Hungarian milk sector, which caused that the differences between the individual firms have grown. The purpose of my analysis is to investigate the factors which influence the variation between the milk processing companies. To this analysis I used econometric methods, which methods are rather new at this field.

I based my paper on that database which the Agricultural Research and Informatical Institute gathered from the tax returns of the food processing industry. This database contains only financial data, so only the balance sheet and the profit statements can be defined from it.

At the beginning of the analysis I took the hypothesis that it would have been possible to classify, group and demonstrate the milk processing companies only with using data of the over-mentioned balance sheets and of the profit and loss statements.

From the database after a query it was possible to receive 275 different data or in one word variate. My first aim was to compact these to couple of artificial variates with the help of factor analysis. Receiving these independent factors it was easier to scan the firms.

The analysis of the factors showed which are those dimensions that separate the milk companies. It was possible to scan the main activities and characteristics of the milk industry such as the capacity, the costs, the financial activity or other factors, which mostly determine the economy of these companies.

From my previous research it has turned out that the foreign capital investments greatly affect the economy of companies. That's why I attached importance to analyse this differentiation with statistical methods.

To this analysis I used discriminant analysis. Previously I classified the two groups according to the determinative foreign subscribed capital and then with the use of the financial data I tried to confirm that this separation is valid.

To the statistical scanning I used the SPSS software package.