Journal of Economics and Development Studies
September 2017, Vol. 5, No. 3, pp. 35-43
ISSN: 2334-2382 (Print), 2334-2390 (Online)

Published by American Research Institute for Policy Development
DOI: 10.15640/jeds.v5n3a5
URL: https://doi.org/10.15640/jeds.v5n3a5

Assessment of the Impact of Stock Exchange on the Manufacturing Sector in Nigeria (1980 – 2016)

Salihu Zummo Hayatudeen[1] & Mohammed B. Adamu[2]

Abstract

This study is on assessment of the impact of stock exchange on the manufacturing sector in Nigeria between, 1980-2015. Precisely, the study sought to determine the extent to which the Nigerian stock exchange contributes to the development of manufacturing sector. Manufacturing sector is the backbone for economic advancement in any nation, be it capitalist, socialist, or a mixed economy. The broad objective of the study is to assess the impact of stock exchange on the manufacturing sector. The researchers used secondary data. The techniques used in the analysis were Augmented Dickey Fuller (ADF) and Kwiatkowski-Philips-Schmidt-shin (KPSS) unit root test, co-integration test and error correction model (ECM). The study revealed that there is a long term relationship between stock exchange and the development of the manufacturing sector in Nigeria, but the growth in stock exchange activities did not impact significantly on the manufacturing sector during the period under review. The study recommends that the stock market operators should encourage local manufacturing sector to list on the exchange by relaxing their conditions, reduce fees, and expand their offerings. Also, government should provide necessary infrastructure such as; good roads and stable electricity supply to support the growth and the development of the manufacturing sector.

Keywords; stock exchange, manufacturing sector, infrastructure, capitalist. socialist and mixed economy

1.0 Introduction

The stock exchange is a common feature of every modern economy and is reputed, amongst other things, to perform critical capital allocation functions which promote economic growth and stimulate manufacturing sector development. In many advanced countries where capital markets correlate directly with the economy, the stock exchange is viewed as the primary gauge for the economy's performance. More so, stock exchange play an essential role in economic development since they are the principal platform through which low cost funds to finance medium to long term projects on infrastructure and other important projects that transform economies are mobilized. High investor confidence, market integrity, efficient processes, adequate product offerings, sound regulatory framework, strong and transparent disclosure and accountability regime and good corporate governance characterize such markets. Markets with these attributes are classified as world class stock market. Nigeria has the capacity to evolve into such a market. According to Okoye, Nwisienyi and Eze (2013) the capital market forms the major source of capital for industries in developing economies like Nigeria. They opined that it is pertinent to note that substantial capital is required either to develop or import technological know-how which is needed for industrial development.

It is the stock exchange that has the capacity to provide such huge sums of long term loan through the issuance of equity securities which enables new industrial establishments survive the relative long gestation periods in most capital investment projects.

[1]Department of Economics, Modibbo Adama University of Technology Yola.
[2] Department of Economics, Modibbo Adama University of Technology Yola.

As a result of the desire of the federal government to ensure a rapid growth in the industrial sector, the Securities and Exchange Commission decree No 71 of 1979 was promulgated which established the Securities and Exchange Commission to regulate the activities of the Nigerian stock exchange. With the activities of SEC the Nigerian stock has grown considerably over the years, market capitalization has grown from 1.6 billion in 1980 1.3 trillion in 2003, 5.1 trillion in 2006 and 6.9 trillion in 2014. And recently, the year to date between January to November 2016 market capitalisation which stood at 9.6 trillion at the beginning of the year dropped below 9 trillion by end of November. This is due to high unemployment and weak aggregate demand by inability of many state governments to pay workers salaries affected the bottom line of many quoted companies, and also the delay in the implementation of 2016 budget contributed to the development. The stock exchange helps to channel capital or long-term resources to firms with relatively high and increasing productivity. Scholars such as Okoye (2013), Nwiseinyi (2013) and Eze (2013) have argued that a nation requires a lot of local and foreign investments to attain sustainable economic growth and manufacturing sector development. The stock exchange provides a means through which this is made possible.

