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Impacts of Economic Stagnation on the Economic and Financial Indicators of a Company in the Tracking of Clothing and Accessories in the Northeast Region

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abstract
This study aims to evaluate the impacts of economic stagnation on the economic and financial indicators of a company in the segment of clothing and accessories in the Northeast Region, in the period from 2014 to 2017. For this purpose, a quantitative and descriptive research was carried out, whose data were collected from the Balance Sheet and Income Statement for the Year, treated using the Microsoft Excel tool, and, subsequently, the descriptive statistics analysis and Pearson correlation analysis were performed, with the support of the SPSS version 20 software. results showed that in the analyzed period, the company presented some unsatisfactory indexes, being necessary to observe that the studied period, was of retraction for diverse companies and in diverse branches of activities.It was found that the index with the greatest impact is the dependence on Third Party Equity Interest and the reduction in Equity Equity with the company, which indicates that the company carried out its operations with creditors' resources.

Key words: Analysis of the financial statements; Economic crisis; Economic and financial performance; Indicators.

1. INTRODUCTION

The technique of analyzing financial statements refers to a mechanism capable of presenting the entity's economic and financial situation, which can be applied in the most varied types of organizations, because, when used correctly, it can offer information that will assist in the decision-making process. decision. However, for the analysis to be carried out

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effectively, these statements must reflect the reality of the company, therefore, Marion (2012), indicates that, first of all, it is necessary to investigate these documents in order to identify whether those statements have a reliable character , something that can be done through the Audit Opinion. Among the benefits that such an instrument can bring to its users, is the possibility of verifying whether the company will be able to settle its obligations now and in the future,

Taking into account that the retail trade branch was one of the most affected by the economic crisis currently faced by the country, whose retraction was considered the greatest among sixteen years (ESTADÃO, 2017) and that the clothing segment suffered with an 11% drop, since 2014 (THE BUSINESS OF RETAIL, 2017), when the crisis began to show its signs in Brazil, it was possible to observe an increase in the unemployment rate, considering that commerce is one of the sectors that employs the most in Brazil. In general, "before the crisis, the purchase of garments was more linked to the desire to feel more beautiful (a), now what prevails is the need to replace an old outfit" (O BUSINESS DO RAREJO, 2017), a fact that it meant that there was no favorable growth for commercial activity.

Given this scenario, there is an opportunity to check the economic and financial situation of companies that operate in this segment, a factor that motivated the realization of this study, which was carried out in the face of the following problem question: What are the impacts of economic stagnation on indicators economic-financial aspects of a clothing and accessories company in the Northeast region, from 2014 to 2017? Therefore, the overall objective is to assess the impacts of economic stagnation on the economic and financial indicators of a company in the segment of clothing and accessories in the Northeast Region, in the period from 2014 to 2017.

It is recognized that the year 2014 presented a scenario in which companies from different economic segments experienced major sales declines and, consequently, in their sales. Among these companies, there are those in the retail and accessories segment, a factor that opened the door to investigate, in the accounting view, the reflexes of the then economic crisis experienced in the country in companies in this segment, an opportunity covered by this study. Thus, the study is justified in view of the current economic portrait of the country and the impact that this economic downturn has left on those companies that operate in the retail sector. In terms of theoretical contribution, As for the structure, this study is divided into four more sections in addition to this introduction. In the second section, there is the theoretical foundation, which is guided in dealing with the conventional analysis of the financial statements and previous studies on the use of economic and financial analysis techniques. In sequence, there is the methodology, responsible for showing how the study was carried out, the results of this script being evidenced in the fourth section. Finally, there is the conclusion, which also has the limitations, research suggestions and contributions found in this study.

2 THEORETICAL FOUNDATION

2.1 CONVENTIONAL ANALYSIS OF THE FINANCIAL STATEMENTS

Before approaching what is the analysis of financial statements, it is worth understanding the representation of accounting. Thus, Braga (2012, p.5), states: “accounting is undoubtedly a valuable instrument in the implementation of best corporate governance practices, with regard to the transparency of information to different users”, being these users are administrators, shareholders, investors, customers, suppliers, creditors, government, employees. In addition, Braga (2012, p.5) says that corporate governance can be defined as the “set of administrative practices” to optimize the performance of companies - with their businesses, products and services ”. For that, it has a set of statements, which are presented in Table 1.

