

**EFFECTS OF 2008 GLOBAL FINANCIAL CRISIS ON THE PERFORMANCE
OF BANKS SHARES TRADED IN STOCK EXCHANGE MARKET IN NIGERIA.**

BY

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DECLARATION

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DEDICATION

I dedicate this research work to my late father Alhaji Yakubu Abubakar and my immediate family.

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OPERATIONAL DEFINITION OF TERMS

- Shares:** Shares are units of ownership in a company and can be defined as representation of an investor interest in a company, while the bundles of the shares are referred to as stock. It also entitles the holder to claim a fraction of the profit that the company generate and rights to express opinion on how that company run if affairs.
- Global Financial Crisis:** This a period of economic controversy were larger and small financial and non financial institutions faced serious financial problem across the world
- Stock Exchange Market:** This is a market were quoted economic securities (equities) of both financial and non financial firms are traded either at primary or secondary market.
- Bank Shares:** This is a unit of investment which an investor invests in a firm which expected to attract interest at a given period of time, normally end of financial year if the company perform well enough to earn this interest.
- Performance:** This is an average range of company transactions which can be used to determine it financial condition after a particular period of time usually at end of the year and also to rate its contributions to the economy

LIST OF ABBREVIATIONS AND ACRONYMS

AIG	–	American International Group
CBN	–	Central Bank of Nigeria
CF	–	Credit Facilities
CIEN	-	Character Institute of Economy of Nigeria
CRR	–	Cash Reserved Requirement
CSS	–	Capital Structure Substitution Theory
DWO	–	Discount Window Operation
FDI	–	Foreign Direct Investment
FHLMC	–	Federal Home Loan Mortgage Corporation
GDP	-	Gross Domestic Product
GFC	-	Global Financial Crisis
GFR	–	Global Financial Recession
ICB	-	India Central Bank
ICU	–	Intensive Care Unit
MDB	-	Money Deposit Banks
MPR	-	Monetary Rate of Policy
NBS	–	Nigeria Banking Sector
NSEM	–	Nigeria Stock Exchange Market
OSBN	-	Organizations of Stock Brokers of Nigeria
P & L Account	–	Profit and Loss Account
SEC	-	Security and Exchange Commission
SMI	–	Stock Market Index
USA	-	United State of America

ABSTRACT

The global financial crisis of 2008 is an event that affected the entire world economic cycle, the consumers, producers, financiers and other parties that constitute the economy. The crisis was as a result of liquidity, currency, fluctuations of Banks Share Prices and risks in business with Banks, which started from major financial institutions of the US and spilt over to the rest of the world. These gave birth to the same situations in Nigeria where investors, Bank customers and other citizens were looking at the problems in the financial sector from either political dimensions or from misconceptions about Western economic policies that had dominated Nigeria economic system. The general objective of this study was to investigate the effects of the global financial crisis of 2008 on the performance of bank shares traded in the Stock Exchange Market of Nigeria. The specific objectives were to establish the effects of the GFC on liquidity performance, currency performance, price fluctuations and risk fluctuations in business with banks and measure the price performance of the industry. The study used documented guide line review as instrument in collecting secondary data from audited financial statements of all the 18 money deposit Banks operating 2006 and 2010. Other data collected using same instrument were stock price index reports, control interest rate prices reports, exchange rate reports, value of shares price used for loans collateral reports, annual activity reports on market transaction and other relevant financial policy information from the controlling authorities, such as Central Bank of Nigeria (CBN), Security and exchange Commission (SEC) and Nigeria Stock Exchange Market (NSEM). Data was analyzed using comparison of two sample t test means and variance and sign test was used for testing the hypothesis on each supportive independent variable at a 0.05 level of significance. The results indicated that all the null hypotheses are rejected meaning that 2008 GFC had impact on performance of bank share traded in NSEM. The following recommendations were given as solutions. It is advised that the Federal Government of Nigeria through its control agency mandate all the money deposit banks to keep one quarter of their saving deposits with CBN. This should be different from cash deposit reserved deposit and strictly applicable to saving accounts redeemable bi-annually and should attract a reasonable interest accruable. Another recommendation is that of raising of reserved deposit with at least 50% from it present status at corporate finance level of all the money deposit banks; CBN should also increase in it inspections excises to at least four times in a year which will cover each quarter. Also CBN were advised to reduce the interest rate and improve the interest rate given on saving deposit and many more recommendations .Finally the following can be further exploit by other researchers. For example the term performance from financial perspective is not restricted to above independent variables neither it is not from the supportive, therefore other areas of performance like banks capital strength, branch networking level of technology, assets strength and others can be study.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Historical evidence shows that the financial crisis in the world economy is not a new issue but an event that recurs after a long period of time. Characteristically this crisis directly or indirectly affects banks and manufacturing firms financially, and cripples their production and consumption level (Sanusi, 2012), Kwanashie, (2008) holds a similar opinion to Sanusi (2012) but also believes that global financial crisis is an event, which lead to the downfall of larger firms and producers while its effects spill over to multi-national companies with businesses across the globe. These effects are reflected by company shares performance in stock exchange markets across the globe.