There is abundant evidence that most Nigerian manufacturing sector lack long-term capital. The business sector has depended mainly on short-term financing such as overdrafts to finance even long-term capital. Based on the maturity matching concept, such financing is risky. All such firms need to raise an appropriate mix of short- and long-term capital (Demirguc-Kunt& Levine 1996). Most recent study on the Nigeria stock exchange has recognized the tremendous performance the market has recorded in recent times. However, the role of the stock exchange in the manufacturing sector has not been empirically investigated there by creating a research lacuna in this area. There are various studies conducted on the assessment of the impact of the capital market on the manufacturing sector of Nigeria. For instance the study of Andabai, (2010), in their studies determinant of stock market performance and manufacturing sector growth in Nigeria and Akinmulengun and Oluwale (2014), in their studies on an assessment of the Nigerian manufacturing sector in the era of globalization. Both studies reflect that manufacturing sector in most years fell below the level expected, and the growth of the economic activities is deteriorating. Also most of their studies covered short periods of time. The gap in terms of period covered is also a contributory factor to the disparity in the outcomes of relationship between capital market and manufacturing sector. This study is undertaken to assess the impact stock market has on the manufacturing sector of Nigeria (1980-2016). The aim of this research is to dig out the empirical evidence in the context of manufacturing sector regarding the role of stock market in Nigeria.

The specific objectives of the study are to:

i. Examine the effects of MC and TNI on the manufacturing sector in Nigeria.
ii. Examine the significant relationship between capital market liquidity on manufacturing sector.

The research questions are as follows:

i. Are there any significant impacts of the MC and TNI on the manufacturing sector in Nigeria?
ii. Is there any significant relationship between stock market liquidity on the manufacturing sector in Nigeria?

The following hypotheses were design for the study:

i. Ho: There are no significant effects of the MC and TNI on the manufacturing sector.
ii. $H_{O:}$ There is no significant impact of stock market liquidity on manufacturing sector.

2.0 Theoretical Framework And Literature Review

This study is based on the theory of financial intermediation which has proven to be the best theory to measure service rendered by the stock market to manufacturing sector in Nigeria, The most important contribution of intermediaries is a steady flow of funds from savers to end users. Financial institutions fulfil the following main functions.

• The brokerage function: financial intermediaries match transistors' and provide transaction and other services. As a result, they reduce transaction costs and remove information costs.

The asset transformation functions: financial institutions issue claims that are far more attractive to savers (in terms of lower monitoring costs, lower liquidity costs and lower price risk) than the claims issued directly by corporations. Financial intermediaries hold the long-term, high risk, large-denomination claims issued by borrowers and finance this by issuing short-term, low risk, small-denomination deposit claims.

Within the brokerage function, banks bring together providers and users of capital without changing the nature of the claim, whereas asset transformation processes risk in altering the nature of the claim. The asset transformation function includes an asset diversification function and an asset evaluation function. In the first case, a critical role of intermediation is the transformation of large-denomination financial assets into smaller units. Financial institutions have the ability to exploit the suboptimal portfolio choice of depositors and can offer the risk-return combination of financial assets that households demand. Financial institutions are able to provide loans which fit in with customer demands, by providing divisibility services. Furthermore, because financial institutions are able to break down assets into small units, they can reduce transaction costs and also employ diversification for the benefit of both their customers' and equity holders. Secondly, financial institutions act as evaluators of credit risk for the depositor. Banks function as a filter to evaluate signals in a financial environment with limited information. As a result of these asymmetries of information it is argued that individuals find it difficult to evaluate other agents' credit risks. This gives rise to financial intermediaries who play an important role in the evaluation and purchase of financial assets.

Osamwanyi and Kasimu (2013) examined empirically the relationship between three sub-Saharan African countries including Nigeria. The study regressed five indicators of stock market, namely stock market capitalization, rate of stock turnover ratio, value of traded stock, number of listed securities and stock market index against the real gross product which is used as a proxy for economic growth. They made use of Granger causality test to conclude that there is no causal relationship between stock market development and economic growth in Nigeria this findings does not support new growth theory which shows that the stock market development lead to economic growth. Aye (2013) carried out annual time series studies on the causality between financial deepening, economic growth and poverty in Nigeria with data covering the period 1960 to 2001. Vector Autocorrelation and Vector error correlation model were adopted; the result shows that there is no evidence of the long run relationship between finance and economic growth. Therefore, the author focuses on short-run causality where, the result shows a short-run unidirectional causality from financial development to poverty via growth