Table 1 - Financial statements required by Brazilian law

Financial Statement	description
Balance Sheet (BP)	It presents the company's financial and equity position on a certain date, usually at the end of the year or a fixed period. It consists of two columns, the right side of which is called Liabilities and Equity and the left side is called Assets.
Statement of Income for the Year (DRE)	It presents the company's economic result, such as costs, expenses, revenues and verifies whether the company made a profit or loss in that period.
Statement of Accumulated Profits or Losses (DLPA)	It shows the changes occurred in the exercise of all accounts that make up the Shareholders' Equity.
Statement of Changes in Equity (DMPL)	It shows the changes occurred in the exercise of all accounts that make up the Shareholders' Equity.
Cash Flow Statement (DFC)	It also shows the origins and applications of short-term resources that allow the verification of the company's ability to generate cash.
Statement of Added Value (DVA)	It shows the net wealth generated by the company in one year, represented by the gross revenue that generated less all inputs acquired from third parties (if publicly-held company).
Comprehensive Income Statement (DRA)	It must present income, expenses and other changes that affect shareholders' equity, but which are not recognized (or have not yet

	been recognized) in the Income Statement for the Year.
Explanatory Notes	It is not an accounting statement, but an integral part of the set of financial statements; they serve only to complement them.

Source: Elaborated by the authors, (2018), based on Law 11.638 / 2007.

The analysis of the financial statements, also known as analysis of the financial statements, has the objective of extracting information for decision making, and provides the valuations of the company's equity through accounting reports. This technique was developed within the banking system and these institutions are still its largest user, considering that its application started in the 1970s.

According to Gitman (2010, p. 43), “the balance sheet is a brief description of the company's financial position on a certain date”, therefore, it presents a picture of the company in a given period. In addition, Gitman (2010, p. 51), states that "as a general rule, the data necessary for carrying out an adequate financial analysis include, at least, the income statement for the year and the balance sheet".

The analysis of financial statements can be performed in two ways, namely: Analysis by Indicators and Vertical and Horizontal Analysis. For Matarazzo (2010) the vertical analysis presents the percentage of each account and shows its real importance in the set. The horizontal analysis refers to the evolution of each account and shows the paths followed by the company and possible trends. It is noteworthy that the analysis of financial statements, can be applied in several types of business and / or non-business activity, also contemplating, individual limited liability company and corporate activity in the collective, those of business companies.

Thus, as there is a diversity of types of companies, users have their particularities of information and specific interests, among which are mentioned: suppliers, need to know the payment capacity of their customers, their liquidity, for buyers , security, offering no risk, for commercial banks. The degree of indebtedness is the strong indicator of insolvency, unlike investment banks, where they grant financing for a longer term, thus depending on the company's future situation.

The analysis of the company's competitors are the comparisons that can be made in order to verify the possibility of a certain company to succeed or fail. In addition, it serves for managers to make decisions. The analysis through indexes, on the other hand, is a relationship between the account groups of the Financial Statements, in order to provide broad information on the company's economic or financial situation. For Matarazzo (p.81,2010) “the indexes are like a candle lit in the dark room”, and, he adds: “the empirical technique of extracting indexes from balance sheets has gained scientific basis and has proven its usefulness. Today, however, much more is known about what each index informs and which are the most important indexes ”.

Financial indices can be divided into five main categories, namely: “liquidity, activity, indebtedness, profitability and market value. The liquidity, activity and debt indices measure risk; profitability measures measure return; those with market value capture both risk and return ”(GITMAN, p. 51, 2010). Thus, Figure 1 shows which elements make the economic-financial analysis feasible.