Bush (2008) described global financial crisis as an economic controversial period where value and volume of economic activities in explicable and rapidly dropped down to an unexpected level, especially quoted equities prices, of which bank shares are inclusive. In his acknowledgment, Oguz (2012) recognized the following factors as global financial crisis; fragility of banking system, inflation trend, devaluation of local currency, Foreign trade deficit, bad loan recorded by the financial institutions, increased in money supply without taking other economic factors in to consideration, excess spending on unprofitable business in the short (e.g spending on war in other countries by super powers) poor economic policy, intervention in the internal politics of other countries and other factors that threatening the world economy, through various ways of which stock exchange market activities is one of them.

According to Tobat and Akbar (2008) the global financial crisis of 2008 was the worst of its kind since the Great Depression of the 1830s and 1930s. It became prominently visible in September, 2008 with the failure; merger and conservatorship attitude of several large United States based financial firms. The underlying causes leading to the crisis had been reported in various business journals for many months before September 2008, with commentaries about the falling of banks stock prices, lower production capacity by firms and higher cost of goods due to higher level of demand by the society being some of the causes cited. (McClure 2008, Morton 2008).

The financial instability of leading USA and European investment banks, insurance firms and mortgage banks, consequent to the subprime mortgage crisis are the root of the event from a global perspective (Evans-Pritchard and Ambrose, 2007). Beginning with failures of large financial institutions like banks, insurance companies, brokerage firms and others in the United State, it rapidly evolved into a global crisis resulting in a numbers of European banks failing as well as decline of various stocks indices, and large reductions in the market value of equities (stocks) and commodities worldwide (Norris, 2008)

The crisis led to a liquidity problems and the de-leveraging of financial institutions especially in the United States and Europe, which further accelerated the downfall in banks savings deposit profile, and forced banks to withdraw excess cash from their cash reserved deposit accounts in Central Banks. It also increased cash request level commercial banks, which financial experts and monitory economies considered a liquidity crisis. World political leaders, national Ministers of Finance and Central Bank

Directors coordinated their efforts to reduce fears of the crisis but the problems continued, evolving at the close of October, 2007 into a currency crisis with investors transferring vast capital resources (through money circulation at local level and foreign exchange at international level) into stronger currencies such as the Japanese yen, China Yuan, India rupees Brazilian Real, the dollar and the Swiss franc. These lead many emergent economies to seek aid from the international Monetary Fund (Frank, 2008)

There is concerned that those responsible for the financial problems are normally the ones being bailed out; a global financial meltdown will affect the lives of everyone in an increasing inter-connected world. The problems could have been avoided, if ideologues supporting the current economic models were not so vocal, influential and inconsiderate of others' views (Anup, 2008). The economic slowdowns in the United States and Europe were dragging on Asia's biggest economies like Japan, China, and South Korea. The worry was it could get worse. The fears highlighted were the growing realisation that Asian economies could not cope because of their long term dependence on the US market (Andrew, 2008).

Although there are a number of credible pointers to the decline of America's global economic hegemony, the now nearly global reach of what was essentially an American financial crisis suggests that America still remains one of the most powerful economies in the world, and that its performance is still the single most-important health barometer of the global economy. Against the background of intimate and complex interdependences between United States of America and developing countries of the world from

contemporary era, it seems that the post-second world war popular adage which says that “when America sniffs, the rest of the world catches a cold” is still relevant and very valid. The developing and under developing world in general and Nigeria in particular have always been hard hit by almost every global economic crisis that has occurred in recent history, including the global energy and debt crunch of the 1970s. Fears are therefore rife that “when America’s sniffing causes a cold in the rest of the world, the developing world generally, and Africa in particular, risks finding itself in intensive care unit (ICU) Brenda (2006), as cited in Francis (2008)

The global financial crisis has no immediate impact on the developing countries including those of Asia and some part of Africa. It is conceptually noticeable that this time around, the industrialized economies of the Brazil, China, India, Japan, South Africa and Kenya appear to have borne the greater brunt of the crisis prior to its occurrence by introducing an emerging economic policies that blocked the courses of the crisis from United State of America (USA) and European countries. This notwithstanding, there is consensus that even those countries mentioned were affected by the crisis but indirectly because of their Asian rather than European international linkages more of Asian than Europe. Countries in Africa, and Nigeria specifically, would not escape the global financial squeeze, particularly in light of the administrative policies, fragile economic, social and political realities that prevail in Nigeria; continued dependence on USA in terms of development assistance, technology import and the fact that it is a favoured destination of the European exports. Hence, the need to interrogate the social and

economic impact of the global financial crisis on developing countries generally, specifically Nigeria (Francis, 2008)

The current financial depression has evolved differently from other major crises that hit the developing world in recent decades. Firstly, it is occurring in a world of unprecedented financial globalization, where the financial sector and banking industry in Nigeria plays a historically large role in economic activity. The crisis also comes on the heels of a major global shock from high food and fuel prices across the globe that has imposed a heavy economic burden on many countries in Africa that faced internal problems and Nigeria specifically, and this has significantly increased the incidence of poverty, insecurity and political vulnerability. Sao (2008)

There was panic in almost all the financial markets across the globe where investors began to take their money out of risky mortgage bonds. All these happenings worked together to bring about credit squeeze ravaging not only the economy of the United States, but the global economy as well. The situations in Nigeria created a deleterious impact on the country's economy, and especially on the financial system which is of second importance to oil exploration in the country economy. Ujunwa (2011) is of the opinion that most of these problems were reflective of panic reaction by the policy makers and politicians, however he could not explain the degree to which this affected the banking sector and the economy which is what this research will investigate.