In the same year, Adefeso et al, (2013) investigated the long-run and causal link between the stock market and economic growth in Nigeria using data covering the period of 1980 to 2010. They employed error correction model (VECM) to analyze the data and draw policy inference. The result of the study found that the stock market development and economic development have long run relationship in Nigeria. The result also indicates that the stock market development and banking activities both Granger cause economic growth in Nigeria. The empirical study, therefore, recommends policy makers to emphasize on economic growth through the appropriate regulatory and macroeconomic policies to achieve sustainable growth. This study is in line with the empirical work of Anigbogu and Nduka (2014). Demetriades, et al (2001) utilized time series data from five developed countries, to examine the relationship between stock market and economic growth, controlling for other effect of the banking system and stock market volatility. Their result supports the view that, although banks and stock market may promote economic growth, the effect of bank is more. They suggested that the contribution of stock market to manufacturing sector may have been exaggerated by studies that uses cross country regressions.

Mohtadi and Agarwal (2004) examined the capital market and economic growth in developing countries using a panel data approach that covers 21 emerging markets over 21 years (1977 - 1997), they found that turnover ratio is an important and statistically insignificant determinant of investment by firms and that these investment in turn are significant determinant of aggregate growth. Foreign direct investment is also found to have a strong positive influence on aggregate growth. The result of their study indicates that both turnover ratio and market capitalization are important variables as determinants of economic growth.

Adegbaju, and Olokoyo, (2008) poised on the issue of capitalization to be a major reform objective; and defining capitalization literarily to mean increase on the amount of long term finances used in financing the organization. They reviewed the capitalization process to entail an increase in the debt stock of the company or issuing additional shares through existing shareholders or new shareholders or a combination of the two. It could even take the form of merger and acquisition or foreign direct investment. Whichever form it takes the end result is that the long term capital stock of the organization is increased substantially to sustain the current economy trend in the global world.

Ewah, et al (2009) appraised the impact of the Nigeria capital market efficiency on the economic growth of the nation using time series data from 1961 to 2004. They found that the capital market in Nigeria has potential of growth inducing but it has not contribute meaningfully to the economic growth of Nigeria because of low market capitalization, illiquidity, misappropriation of funds among others. Enisan and Olufisayo (2009) investigated the long-run and causal relationship between stock market development and economic growth in sub-Saharan Africa. They use an econometric method of autoregressive distributed lag (ARDL) bound test to analyze the long-run relationship. The result from VECM Granger causality shows that in Nigeria, there is a weak evidence of growth-led finance where market size is a proxy for stock market development.

Okey O. Ovat (2012) has investigated the role of the Nigerian stock market development on economic growth. His analysis used econometric technique of unit root test, cointegration test, and Granger causality test. The result suggests the dominance of the stock market liquidity over market size. The Granger causality test shows that there is two-way causation between stock market and economic growth. However, the market size has little or no effect on economic growth. This is similar to the study of Ogunmuyiwa, M. S. (2010) which shows that stock market liquidity caused economic growth. The empirical study of Ogboi & Oladipo (2012) examined stock market and economic growth nexus in Nigerian context. The study specifically examines the relationship between stock market development and economic growth in Nigeria. They employ econometric techniques of error correction model (ECM) and Granger causality test approach. They use Variable such as gross domestic product, market capitalization, value of the total transaction, new issues and bank total. The result shows that there is unidirectional causality between the stock market and economic growth which runs from economic growth to stock market. . This contradicts the work of Osuala et al, (2013) who show that there is negative relationship between the two.

Ezeoha, et al (2009) investigated the nature of the relationship that exists between stock market development and the level of investment (domestic private investment and foreign private investment) flows in Nigeria. The study discovered that stock market development promotes domestic private investment flows, thus suggesting the enhancement of the economy's production capacity as well as promotion of the growth of national output. However, the results show that stock development has not been able to encourage the flow of foreign private investment in Nigeria.