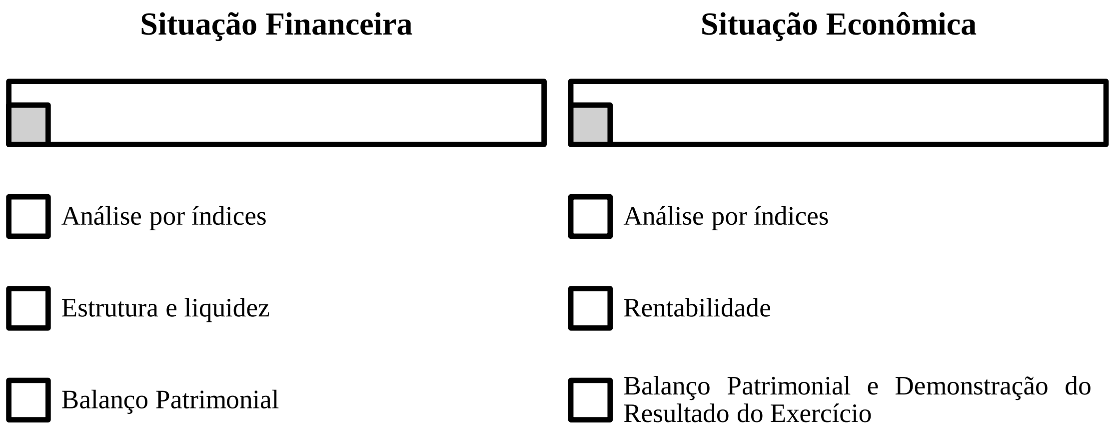

Figure 1 - Elements of the economic-financial analysis
Source: Prepared by the authors, from Gitman (2010).

To deepen the analysis of indicators, the literature has vertical analysis, which refers to an additional technique, as it is able to present details of the financial statements, after having used the index calculations, making comparisons and being able to identify specific flaws and / or problems and characteristics of the company explaining the reasons where which accounts have changes or turbulence in the years analyzed by the company. The horizontal analysis, as well as the vertical analysis, needs the calculations made by the financial indexes, and must be carried out in conjunction with the vertical analysis.

2.2 PREVIOUS STUDIES

Studies related to the analysis of the financial statements were carried out in the most varied types of economic segments, which sought to verify the degree of indebtedness, profitability level and economic-financial positions of these entities in order that the information generated could contribute to the process of decision-making to the most varied users, this collection being evidenced and summarized in Table 2.

Table 2 - Previous studies on the analysis of the financial statements

Author / Year	objective	Main results
Melo e Borges (2017)	Analyze LATAM Airlines' economic and financial situation through profitability and indebtedness indicators, before and after the merger between TAM and LAN.	The merger was economically appropriate, but did not produce a completely satisfactory result for the company. Despite this, it improved its profitability and the indebtedness of the group as a whole.
Dallabona, Radloff and Gonçalves (2017)	Analyze which economic and financial variables explain the composition and indebtedness of the hundred largest and smallest companies listed on the BM & FBovespa in the last presidential terms (2007-2010 Lula government and 2011-2014 Dilma government).	The data under the presidential periods, only the dependent variable debt composition showed a big difference between the two periods (over the top 100), noting that in the first period (2007-2010) it is explained by seven independent variables, namely: general liquidity , current liquidity, equity, ROA, total assets and growth, while in the second period (2010-2014) it is explained by only one variable, current liquidity.
Correia et al. (2014)	Analyze the company Natura Cosméticos S / A through its economic and financial indicators extracted from the Financial Statements in the years 2012 and 2013	The analysis of economic and financial indicators as a management tool consists of providing managers with a better view of business trends, in order to ensure that resources are obtained and applied, effectively and efficiently in the achievement of the organization's goals.
Rubini et al. (2014)	Conduct an economic-financial analysis of the Balance Sheet (BP) and Income Statement for the Year (DRE) of the Marfrig SA Group and Compare the liquidity and debt ratios for the periods 2009 and 2010.	The results of the study showed that there was a great variation in the statements from one period to another, due to the acquisition of new companies in 2010, considerably increasing the assets and obligations of the Company, leveraging financial expenses, showing a significant drop in results.
Marques, Heinzen and Rodrigues (2016)	Evaluate the divergences in the discretionary power of economic and financial indicators for decision making in companies in Brazil and Germany from the perspective of informational entropy and coefficients of variation.	Economic-financial indicators should be analyzed with caution when making decisions, paying more attention to their interpretation, as they transmit more information and, therefore, are more relevant to the decision-making process.
Silva et al. (2014)	Analyze the financial statements by gathering information about the financial and economic situation of a retail company in the city of Juazeiro do Norte, through its economic indicators.	Through the analysis of the indexes based on the company's statements, management reports can be prepared with efficient information that will help the manager to take the measures for the growth of the organization.
Borges, Benedicto and Carvalho (2014)	Propose a parsimonious model of economic-financial analysis that assists managers in decision-making, considering the main indexes derived from the Analysis of Financial Statements for the years 2010, 2011, and 2012, using the multivariate statistical technique of Exploratory Factor Analysis, for a group of forty-four credit unions with free admission in the State of Minas Gerais.	The developed model allowed the ranking of the organizations studied, and, consequently, decision makers may, through the study of the performance results presented by the proposed model, search for the root cause of the problems, or, analyze and standardize those actions that resulted in successful performance.