Nigeria Stock Exchange Market (NSE) witnessed unprecedented growth in total market capitalization and value of shares traded between 2004 up to the second quarter of 2008, immediately the crisis was pronounced in July, 2008 in USA, the Nigerian stock market started experiencing a serious downturn, activities. Udeme (2009) said the market capitalizations of listed equities is more than 303 number with value of more than 10.18 trillion Naira in 2004 and continued to appreciate to 12.4 trillion in march 2007 which is the higher record achieved within 48years of the market operation but this drastically dropped down to 3.2 trillion Naira by the end of the year 2008. Similarly the share index dropped from 63,016.60 margins before the crisis was pronounced to 31,450.78 during last trading week of 2008. One of the reasons for this was the slow implementation of the Economic Reconstruction Committee Report given to Federal Government on how to improve the general economic status of the nation (Badayi, 2009)

It is also observed that, investors were pulling out their resources which made the stock prices generally to go down in particular bank stocks. Onafonokon (2009) also said “apart from bank’s investments in the stock market through their subsidiaries some of the banks also have direct exposure to the market because they have given out facilities and loans backed up by the banks shares as collateral, then the value of the shares collapsed. This meant that collateral was and the security cannot unable to cover the loans.

According to Dalhat (2009) “as the security collapsed and capital been invested in that direction, if there is no additional collateral that can support the existing once then the firm is likely to fail” that is why some banks have no option but to be acquired by, or

merged with others for survival. As the crisis in Nigerian continued to worsen due to huge and past withdrawals of cash and selling of stocks by the internal and external investors, who feared for their future due to negative reports by financial analysts and experts. This drew the attention of the government, which reacted quickly by injecting more capital into the stock market and banks as an interim measure to restore investors' confidence (Bayagbon, 2009 And Oluseyi, 2009). In early 2010 government instructed the NSE through SEC to reduce their operations cost by 50% as a measure to deal with the crisis.

Sanusi (2009b) further lamented that, the hit of GFC in Nigerian banking sector exposed the weakness of most of the Nigerian Banks in an area of risk management and corporate governance because more than half of Nigerian Banks have a high level of non-performing loans accounts which draw unrealistic interest into their P&L account which is a trap to attract investors and improved their stock price value. Eventually the present crisis came and exposed the bank syndicates which finally led to a complete crash of the stock prices. Investors in banks stocks and the SEC were highly affected as well as the economy in general. As a result of this calamity, the government and its Central Bank came up with several measures, including some unconventional ones to deal with the crisis. The aim was to bring financial institutions and market to a stage where public confidence would be restored and banks would resume their intermediation role through normal lending activities within the legal financial operations framework.

Noticeable effects of the crisis in Nigerian banks are lower deposit commitment by the customers, lower capital flows through lending activities, poor foreign exchange

earnings and general shortage of cash volume for banks. This situation nearly obliterates the financial system because of limited integration with the global financial market. The crisis caused Nigeria's financial controllers decisively intervention to mitigate the emerging crisis effects on the public, because banks shares were no longer valuable.(Sanusi, 2009).

Al- faki (2008) a financial analyst said "there is great improvement in NSEM in the first and second quarter of 2008 financial stock trading with capitalizations of over 13.0 trillion in January to June, 2008, but within short time the figure suddenly dropped to 7.2 trillion before the end the year 2008.The continued depressions of the capital market led to greater loss by the banks, owing to the significant exposure through merging lending and share backed collateral lending thereby depressing profitability and weakening lending ability. In the researcher opinion this is gaps need to be address.

1.2 Statement of the Problem

According to Tobat and Akbar (2008), the global financial crisis of 2008, which was pronouncement on July 2008, was the worst of its kind since the Great Depression of the 1830s and 1930s. It became prominently visible in September, 2008 with the failure; merger or conservatorship attitude of several large United States financial firms. According to McClure (2008) and Morton (2008) the underlying causes leading to the crisis had been reported in various business journals for many months before September 2008 (Chicago Stock trading Journal Volume 5(2) of 2008 and American Bulk Journal Volume 4(18) of 2007 and weekly Trading Journal Vol1(12) of 2008), such articles also

provide commentaries about the falling of banks stocks prices, lower production capacity by firms and higher cost of goods due to higher demand by the society as arising from the crisis.

The financial instability of leading United States and European investment banks, insurance firms and mortgage banks, consequent to the subprime mortgage crisis was the root of the event (Evans-Pritchard and Ambrose, 2007). Beginning with failures of large financial institutions like banks, insurance companies, brokerage firms and other businesses in the United States, it rapidly evolved into a global crisis resulting the failure of in a number of European banks, decline in various stock indices, and large reductions in the market value of equities (stocks) and commodities worldwide (Norris, 2008) .