3.0 Methodology

The data for this study was obtained mainly from secondary sources particularly from Central Bank of Nigeria (CBN) statistical Bulletins, Nigerian Stock Exchange (NSE) review books, Security and Exchange Commission (SEC) market Bulletins National Bureau of statistics (NBS). The time series econometric procedures were used in order to examine an assessment of the impact of capital market on manufacturing sector in Nigeria using regression analysis. The model of this research was adopted from Onuchuku and Adoghor, (2010). The model specification involves the following (a) the determination of the dependent and the explanatory variable, (b) the determination of the apriority theoretical expectation about sign and size of the parameters of the function, (c) determination of the mathematical form of the model. Therefore, flowing from economic theory and empirical literature, the functional and econometric relationships between the index of manufacturing sector, and the stock market indices (market capitalization, new issues, value of transaction total listings.) while, Exchange rate and interest rate as checking variables Given the theoretical relationships between the dependent and independent variables, we then specify the manufacturing sector model as follows;Functional relationship of the model is expressed as follows.

$$Y = F\ (X_1, X_2, X_3, X_4, X_5, X_6) \quad (1)$$

The above functional relationship was transformed to linear econometric model as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + U \quad (2)$$

Y = *Index of manufacturing sector*
X_1 = *Market capitalization*
X_2 = *Total new issue*
X_3 = *Value of transaction*
X_4 = *Total listed securities*
X_5 = *Exchange rate*
X_6 = *Interest rate*
U = *Error term*

Y is the dependent variable proxies as index of manufacturing sector; X_1, X_2, X_3, X_4, X_5 *and* X_6 are the explanatory variables and *U* is the stochastic or random variable.

INMF= F (MC, TNI, VT, TL, EXR, INT).....3

By linearizing the function, The following equations:

$INMF = \beta_0 + \beta_1 MC + \beta_2 TNI + \beta_3 VT + \beta_4 TL - \beta_5 EXT - \beta_6 INT + Ut$ 4

It is pertinent to point-out that both the linear and the log-linear specifications were tried; however the log-linear appeared better in terms of goodness of fit, precision of estimates and a tolerable level of multi-co linearity.

Manufacturing sub –sector econometric model is as followed:

$\text{Log}INMF = \beta_0 + \beta_1 logMC + \beta_2 logTNI + \beta_3 logVT + \beta_4 logTL - \beta_5 logEXT - \beta_6 logINT + U2.$ ……...5

INMF = Index of the manufacturing sector
MC = Market Capitalization
TNI = Total New Issue
VT = Value of Transaction
TL = Total Listed securities
EXR = Exchange rate
INT = Interest rate

A priori expectations

Where; β_1, β_2, $\beta 3$, $\beta 4 > 0$ and $\beta 5$, $\beta 6 < 0$: are the a-priori expectations of the signs of the parameters of the model. Therefore, the variable under consideration and their parameter exhibition of a priori signs have been summarize below. The above a priori will be guarded by these criteria.

When $\beta > 0$ = conform.
When $\beta < 0$ = not conform.

4.0 Results And Discussion

The stationarity of the variables was tested by conducting the Augmented Dickey-Fuller (ADF) unit root tests. The unit root test shows that the series under investigation INM, TNI, MC, VT, TL, EXR, INT respectively are non-stationary at their levels, but they are stationary at their first differences. The ADF results, as presented showed strong evidence(s) that all the variables are non-stationary at their levels. Therefore, the null hypothesis that the series are non-stationary is accepted at 5% level of significance. But they became stationary at their first difference; hence they are all integrated of order one (1).

Table 4.1 Augmented Dickey Fuller (ADF) Test Result

	ADF	Critical values at 5% level of significance	
Variable	1st difference	Order of integration	
INM	-4.498099	-3.557759	I(1)
TNI	-7.043590	-3.548490	I(1)
MC	-7.073817	-3.548490	I(1)
VT	-5.686412	-3.544284	I(1)
TL	-6.606912	-3.548490	I(1)
EXR	-4.845444	-3.548490	I(1)
INT	-6.113087	-3.552973	I(1)

Source*:* Author's computation using Eviews 8, 2017

Kwiatkowski-Philips-Schmidt-Shin test statistic (KPSS)

The stationary of the variables was also tested by conducting the Kwiatkowski-Philips-Schmidt-Shin test statistic (KPSS) unit root tests. The result shows that the series under investigation INM, TNI, MC, VT, TL, EXR, INT respectively are non-stationary at their levels, but they are stationary at their first differences. The KPSS result, as presented indicates strong evidence that all the variables are non-stationary at their levels. But they became stationary at their first difference; hence they are all integrated of order one (1).