Source: Prepared by the authors, 2020.

Analyzing Table 2, it can be seen that the application of the financial statement analysis technique is susceptible to various types of entities and that this mechanism can contribute to the detection of the economic and financial situation and help managers in the decision-making process. In view of the application of analysis of financial statements in this research, the next section presents the methodological procedures that were performed.

3 METHODOLOGY

Initially, the research typology was outlined, which is the part of the methodology that shows the limits of the investigation. Among the aspects that must be taken into account in order to elaborate it, are the objectives and problem issue (CRESWELL, 2007), with the purpose of outlining the study. For the present research, the typology is expressed in Table 3.

Table 3 - Research typology

Criteria	Research Background	description
Nature of the data	Quantitative	Numerical data were collected, plotted in Excel and analyzed using statistics.
Nature of the objectives	Descriptive	We only tried to portray the findings found with the research data.
Nature of research	Applied	The research had a practical direction, which was aimed at studying a specific entity.
Search logic	Deductive	The research arose as a result of the country's economic and financial situation, which significantly intervened in companies, especially companies operating in the retail sector.
Disciplinarity	Multidisciplinary	In addition to accounting data, information from the economy was used.
Collection frequency (Temporal Cut)	Longitudinal 2014-2017	The company's situation was studied over a period of four years.
Technical bases	Comparative	We sought to analyze the company's financial condition over the years highlighted.
Modality	Documentary survey	The survey of data pertinent to the research was carried out through the financial statements provided by the company.
Data analysis	Statistic	Pearson's correlation analysis was used in order to verify the level of relationship of the changes between the indicators.

Source: Prepared by the authors, 2020.

To select the company to be treated in this study, the criterion of convenience of accessing the data was used. Therefore, one of the Group's four companies, all in the popular and family fashion retail business, which was founded in 1974, was studied. As for the tax framework, it is inserted in the presumed profit, and operates in the Northeast region, with stores in the States of Bahia, Sergipe, Alagoas, Pernambuco, Paraíba, Rio Grande do Norte and Maranhão. Since the beginning of the current economic crisis, many companies have ceased to exist due to the drop in consumption and the lack of administrative structure to reverse the negative results. Despite these obstacles, the company has already managed to go through several crises, as it operated with 58 stores, and today it reaches the number of 70 stores in the year 2017.

In 2015, the company deepened its import purchases, accumulating balances considered in inventories. In 2016, there was a reduction in the decrease in retained earnings, which led to an economic-financial analysis of the company highlighted. To make this study feasible, the literature was searched for indicators that are already consolidated in terms of application in the practical field. Therefore, 11 (eleven) indicators were segregated into three categories, such as: Capital Structure; Liquidity and Profitability, which are shown in Table 4.