Ujunwa (2011) is of the opinion that the crisis was a result of panic reaction by the policy makers and politicians who were under pressure. However, he could not explain the degree of the effect to the economy. Nigeria Stock Exchange Market witnessed unprecedented growth in total market capitalization and value of shares traded between 2004 to the second quarter of 2008, immediately the crisis was pronounced in July, 2008 the market started experiencing a serious downturn in its activities. Udeme (2009) said that the market capitalization of listed equities are more than 303 in number with value of 10.18 trillion Naira in 2004, which continued to appreciate to 12.4 trillion Naira in March, 2007; the highest record achieved in 48 years of the market operation. He however noted that the market capitalization dropped to 3.2 Trillion Naira by the end of the year 2008. Similarly the share index dropped to 31,450.78 margins within the same

year. Sanusi, (2009b) further lamented that, the Global Financial Crisis (GFC) added value by exposing the general weaknesses of most of the Nigerian Banks in terms of risk management and corporate governance. One of the noticeable effects of the crisis in Nigerian banks was lower level of savings deposit, lower capital flows through lending activities, poor foreign exchange earnings and general shortage of cash volume for banks primary obligations. This situations nearly obliterated the entire financial system because of the limited integration with the global financial market.

According to Anup (2008), Nigeria as one of the largest economies in Africa and indeed the world, with direct and indirect connections in terms of banking business, had to must be a victim of the crisis. However the nature, extend and consequences may not be fully understood. Yet effects on banks activities trickle down to the entire economy. The effects of 2008 global financial crisis in European countries have been documented through research yet, not much evidence of systematic documentation exists about the African market in general and Nigeria in specific

1.3 Objectives of the study

The general objective of this study was to determine the effects of 2008 global financial crisis on the performance of banks shares traded in stock exchange market in Nigeria

1.3.1 Specific objectives

The specific objectives were:-

- (1) To establish the effects of the liquidity crisis on the performance of banks shares traded in NSEM

- (2) To determine the effects of the currency crisis on the performance of banks shares traded in NSEM
- (3) To establish the fluctuations of share prices on the performance of banks shares traded in NSEM
- (4) To determine the risk taken in business with banks shares traded in NSEM
- (5) To examine the banks share price performance before and after the crisis in NSEM

1.4 Research Hypothesis

The following research hypothesis were tested in the context of the statement of problems and objectives using Ho and Ha as symbol representing the null and alternative hypothesis respectively Osoala, (1990)

- (i) Ho: Liquidity crisis in Nigeria banking sector during 2008 GFC has no effects on the performance of bank shares traded in NSEM
Ha: Liquidity crisis in Nigeria banking sector during 2008 GFC has effects on the performance of Bank shares traded in NSEM
- (ii) Ho: Currency crisis in Nigeria banking sector during 2008 GFC has no effects on the performance of the banks share traded in NSEM
Ha: Currency crisis in Nigeria banking sector during 2008 GFC has effects on the performance of the bank shares traded in NSEM
- (iii) Ho The fluctuations of banks Shares Prices during 2008 GFC has no effects on the performance of the bank shares traded in NSEM

Ha: The fluctuations of banks shares prices during 2008 GFC has effects on performance of banks Shares Prices traded in NSEM

(iv) Ho: Risk taken in business with banks during 2008 GFC has no effects on performance of banks shares traded in NSEM

Ha: Risk taken in business with banks during 2008 GFC has effects on performance of banks shares traded in NSEM

(v) Ho: There is no relationship between price of banks shares before and after the 2008 GFC traded in NSEM

Ha: there is relationship between price of banks shares before and after the 2008 GFC traded in NSEM

1.5 Significance of the study

The research is significant to both financial and non financial institutions at national and international level as the crisis touches an every aspects of human life. For example multinational companies that operate directly or indirectly across the globe will realise the negative effects coursed by the crisis and guard against it in future by diversifying their resource portfolio and respecting of ethics and professionalism to reduce or mitigate against the a complete loss in the event of future occurrence. Again, the lesson leaned from the crisis will open eyes of the management of multinational and national firms to develop a policy and strategy to reduce the effects and put in place controls in business operations for sustainability present and the future purposes.

In the case of government, this research will be significant to government policy makers as well as implementers such as Ministries of Finance, Budget and economic planning, Commerce and Trade and other government agencies like Central Bank, Security and Exchange Commission, Deposit Insurance companies state securities and investment companies and others to revisit there existing policies with a view to reconstructing or updating some, so as to managed the present day challenges of any event of this nature.

For investors, the research will add to their knowledge about the nature and the possible modalities they can undertake in the event of such situations as well as help them appreciate the concept of portfolio management of assets rather than putting all their eggs in one basket. There is also possibility for more research in to global financial crisis as a result of this research.

The financial institutions in Nigeria including banks on which this study was built will benefit greatly by understanding the practical consequences of the crisis and develop guide lines strict moderate operations, in particular the legal frame work related to lending to avoid lapse in to crisis situations. Researches proves that poor lending management is one of the major factors that brought about financial the crisis. Similarly non financial sectors will also benefit from the research by understanding the causes of such crisis and role that all can play in avoiding them. They will no longer be in the darkness about such issues.

1.6 Scope of the study

The research work concentrated in Abuja and Lagos which are the present and former country capitals respectively, where all the banks Head offices are located. The study data covered five (5) years period beginning from January, 2006 to December 2010. Two (2) years (2006 and 2007) are considered as the period before the event and 2007, 2008 as a window period while 2009 and 2010 as period after the event. This period is enough to used panel data during the analysis which gives room for the applications of two sample t- test of comparison. The reasons for using five (5) years as a scope was to determine the changes that occurred in banks stocks prices.