Table 4.2 Kwiatkowski-Philips-Schmidt-Shin test statistic (KPSS) Test result 5%

Variable	critical value	Order of integration
INM	0.146000	I (1)
TNI	0.146000	I (1)
MC	0.146000	I (1)
VT	0.146000	I (1)
TL	0.146000	I (1)
EXR	0.146000	I (1)
INT	0.146000	I (1)

Source*:* Author's computation using Eviews 8.0, 2017

The result from both ADF and KPSS revealed that all the variables became stationary after first difference as indicated by ADF and KPSS in table 4.1 and 4.2 respectively. The values are at 5% level of significance.

Table 4.3 Error correction model result

Table 4.3 Error correction model result				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.091754	3.422647	0.026808	0.9788
D(MC)	-9.317569	8.030037	-1.160340	0.2561
D(TNI)	1.859284	11.63425	2.159811	0.0442
D(TL)	0.195773	0.217133	2.901628	0.0352
D(VT)	1.70E-07	2.00E-06	2.085317	0.0326
D(EXR)	0.040818	0.234771	0.173865	0.8633
D(INT)	-0.044749	1.988119	-0.022508	0.9822
ECM(-1)	-0.380181	0.158523	-2.398265	0.0037
R-squared	0.617873	Mean dependent var		0.162857
Adjusted R-squared	0.582878	S.D. dependent var		17.82107
S.E. of regression	17.34351	Akaike info criterion		8.741945
Sum squared resid	8121.524	Schwarz criterion		9.097453
Log likelihood	-144.9840	Hannan-Quinn criter.		8.864666
F-statistic	1.271173	Durbin-Watson stat		1.864329
Prob(F-statistic)	0.001259			

Source: Author's Computation from Eview 8.0, 2017.

Error correction model (ECM) results

The R- square of about 61percent shows the variation stand to explain each other to a large extend. Thus, all the variables explain about 61per cent systematic variations of the impact of stock exchange on the Index of manufacturing sector in Nigeria. The market capitalization (MC) is attested to by the figure -9.317569, implying that a one per cent increase in market capitalization (MC) generated a -9.3 percent decrease in the Index of Manufacturing

sector (INM) of Nigeria. In addition, a one percent increase in Total new issue (TNI) resulted to a 1.8 percent increase in the index of manufacturing sector of Nigeria.

One percent increase in Total listed security (TL) generated a 19 percent increase in index of Manufacturing sector of Nigeria. One percent increase in Volume of transaction (VT) generated a 1.7 percent increase in the index of Manufacturing sector of Nigeria. One percent increase in Exchange rate (EXR) generated a 0.040 percent increase in the index of manufacturing sector of Nigeria. Finally, one percent increase in Interest rate (INT) generates 0.044 decreases in index of manufacturing sector of Nigeria. Both total new issues (TNI), Value of transaction (VT), Interest rate (TL) are statistically significant at 5 percent respectively. These results are not in conformity with apriori expectation because market capitalization shows a negative value which can be corrected. The coefficient of ECM (-1) is (-0.380181) and significant at 5 percent level of significant. This implies that long run deviation in Market capitalization (MC), Interest rate (INT) and exchange rate (EXR) is to be corrected in two and half years. The result is also showing that only Total new issue, (TNI), Total listed security (TL) and value of transaction (VT) have significant effect on index of Manufacturing sector in the short run base on their probability values which are (0.0442), (0.0352) and (0.0326) level of significant respectively. The R square of the ECM (-1) model which is (0.61) is high also high indicating that the ECM (-1) model is fit and reliable. The R-square (0.617873) is less than the DW statistic (1.86). However, the DW-statistic of (1.86) approximately to 2 shows the absence of serial correlation. This indicates that the model has a high explanatory and predictive power.

Economic Implication of the Results

All explanatory variables (MC, TNI, VT, TL EXR and INT) were significantly joint predictors of the manufacturing output in Nigeria, considering there F- stat probability of (0.001259). For instance, TNI, TL and VT are positively related and significant to index manufacturing sector. This implies that an increase in Total new issue, Total listed security Volume of transaction will boost the manufacturing sector of the economy. The finding agrees with Okpara (2006), Olurunfe (2013), Nyong (2003). But it has not contributed meaningfully to economic growth and development due to low market capitalization (MC), low volume of transaction, and few listed companies on the floor of Nigerian Stock Exchange. Secondly, The negative sign of MC and INT indicates an inverse relationship. MC and INT are negatively related but not significant with index manufacturing sector. This finding is in line with Ogboi and Oladipo (2012), Kolapo and Adaramola (2012). The level of awareness by the populace is low while not much is known about our markets by outsiders". Also, in the views of Ilaboya and Ibrahim, (2009) "The insignificant relationship reflects the fact that majority of key investors prefer to invest in other sectors of the economy other than the stock exchange.