Table 4 - Economic and financial indicators used in the research

CAPITAL STRUCTURE INDICES		
General Indebtedness		
Formula	Interpretation	Analyze
$EG = \frac{Passivo\ total}{Ativo\ total}\ x\ 100$	It represents how much of the assets have not yet been paid.	The smaller the better.
Participation of Third Party Capital		
Formula	Interpretation	Analyze
$PCT = \frac{Passivo\ Total}{Patrimônio\ Líquido}\ x\ 100$	It represents the total of obligations in relation to equity.	The smaller the better.
Equity Share		
Formula	Interpretation	Analyze
$PCP = \frac{Patrimônio\ Líquido}{Ativo\ Total}\ x\ 100$	It represents how much of the equity has been used in assets.	The bigger the better.
LIQUIDITY INDICES		
Current liquidity		
Formula	Interpretation	Analyze
$EG = \frac{Ativo\ Circulante}{Passivo\ Circulante}$	Checks whether short-term capital is sufficient to settle short-term obligations.	The bigger the better. It is recommended if greater than 1.
Dry Liquidity		
Formula	Interpretation	Analyze
$PCT = \frac{Ativo\ Circulante - Estoques}{Passivo\ Circulante}$	Checks whether short-term capital is sufficient to settle short-term obligations if the value of inventories is kept unchanged.	The bigger the better.
Immediate liquidity		
Formula	Interpretation	Analyze
$PCP = \frac{Caixa\ e\ equivalentes}{Passivo\ Circulante}$	Checks if the cash is sufficient to settle the obligations also immediately.	The bigger the better.
General Liquidity		
Formula	Interpretation	Analyze

$LG = \frac{Ativo\ Circulante + Ativo\ não\ Circulante}{Passivo\ Circulante + Passivo\ não\ Circulante}$	It verifies the company's ability to pay in the long term, considering everything it will convert into cash (short and long term) in relation to what it has already assumed as debt (short and long term).	The bigger the better.
PROFITABILITY INDICES		
Operating margin		
Formula	Interpretation	Analyze
$MO = \frac{Lucro\ Operacional}{Receitas\ Líquidas}$	Checks how much the company makes operating profit for each R $ 1.00 sold.	The bigger the better.
Net Margin		
Formula	Interpretation	Analyze
$ML = \frac{Lucro\ Líquido\ (ou\ Prejuízo)}{Receitas\ Líquidas}$	Check how much the company makes a profit for each R $ 1.00 sold.	The bigger the better.
Return on Assets		
Formula	Interpretation	Analyze
$RsA = \frac{Lucro\ Líquido\ (ou\ Prejuízo)}{Total\ do\ Ativo}$	Checks how much the company makes a profit for each R $ 1.00 of total investment (own or third parties).	The bigger the better.
Return on Equity		
Formula	Interpretation	Analyze
$RsPL = \frac{Lucro\ Líquido\ (ou\ Prejuízo)}{Patrimônio\ Líquido}$	It verifies how much the company makes a profit for each R $ 1.00 of equity invested in the year.	The bigger the better.

Source: Prepared by the authors, 2020.

After the selection of the indicators, it was followed by the collection of data demanded by them, which was carried out with the support of the Microsoft Excel tool. The data were collected from the Balance Sheet and Income Statement of the company under analysis, from 2014 to 2017, and, to analyze them, firstly, the SPSS version 20 software was used, through which it was possible to obtain the descriptive statistics and Pearson's correlation. Regarding descriptive statistics, the mean, minimum number, maximum number and standard deviation of each indicator were analyzed in order to compare whether the numbers expressed by them were within the established in the literature.

Regarding Pearson's correlation analysis, the Kolmogorov-Smirnov (KS) non-parametric test was first performed, necessary to observe whether the data were normally distributed. As the data presented a normal distribution, therefore, adequate to pass this test, Pearson's correlation was continued. Pearson's correlation verifies the degree of correlation that one indicator undergoes modification when another indicator is also modified (HAIR et al., 2009), and these results are presented below.