1.7 Limitations of the study

The study is limited to the performance of banks stocks that are traded in stock exchange market of Nigeria. The measures of performance are further restricted to liquidity, currency, fluctuation of banks shares prices and risk taken in business with banks. Again those measurements are further broken in to small units which formed the bases of the supportive variables. However the used of the term performance of bank in this research is restricted to those variables but it does not mean those are the only scale of measuring performance there are others like capital strength, assets strength, branch network, level of technology and host of other which are not fully exploit.

Another limitation is that since the methodology of the analysis is modified event study, limited data was used to avoid interferences from other events. While in the other hand the researcher also experienced a lot of challenges in obtaining relevant data information

for long period of time which forced the research model to be modify from ordinary event study which concerned about cumulative average returns of normal and abnormal to modify event study that capture the average cumulative returns of means and variances' before and after the crisis period. Similarly during data collection the researcher faced difficulties from the target populations which included serious investigations on the purpose of the research. These investigations were carried out by the respective authorities including Nigeria Stock Exchange, security and exchange commission, Central Bank of Nigeria and the respective money deposit banks that the study focus as on. According to them such investigation is a legal procedure requirement before approval of the research so that ethical values of the professions are respected in additions to the current securities challenges and market competitions.

The personality of the researcher was also investigated caution from his employer and two of his supervisors, just to re confirmed the sources and bases of the research. In addition there were also not time and financial constraints, which slowed the rate of the data collection and indeed the whole work as the researcher does not reside in any of the cities where the data was collected therefore adequate arrangement had to be made for accommodation within the period of the data collections. This proved to be expensive coupled with the insecurity of the nation as at the moment. Not only that in almost all the banks visited responsible for the provision of information's were also same officers handling other sensitive responsibilities within the bank which demand no compromised for individual benefits against the over roll organisational benefits since profit maximisation and customers satisfactions are the key focus of all modern bank's .

1.8 Organization of the study

This study is organized in five (5) chapters. The foregoing chapter introduced the study background, statement of problem general and specific objectives, hypothesis, significant of the study scope, limitations of the study and organization of the study. Chapter two reviewed the relevant literatures which covers theoretical, and concept framework of the global financial crisis, evolutionary trend of the global financial crisis, effects of the crisis to the world economy and Nigeria banking sector before and after the pronouncement of the 2008 GFC four (4) theoretical models were discussed models but one (1) anchors the research. Empirical literatures were also discussed and a conceptual frame was presented to depict the research in a diagrammatical form. Chapter three highlights the study design, target populations, data sources, data collection instrument, data collection procedure, testing of validity and reliability of the instrument, the operationalization of the variables, modelling and analysis procedure and testing of the hypothesis. Chapter Four present results and discussion of the results and finally chapter Five cover the study summary, conclusion, policy recommendations and suggestions on areas of further research.

1.9 Research ethical procedure and consideration

Ethical procedure consideration seems to be new concept in theory of research, but old concept in research application which differed from one place to another due to differences of legal framework that guide the application of the ethical procedures. This procedure served as guidance to the researcher before during and even after the research.

It helped provide a check and balances to the integrity of the researcher as well as the institutions in which the research was carry out in case of human error or misconceptions as well as ensuring proper channels were followed according to the law

A research of this nature required an introductory letter from a supervisor or the Post-graduate school on behalf of the institution which introduced the researcher to the organizations the letter was signed and stamped by a higher officer of the institution contained all the details of the researcher and the topic of his research. It was addressed specifically to the target audience. In some instances the photograph of the researcher is attached on the letter with signature and stamp across the photograph. Another letter was required from Ministry of Science and Technology Kenya as well as a is a good letter of Testimonial character if the research is financially, security or any nature that is so complicated in Nigeria; through email telephone or fax the legality and authenticity of the letters as well as the need for the research were verified.

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

This chapter reviewed works that are from academics in nature from the same field of the study. These works covered the following: Concept of financial crisis, meaning and definitions of the term GFC, evolutionary trend of the crisis to date, effects of the crisis to the world economy, as well as the Nigerian banking sector after the crisis pronouncements. Under empirical review, studies from across the globe in the relevant field of 2008 GFC reviewed and the conceptual frame work summarizes the ideas. In the theoretical review, various models related to the study are also reviewed.

2.2 Empirical Literature

In this part, past studies carried out by academics and non- academics on the issues relevant to this research whether directly or indirectly relevant was reviewed.

2.2.1 Concept of Financial Crisis

It has been observed by academics and non academics, that the term global financial crisis (GFC) is a new and complicated concept. This has led to the development of different meanings and applications to qualify and describe the concept .For example non- financial experts look at the term GFC as an increase in the prices of goods and services. Which is otherwise known as inflation? However, they forget that the increase in prices of goods and services results from economic, social and other factors including:

change of taste, fashion, quantity, quality, packaging, devaluations of the currency and others which may not be easy to capture. The researcher holds opinion that the belief that GFC is merely increase in the price of goods and services is a misconception.