5.0 Conclusion and Recommendations

Conclusion

The ADF results, as presented showed strong evidence(s) that all the variables are non-stationary at their levels. Therefore, the null hypothesis that the series are non-stationary is accepted at 5% level of significance. But they became stationary at their first difference; hence they are all integrated of order one (1). These results are not in conformity with apriori expectation because market capitalization shows a negative value which can be corrected. The coefficient of ECM (-1) is (-0.380181) and significant at 5 percent level of significant. This implies that long run deviation in Market capitalization (MC), Interest rate (INT) and exchange rate (EXR) is to be corrected in two and half years. The result is also showing that only Total new issue, (TNI), value of transaction (VT) and Total listed security (TL) have significant effect on index of Manufacturing sector in the short run base on their probability values which are (0.0442), (0.0352) and (0.0326) respectively. Based on the result it has been concluded that insignificant relationship reflects the fact that majority of key investors prefer to invest in other sectors of the economy other than the stock market.

Recommendations

In order to make the Nigerian stock exchange contribute significantly to the growth of the manufacturing sector and the economy in general, the following recommendations are put forward:

i. The regulators and operators in the Nigerian stock market must necessarily expand the market offerings to include products such as fixed income securities, hedging instrument, futures and other derivatives must be promoted as well as securities lending and collectives' investment schemes.

ii.It is imperatives to mention that new listings are critical to the development of the Nigerian Stock market given that it is one of the two ways companies can raise long-term capital. To this end, there is the urgent need to woo foreign and local companies to list in Nigeria stock market through tax holiday, reduction in transactions cost and other incentives, to encourage new participants in the market.

iii.Foreign Exchange volatility, high interest rate and unstable electricity have negative impacts on manufacturing output and the economy in general. Therefore, the political and monetary authorities must of necessary ensure stable supply of electricity, favorable and stable exchange rate, and low interest rate in the country if the vision of transforming the economy will be achieved.

References

Adefeso, H. A., Egbetunde, T., & Alley, I. (2013). Stock Market Development and Growth in Nigeria. A Causal Analysis. Arabian Journal of Business and Management Review 2 (6), 79-94

Adegbaju, A. A. and Olokoyo, F.O. (2008). "Recapitalization and Banks Performance. A case Study of Nigerian Banks". African Economic and Business Review. (6)1.

Akinmulegun, S. O & Oluwole, F. O (2014). An Assessment of the Nigerian Manufacturing Sector in the Era of Globalization. American Journal of Social And Management Sciences. ISSN Print: 2156-1540, ISSN Online: 2151 1559,

Andabai, P. W. (2010). Determinants of Private Sector Development and Economic Growth in Nigeria: A Vector Autoregressive Approach. International Journal of Economic and Development Issues. 9 (1&2), 16-24.

Andabai, P. W. (2011). Packing of New Product and Its Impact on the Market Value: The Manufacturing Sector Perspectives. International Journal of Business and Common Market Studies. 8 (1&8), 22-30

Andabai, P. W. (2011). Strategic Financial Planning: An Option for Predicting Manufacturing Companies in Nigeria. International Journal of Investment and Finance. 4(1&6).

Anigbogu, U. E., & Nduka, E. K. (2014). Stock Market Performance and Economic Growth. Evidence from Nigeria Employing Vector Error Correction Model Framework. The Economics and Finance Letters, 1(9):90-103

Anyanawua, C. W. (2000). Production in the Nigeria Manufacturing Industry. Research Department: Central Bank of Nigeria. 38 (36). 17-32

Anyanwu, J.C. (1993). Monetary Economics Theory, Policy and Institutions. Onitsha: Hybrid Publishers Ltd., pp. 247-274.

Anyanwu, J.C. (1998). Stock Market Development and Nigerian Economic Growth, Nigerian Financial Review,7 (2): 6-13.

Aye G. C. (2013). Causality between Financial Deepening, Economic Growth and Poverty in Nigeria. The Business & Management Review 3 (3).