4 PRESENTATION AND DISCUSSION OF RESULTS

After data treatment, the analysis of descriptive statistics was performed, and, later, Pearson's Correlation analysis, the data being analyzed jointly between the time cut (2014-2017), in an attempt to observe the economic situation of the studied company, during the crisis period. The descriptive statistics of these data are shown in Table 5.

Table 5 - Descriptive statistics of the data between 2014-2017

Indicators	N	Minimum	Maximum	Average	Standard deviation
ENDG	4	88.72	94.87	92.4450	2.78504
PCT	4	511.34	881.43	743,9000	160.78754
PCP	4	10.19	16.36	12.2475	2.78476
LICC	4	94	1.38	1.2225	, 20073
LICS	4	36	64	4650	, 12152
LIQI	4	, 31	58	3875	, 12868
LIQG	4	1.11	1.20	1.1425	, 03948
MO	4	, 47	, 81	5975	, 14773
ML	4	, 10	, 22	1600	, 05477
RsA	4	09	, 15	1050	, 03000
RsPL	4	84	91	8600	, 03367

Source: Research data, 2020.

Analyzing Table 5, it is observed that during the 2014-2017 period, the General Indebtedness indices, presented an average of 92.44. It is noteworthy that this index analyzes the combination of long-term third party capital and equity held by the company. Thus, it was observed that the average of this indicator is considered “bad”, as expressed by Silva (2012, p.146), who states that “when the index is equal to or less than 100%, there is evidence that the company has been financing its Working Capital with long-term resources. It is also observed that the minimum index was 88.72 and the maximum was 94.87. For Marion 2012, p.96) "if the concentration were long-term, the company, in a moment of setback, would have more time to redesign its situation, without the need to dispose of inventories at any price".

As for the Third Party Capital Participation indicator, it presented an average of 743.90, which is not good, as it represents that the Third Party Capital is approximately seven times higher in relation to Equity. During the studied period, it was observed that the minimum index was 511.34 and the maximum 881.43, values that are not within the recommended. According to Matarazzo (2010, p.88), this “is an indicator of risk or dependence on third parties, by the company”. On the other hand, the author points out that, from the point of view of obtaining profits, “it can be advantageous for the company to work with third party capital, if the remuneration paid to these third party capital is less than the profit obtained with the its application in business ”.

Through the data in Table 1, it is observed that the Equity Equity index in the capital structure, presented an average of 12.24, while the minimum was 10.19 and the maximum was 16.36, not being within of the ideal, which constitutes the company's strong dependence on third party capital.

As for the analysis of the Liquidity Indexes, it is observed that for Current Liquidity the average was 1.22, which shows the availability for settlement of the obligations, because according to Gitman (2010, p. 52) “an index equal to 2 , 0 is considerable acceptable, but it will depend on the sector in which the company operates ”. The presented minimum index of 0.94 is considered bad and the maximum 1.38.

When observing the Dry Liquidity indices, considering the average data in the value of 0.46, the minimum of 0.36 and the maximum of 0.64, it is not satisfactory, therefore, According to Gitman (2010, p. 52): "A Dry Liquidity index of 1.0 or more is sometimes recommended, but as in the case of Current Liquidity, the acceptable value depends largely on the sector in question". Thus, there is a strong relationship with Current Liquidity.

As for the Immediate Liquidity index, the average was 0.38, the minimum was 0.31 and the maximum 0.58. When these numbers are considered below 1.0 it indicates that cash and cash equivalents are not sufficient to settle short-term obligations.

In relation to General Liquidity, the average of 1.14, the minimum was 1.11 and the maximum was 1.20, values considered as satisfactory, as it is understood that the company demonstrates the ability to pay its obligations long term.

Regarding the Profitability indices, it is observed that for the Operating Margin, the average was 0.59, the minimum of 0.47 and the maximum of 0.81. It is considered that this indicator verifies the amount of Operating Profit the company is able to obtain for each R $ 1.00 in net sales. Thus, it appears that the company did not obtain a satisfactory average, as the values presented were lower than those recommended.