Politicians view GFC as something created by the ruling to block free movement of liquid cash from financial institutions to the society especially during election campaigns. Ali (2011) others believe that GFC is a natural calamity that affects the world at one time (Fantami, 2009). These definitions are based on religion and politics and are therefore unacceptable in the academic world, Nigerian where empirical evidence is fundamental and foundational to developing definition in research. Politician's views are subjective rather than objective and the religious views on GFC are held by Muslims and Christians alike, as both faiths believe in the existence of natural

In wider perspectives, the world financial crisis can be described as a period of economic difficulty experienced by producers and consumers in macro form, where liquid cash is below normal level for a certain period of time (Kyawa 2008) Rose (2003) focused on liquidity shortfalls in the United States banking system. Dieter (2003) as cited in Francis, (2008) remarked that, the spectre of global recession and the potential contagion impacts on the real economy, not only on the industrialized and emerging economies, but also on the developing world. This raises questions about the decoupling thesis that was popularized in the aftermath of the financial crisis that hit emerging markets in the 1990s. This idea can be attributed to the existence of GFC of 21st July, 2008 which started from USA financial institutions where bank's stocks prices continued to drop by

approximately 25% due foreign investors selling large Portions of their stocks. They quickly sold off their stocks due to their observation of the future and information they gathered using related to the current transaction information market trading using (Babson 2008).

Erdad (2002) emphasised the economic effects of the global financial crisis where both consumers and producers faced severe hardship due to high cost of goods and services as a result of their poor financial position. This was caused by the liquidity problem faced by banks and other financial institutions as research has been done to establish the effects of the crisis from banks liquidity position. Many researchers focus on macro and micro economic points of view for example in Nigeria, Nickolas and Alexander (2012) suggested that effects of the crisis are based on a macroeconomic imbalance, intense competition among the financial institutions, poor implementation of financial deregulation, the credit boom, poor risk asset management by the banks and lack of transparency in banks financial reports. They state that these are the major keys elements that affected the banking sector in Nigeria which resulted in huge capital withdrawals by the investors, which further brought about devaluations of the banks stocks price. This helped identify features of the crisis but, he failed to address the level of damage the crisis on the specific sectors of the economy. This research endeavours to fill that gap in knowledge's

Amusa, (1994) defined bank as institutions in an economy that enhance and promote the economic activities. Essang and Olayide (2011) described banks as government or private

owned monetary institutions owned of profit making. They state that, in pursuit of profit, banks perform a number of functions, one of which is the acceptance of deposit from individuals surplus in the economy known as credit and channel it to the deficit site of the economy known as debit through the mediation of credit facilities (CF) for re-investment in to the economy known as circularization. However, the reversed was true in Nigeria within the period under review, because instead of collecting deposit, customers were withdrawing their deposits from the banks. This behaviour became a topic of concerned that attracted the attention of this research to investigate and document the effect of such action of customers on the banks shares performance. Prior to the above situation, Nigeria banking sector was doing very well. However, due to the global financial crisis of 2008 the financial sector faced many challenges (financial time magazine dated 16/10/2008).

Danjuma, (2009) describes what took place after GFC announcement and the reaction to it in particular Nigeria “Exactly two weeks after the stock price dropped down in USA, the situation was reflected in Nigerian stock market. Investors created a serious panic which worsened the general price level of banks shares which was as below sea level”. He further lamented that the effects of 2008 crisis were physically visible on 30 March, 2009 where most of banks in Nigerian banks financial reports indicated a drop in their cash deposit level and liquidity profile. This can be further justified by the World Bank report of the last quarter of 2008 financial year, where they reported that banks and financial companies’ failure are the basis that triggered the financial crisis and halted the

global credit market which made unprecedented government intervention in USA and the rest of the world.

2.2.2 Evolutionary Trend of the Global Financial Crisis

According to Olusegun (2009) there had been three major economic crises in the history of the World. The earliest one occurred in the 1830s, which was largely restricted due to limited communication facilities; however, the depression still sneaked across the United States (US) borders to some European countries. One hundred years later, in the 1930s, another economic crisis stroked the United States of America (USA).

The 1930s economic crisis was regarded as the most vicious and therefore referred to as the Great Depression. The 1930s depression was more global in spread, partly because the world was more closely knitted through advancements in communication technology, such as using telegram, telephone and both private and public postal service as mean of communication. Again in 2008, nearly another one hundred years, later another economic crisis has hit the United States and is fast spreading to other parts of the world. This is because the world has become a ‘global village’ as predicted by Marshall Mac Lucan, one of the great philosophers of the century. Globalization according to Soludo (2009) has consequently resulted in a global market built on an international financial system. Now it is the syndrome of the crisis that ripples across one economy to another and is referred to as a global crisis. Soludo, (2009), shows that the causes of the two previous depressions and the existing one are similar. They all have their roots from careless lending by banks and unsound risk management policy and implementation.

In 1832, after President Jackson had destroyed the Bank of the United States which the people had regarded as an enemy of the country economy, his action provided the country with a stable currency and prevented banks from lending freely as well as selfishness without collateral. This initiated a solid foundational procedure of statutory unconditional assessment require before the advancement of bank loans in US; this procedure is currently been used globally as a control measure in local and international bank activities. This situation led to land speculation in the 1830s, and the land speculators had little trouble persuading local banks to lend them money.