Central Bank of Nigeria (CBN) Statistical Bulletins of 2005, 2006 and 2008, Abuja: Central Bank of Nigeria Publication

Demirguc-Kunt, A and R. Levine (1996). Stock market development and financial intermediaries: Stylized facts, The World Bank Economic Review, 10(2) 291 -321

Demetriades, P. Arestis, P. &Luintel, K. (2001). Financial Development and Economic Growth: The Role of Stock Markets. Journal of Money, Credit and Banking, 33, 16-41.

Dimirgue-kunk, A. A.& Levin R. (1996) Stock Market, Corporate Finance and Economic Growth: An Overview. The World Bank Review 10 (2), 223- 225.

Enisan, A. A., & Olufisayo, A. O. (2009). Stock Market Development and Economic Growth. Evidence from Seven Sub-Sahara African Countries. Journal of Economics and Business, 61 (2), 162-171.

Ewah, S.O. Esang, A.E. &Bassey, J.U. (2009). Appraisal of Capital Market Efficiency on Economic Growth in Nigeria. International Journal of Business and Management, (12) 219 – 225.

Ezeoha, A., Ebele, O., & Ndi Okereke, O. (2009). Stock market development and private investment growth in Nigeria. Journal of Sustainable Development in Africa, 11 (2), 20-35.

Ilaboya and Ibrahim (2012). Stock Market Performance and Economic Growth in Nigeria. Journal of Emerging Trends in Economics and management sciences. 3(6).

Kolapo, F. T. & Adaramola, A. O (2012). The Impact of the Nigerian Capital Market on Economic Growth. International Journal of Developing Societies. 1(1) 11-19,

Ministry of Cooperate Affairs, (2014). Empowering business and protecting investors. Retrieved on 3/8/2014 from http://www.iepf.gov.in

Mohtadi, H. &Agarwal, S. (2004). Financial Markets and the Financing choice of Firms; Evidence from developing countries. Global Financial Journal, 15 (2). 52-70.

Nigerian Stock Exchange (1990). The Nigerian Stock Exchange fact Book, Walshud Publishers,Lagos. Nigerian Stock Exchange (NSE) fact book for 2004-2009. Lagos:The Nigerian Stock Exchange.

Nigerian Stock Exchange (2009). Available at. http://www.nigreianstockexchange.com [Accessed13 September 2011].

Nyong, M.O (1997). Capital Market Development and long run Economic growth.Theory, Evidence and Analysis, First Bank Review, December pp. 13-38.

Nyong, M. O. (2003). Predictability and Volatility of Stock Return in Three Emerging Markets:Nigeria, South Africa and Brazil.Nigeria Journal of Economics and Development Matters 2(1), 12– 29.

Ogboi, C. & Oladipo, S. O. (2012). Stock Market and Economic Growth; the Nigerian Experience. Research Journal of Finance and Accounting, 3(4), 103-110.

Ogunmuyiwa, M. S. (2010). Investor's Sentiments, Stock Market Liquidity and Economic Growth in Nigeria. Journal of Social Sciences, 23(1), 63-67.

Okey (2013). Capital Market Operations and Economic Growth in Nigeria (1985 -2011). International Journal of Business and Social Science. 4 (7). 166-172.

Oko, T. (2012). Securities and Exchange Commission, (2012). Nigerian capital market. Abuja: March 2012 public hearing organized by the committee on capital market and other institutions, House of Representatives of the federal republic of Nigeria.

Okoye, O. V. Nwisienyi J. K., and Eze, O. R., (2013). Capital market and industrial sector developmentin Nigeria. A theoretical analysis.

Okpara, G.C. (2015). Capital Market in the Development of Nigerian Economy, An

Empirical Analysis in Nigeria. European Journal of Business and Management. 7(13)

Olurunfe, S (2013) Manufacturing performance in Nigeria. Implication for Sustainable Development. Asian Economic and Financial review 3 (9) 1195- 1213.

Osamwonyi, I. O., & Kasimu, A. (2013). Stock market and economic growth inGhana, Kenya, and Nigeria. International Journal of Financial Research, 4 (2), 83.

Osuala, A. E., Okereke, J. E., & Nwansi, G. U. 2013. Does Stock Market DevelopmentPromote Economic Growth In Emerging Markets? A Causality Evidence from

Securities and Exchange Commission, (2014). Capital Market Authority. Retrieved on 3/8/2014from http://www.cma.or.ke/index.php Nigeria. World Review of Business Research.3 (4). 1 – 13.