As for the Net Margin, the average was 0.16, the minimum number was 0.10 and the maximum 0.22. According to Silva (2012, p. 148) “this index compares Net Profit in relation to Net Sales for the period, showing the percentage of Profit generated. There is no ideal index, the analyst should compare the index calculated with the average verified in the segment or region where the company operates ”.

The Return on Assets presented an average of 0.10, a minimum of 0.09 and a maximum of 0.15. According to Marion (2012, p. 132) from the company's point of view, the earning power “for every $ 1.00 invested there is a gain of $ 0.16, which means that there will be a delay of more than six years for the company gets its investment back.

As for the Return on Equity, the average was 0.86, the minimum was 0.84 and the maximum was 0.91, which are very close. According to Marion (2012, p. 132) from the point of view of the owners means that for every $ 1.00 invested by the owners there is a gain of $ 0.86 on average. After the descriptive statistics, we proceeded to the correlation analysis, shown in Table 2.

Analyzing Table 6, it is observed that during the years 2014 to 2017, when there was a change in the General Indebtedness indicator, consequently, there was a negative impact of 91% in both the Dry Liquidity and Immediate Liquidity indicators. It was also observed that the General Debt presented a positive ratio of 59% with the Operating Margin indicator. These findings show the strong relationship between indicators of the liquidity group, which represent financial information, but also, with indicators of the profitability group, that is, that indicate economic information, results that confirm the relationship of economic and financial indicators.

Regarding the Third Party Equity Indicator, it showed a strong negative relationship with the Equity Equity (99%), Current Liquidity (62%), General Liquidity (99%), Net Margin (72%), Return on Equity indicators o Assets (96%), and with Return on Equity (97%). This result informs that the changes that happen in the Third Party Capital Stake will have a negative impact on almost all indicators, a fact that shows that the company was dependent on third party resources to carry out its operations.

As for Equity Share, it was found that when it underwent changes, indicators such as Current Liquidity (56%), General Liquidity (99%), Net Margin (73%), Return on Assets (98%) and Return on Equity (98%) were positively influenced.

Analyzing the Current Liquidity, it was observed that, as this indicator went through changes during 2014-2017, the impacts occurred positively for the General Liquidity in a percentage of 61%, for the Operating Margin (52%), for the Net Margin (63%), and, for Return on Equity (51%).

Table 6 - Pearson's correlation analysis for the 2014-2017 data

		ENDG	PCT	PCP	LICC	LICS	LIQI	LIQG	MO	ML	RSA	RSPL
ENDG	Pearson Correlation	1										
	Sig. (2-tailed)											

PCT	Pearson Correlation	, 287	1									
	Sig. (2-tailed)	.713										
PCP	Pearson Correlation	-, 233	-, 996 **	1								
	Sig. (2-tailed)	.767	, 004									
LICC	Pearson Correlation	-, 272	-, 624	559	1							
	Sig. (2-tailed)	.728	376	, 441								
LICS	Pearson Correlation	-, 915	, 038	-, 109	267	1						
	Sig. (2-tailed)	085	962	891	.733							
LIQI	Pearson Correlation	-, 911	128	-, 187	065	, 977 *	1					
	Sig. (2-tailed)	089	.872	.813	935	, 023						
LIQG	Pearson Correlation	-, 254	-, 999 **	998 **	, 613	-, 073	-, 162	1				
	Sig. (2-tailed)	746	, 001	, 002	387	927	.838					
MO	Pearson Correlation	594	, 058	-, 083	, 523	-, 378	-, 539	-, 044	1			
	Sig. (2-tailed)	406	942	917	.477	, 622	461	956				
ML	Pearson Correlation	382	-, 722	.730	, 637	-, 541	-, 681	.740	581	1		
	Sig. (2-tailed)	618	278	, 270	363	459	, 319	, 260	, 419			
RSA	Pearson Correlation	-, 121	-, 964 *	985 *	, 423	-, 247	-, 298	, 971 *	-, 124	.730	1	
	Sig. (2-tailed)	.879	, 036	, 015	577	753	702	, 029	876	, 270		
RSPL	Pearson Correlation	-, 062	-, 970 *	985 *	.518	-, 277	-, 354	, 978 *	, 013	.813	, 990 **	1
	Sig. (2-tailed)	938	.30	, 015	, 482	.723	646	, 022	987	187	.10	