Consequently, sales of public lands and the advantage of using it as collateral raised the value of land from four (4) million acres in 1834 to twenty (20) in 1836. This caused the disastrous panic in 1837. Banks and business houses closed their doors for given out loans and introduced additional tide conditions on loan which resulted in thousands of farmers losing their farms through mortgage foreclosure. There was almost total unemployment among Eastern factory workers that worked on canals and the new fangled railroads that linked almost all parts of Europe and even extended to some parts of Asian countries as work almost grounded to a halt. This was described as most severe depression in the history of America. It was labelled a financial tragedy in the late 18 and early 19 century a mismatch between financial firms and regulatory agencies, against the social and political institutional right Kaldor, 2008

One hundred years later, a more disastrous economic crisis hit the USA again via careless lending. Between 1925 and 1929, the market value of securities on the New York, Stock Exchange more than tripled, increasing from \$27 billion to \$87 billion. Most of the funds raised were as a result of a wave of speculation similar to land speculation in the 1830s. Gamblers in the great bull market who bought 'on margin' took loans from brokers without proper collateral on condition that the loans were paid on demand. In those days, securities could be sold for as much as (50) fifty times their earning power. Stocks in companies that never paid dividends were said to have raised as much as \$40 to \$50 per share, which is a good signal of positive market volatility, but very dangerous practice to the firms and the economy in general.

Torbat and Sao (2008) and Soludo (2009) said that the present financial crisis in America could be traced to the collapse of the housing market and the high default experienced on subprime mortgages, Soludo affirms that subprime lending is the giving of loans to borrowers who do not qualify for the credits. These borrowers got the loans based on their income levels, down payment, or due to the virtue of their credit history. They have been borrowing and paying back, so it is assumed that they always pay backs this created excess liquidity which the Federal Reserve Bank made possible by establishing a global commodity bubble. It also created a housing bubble which gave birth to two government-sponsored enterprises, which is Fannie Mac (Federal National Mortgage) and Freddie Mac (Federal Home Loan Mortgage Corporation) with clear mandate to create and provides liquidity for the housing market. These came to dominate the financing of housing. Half of the mortgages in the United States, over five (5) trillion

dollars are either owned or guaranteed by these two entities, which gave emphasis to buildings. They have since been placed into conservatorship and that is why when the financial bubble busted in 2008 it had disastrous consequences on the entire economies of the USA, Europe and the world. This is what was tagged as the GFC

The US government has formally taken over Freddie and Fannie. (Pualsol, 2008) (Lockhart, 2008) (Fact Sheet, 2008) Bajaj (2008) Independent (2008) and Norris (2008) show that in March 2007, subprime mortgages went as high as \$1.3 trillion dollars in the United States and about 25 percent of its finances turned out to be bad loans (that is 3.25 billion dollar) by June 2008. In all, 9.5 percent of all mortgage loans were reported to be delinquent. These risks was extensively distributed, affecting many investors, corporations, commercial and investment banks, lenders and real estate investment firms, shippers and since borrowers could no longer pay back. To compound the problem, housing prices declined drastically daily, affecting the stock markets. The financial institutions lent to subprime borrowers in droves. They granted what was referred to as a Ninja loan, which slacked the world economy and by August, 2008 the stock market in America was in turmoil. There was panic in almost all the financial markets across the globe where investors began to remove their money out of risky mortgage bonds. All these issues jointly form the credit squeeze ravaging not only to the economy of the United States, but the global economy.

The warnings of a few financial analysts, practice bankers, brokers, and economists who saw danger were not heeded, and the government saw nothing wrong with great increase

in broker's loans, since it was benefiting from the 10% interest rate and 5% management processing fees and other charges, which added value to their profit and loss account at the end of the financial year, the government also benefit from also direct tax payment. Later, the Federal Reserve Board advised member banks to stop loaning money to investors who might use it for margin buying of stocks. But the Board warnings were ignored and by September 1929, the market began to weaken. By late October another GFC disaster struck, large-scale farmers panic, sales of stocks collapsed banks loss of direction and loss of confidence in the American economy cause a cut in the average price of securities by mid-November 1929 and investors lost almost \$30 billion dollars. Thousands of investors lost their life by October 1929 even the formerly wealthy group were heavily in debt Some people who lost money committed suicide, while others up till today were not fund, banks officials were sent to jail. That was the Great Depression.

2.2.3 Effects of the crisis to the world economy

Tobat and Akbar (2008) said the financial crisis of 20 century is the worst of its kind in the history of the world economic depressions they are supported by Norris (2008) who states that a liquidity problem of banks and other financial institutions in USA which created a serious problem to the world economies, the Ministers of Finance and the Central Banks Directors across the globe came together and to determine how to reduce the degree of the effect and investors fear, as well as restored investors and prevent them from withdrawing huge amount of their cash deposits from banks. Investors were choosing to keep their money outside the bank as a precautionary measure. Because of the interconnectedness of the world, the ramifications of the investor's choices affected the global service.

