

Money market and the nigerian economic development

[Economics](#)



MoneyMarket on the Nigerian Economic Development Mr.. Cope Innocent Chukka Department of Accountancy, Enough State University of Science and Technology, Enough, Enough State of Nigeria Abstract The objective of this study is to examine the impact of money market on the Nigerian economic development; it has been prepared as a contribution to the quest for promotion of entrepreneurship as an engine growth. To access the multidimensional role and medium scale enterprises in bringing out rapid industrialization.

The study examine the contribution of money market to the growth of small and medium scale enterprises during the period of 1987-2007 with special emphasis on the performance appraisal of the stock market. The result from the empirical analysis carried out using the ordinary least squares estimation technique reveals that the Nigeria stock exchange has contributed to some extent in financing small and medium scale enterprises.

However, the prospect of the market appears to be bright considering the current position of the government and players in the industry in the area of formulation and implementation of favorable policies. However, the market could assume the expected role of providing long-term financing for the development f small and medium scale enterprises in Nigeria if the institutional frameworks guiding the effectiveness of the operators are strengthened and the profound recommendation by the researcher are religiously implemented. . Introduction The success or failure of any economic is hinged on the viability of the financial system which invariably and undoubtedly depend main on the structure of the capital market of such economy in which the Nigerian stock exchange (NOSE) occupy the central <https://assignbuster.com/money-market-and-the-nigerian-economic-development/>

position of the financial system. It plays a very vital role in the general performance of the economy. Currently, majority of Africa economic including Nigeria suffer from financial regression and financial under-development.

These maladies combines with economy dualism have continued to aggregated Nigerian development problems AFAIK 2006. Since the performance of financial sector impinges on the state of the economy, Nigeria, as every other nation is consistently in search of a viable financial sector in the process of doing the quite a reforms and restructuring have been carried out in the financial sector such as the deregulation and liberation's of financial sector. The revolution of the colonial era in 1946 when the Leonia government issued the first Nigeria registered stock (FURS) in (1956-1961).

The origin of the Nigeria stock exchange date back to the sass's when there were discussions andacademiccrisis about the formulation of stock market in May 1958. Then, the ministry of commerce and industry appointed the bar stock committee to advice the government on ways and means of fostering a share capital market in Nigeria. On the 1 5th September 1960, the Lagos stock exchange was incorporated as non profit making organization. The Lagos stock exchange was allowed to disperse with word " LIMITED". Although it was a company listed by a guarantee.

The Lagos stock exchange act enacted in 1961 strengthened the Lagos exchange; it was change to Nigeria stock exchange (NOSE) by the modernization decree 1977 on second of #Economics By henrys ebb

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exchange is the very hub of the capital market. It does for the economy what the money market does at the short end of the spectrum. Those who are desirous of long-term fund goes to the capital market for . (the excess liquidity of other (Know, 1987). The capital market is divided into two categories Bizprimary and secondarymarket has not been enough publicity which has lead to the show pace of growth in the early years in inception. Money Market on the Nigerian Economic Development A lot of works has been done regarding the concept of discourse (I. E. Small and medium scale enterprise and capital market) but for the purpose of this research work, we shall have a review of some of the literature which will help our course in trying to know what is obtainable in their definitions, functions and objectives. The need for industrialization is of paramount important. Nigeria, like most other under- developed countries is a primary producer. This is functional in the sense that she is endowed with many of the natural resources which the 5