**. Correlation is significant at the 0.01 level (2-tailed). *. Correlation is significant at the 0.05 level (2-tailed). N = 4

When the Dry Liquidity index underwent changes, there was a positive consequence in the Immediate Liquidity indicators, with a percentage of 97%, however, it had a negative influence on the Net Margin (54%). In relation to Immediate Liquidity, when it underwent changes, the negative spills were felt by the Operating Margin and the Net Margin, with percentages of 53% and 68%, respectively. With regard to General Liquidity, its changes influenced 74% the Net Margin, 97% the Return on Assets, and 97% the Return on Equity.

The Operating Margin remained positively associated with the Net Margin, with a percentage of 58%. The Net Margin was shown to be associated with the Return on Assets (73%) and Return on Equity (81%). Finally, the Return on Assets showed a high positive association of 99% with the Return on Equity.

5 CONLUSION

Impacts of Economic Stagnation on the Economic and Financial Indicators of a Company in the Tracking of Clothing and Accessories in the Northeast Region

This study aimed to assess the impacts of economic stagnation on the economic and financial indicators of a company in the segment of clothing and accessories in the Northeast Region, in the period from 2014 to 2017. For this purpose, a quantitative and descriptive research was carried out using indicators financial economics that were analyzed with the support of SPSS version 20 software, through which it was possible to obtain the descriptive statistics and Pearson's correlation analysis of the data of the evaluated company.

The main results show that the company presented some unsatisfactory indexes, being necessary to observe that the studied period, was of retraction for several companies and in several branches of activities. Thus, it was found that the index with the greatest impact is the dependence on Third Party Equity Participation and the reduction in Equity Equity with the company, which indicates that the company, in general terms, carried out its operations with third party financing.

As for the liquidity group, half of the indicators performed below the recommended in the literature. The Current Liquidity Index, which assesses whether the company has sufficient resources to settle short-term debt, and General Liquidity, which assesses the company's ability to settle its long-term obligations, met the parameter recommended in the literature, but these results they cannot be generalized and conclude that the company had sufficient resources to finance its operations, because the Third Party Equity Ratio was quite significant.

In relation to the profitability indexes, it was found that the company takes a long period to obtain a return on what it has invested. This picture can be seen when analyzing the Return on Assets indicator. Regarding the Net Margin, with the results that were achieved with this research, it is not possible to conclude whether this indicator was good or bad, as the literature points out that the values found must be compared with the values of companies operating in the same segment economic.

When the correlation analysis was interpreted, responsible for verifying the degree of relationship between the indicators, that is, as an indicator changes, identifying the level of impact among the others, there was a strong correlation, whether positive or negative, among the three groups of indicators analyzed (Capital Structure Indexes, Liquidity Indexes and Profitability Indexes), a fact that shows that when the company experiences difficulties in financial indexes, consequently, it will feel these impacts on economic indicators. These findings prove the importance of making combinations between indicators in order to verify the financial situation of the companies and assist managers in identifying the critical points that the company has.

In terms of limitation, this research included only one company, in addition, only the period from 2014 to 2017 was analyzed, and therefore, it is not possible only with this limitation to inform that the company presented unsatisfactory results, being necessary to analyze other factsmay have influenced the company's results.

In view of these aspects, it is proposed as a suggestion for future research, study the company for a longer period, including adding other indicators to the analysis, such as activity indexes. Another suggestion would be to carry out the analysis on other companies in the same economic segment, adopting the same time cut, in order to identify the main factors that led these companies to have certain results during the crisis period.

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