It has been noticed the challenges caused by the crisis right from 1830- 2008 affected nation and individuals leading the US financial Secretary to state in his address to the European Congress of Finance “therefore something must be done at global and individual level to heal the injury” Assessing the effects to the financial crisis on individuals has been carried out effectively, and this research endeavours to fill this gap in knowledge. The current financial depression behaved differently from other major world crisis. In the world of unprecedented financial globalization, where the financial sector plays a historically large role in economic activity at same countries this crisis comes on the heels of a major global shock from high food and fuel prices which have imposed a heavy economic burden on many countries and significantly increased the incidence of poverty, insecurity and political vulnerability Sao (2008) In fact the economies of countries around the world were affected directly or indirectly, significantly or otherwise, even as government leaders refuse to face the truth concerning their actual financial position.

2.2.4 Nigeria banking sector after the pronouncement of the 2008 GFC

The Nigeria banking sector was considered one of the most vibrant in Nigeria as it contributed to the development of the economy by more than 14 billion naira annually, after the sharp falling of crude oil prices, with the financial crisis period. However, the sector was hardest hit by the crisis, and the capital market recorded serious divestment of foreign investors, who investor divested to meet their obligations back home in the face of the credit squeeze. These situations continue to lead to the drop in banks shares index as well as the volume of traded securities in the Nigerian stock exchange. There is

evidence that banks shares index in NSEM dropped but no explanations were given by the authorities concerned on the degree of the effects of the crisis. This research hopes to contribute to this knowledge.

Tella (2010) looked at the GFC of 2008 as an inductive or calculated virus which came about from over reliance on the Market mechanism of the USA at a macroeconomic level. This re-affirmed his Market philosophy in the Nigerian context where he states that in Nigeria specifically the unregulated credit expansion trend in the financial sector, the spill over effect of international financial firms conditions of loans like World Bank, International Monetary Fund (IMF) and others the major factors that gave birth to GFC through a free Market and Structural Adjustment Program (SAP)

The researcher disagreed with Tella because IMF loan and SAP programs conditions existed long time in Nigeria before the recent GFC and the economy without the adverse effects experienced to day IMF and SAP conditions are quite parallel to the factors responsible for GFC of 2008 in Nigeria. More so, those international financial conditions are directly associated to the entire economy of the country (Nigeria) while my research is basically restricted to only one sector of the economy which is the banks, so it is un fair to make a general conclusion or assumption that IMF and SAP programs are the bases of GFC of 2008 in Nigeria.

Statistical evidence proved that prior to the economic meltdown in 2008, the Nigerian Stock market experienced a fast expansion in Market index reflecting a record 66,371.20

percentage points which show an increase of 1,070 percentage points in 2008 was achieved. However, immediately after the pronouncement of the US Subprime Mortgage crash in July, 2008 the Nigerian Stock market recorded a dropped index of 45.8 percent which is 26,539.44 points down to close its transaction as at the end of financial year 2008 (Amedu, 2010) Welter, (2010) laments that in 2007 up to the beginning of 2008, is a significant amount of foreign money flowed in to Nigeria's financial market from different financial institutions abroad. Banks in Nigeria collected loans from foreign business partners and gave out the same loans to their customers. The loans were for cars, housing shares, and agricultural community development saving schemes, industrial development, personal just to mention a few, unfortunately it is the same loans that customers stacked in to stock market, therefore the ability to borrow, the size of the loan nature of the loan and the institutions to borrow from became a subtle Marketing point with banks using this as a sign of strength and advertising this in various news papers.

As the Global Financial Crisis (GFC) intensified, most foreign financial lenders were shacked and began to call for their funds back from Nigerian Banks. These actions greatly affected the liquidity position of several banks that were exposed to the stock market. Secondly CBN financial report to the President indicated that over 1.8 trillion dollars were hedged in investment Banks. These entities were considered as an important cause of the Currency problems to investment banks and investors. Investors withdrew their deposits without taking in to consideration the financial sector risk which further directly affects business. At the same time such calamity creates a deleveraging selling of banks stocks at depressed prices. Other factors his paper highlights are suspension of

credit to market operators and investors undervalue bank stocks, deluge of public offers and private placement, exit of foreign portfolio investors and the Central Bank Policy on a common accounting year end for all operators of banks among others factors. In the researchers opinion I absolutely agreed with Welter and Amedu in areas where they portray the remote causes of the crisis in Nigeria Stock Market in particular the banking sector, but the paper could not address the second part of it caption, instate they only left it as open ended question as “what lessons for market players and regulation This research endeavours to fill this gap in knowledge since the crisis affected the performance of the banks shares traded in the Nigeria stock exchange market.

Okereke (2009) comments on the impact of GFC of 2008 from second quarter of 2008 where equity market capitalizations dropped from 12.64 trillion naira on May 30 to 6.21 Trillion Naira on 16 December before finally closing at 9.56 trillion on 31 December in the same year This can be attributed to the poor position of banks liquidity, shortage of currency flow arising from declined public sector, excess withdrawal and losses in stocks values by the public that necessitated the profit of the banks to decline as reflect in financial report. The statistics by Okereke below clearly indicator how the GFC of 2008 affected the Nigeria Stock Market, in particular the banking sector, since the sector covered more than 50% percentages of the total shares traded in the stock market.

Below is the list of the top twenty (20) stocks most from banks with the volume of their stock traded in NSE, these, dropped from 28.21% in 2007 to 21.86% in 2008

Table 2.0 (Top 20 performing stock firms value before crisis)

S/No	Company Name	Value in(million)
1	Investment Allied Assurance PLC	26.74
2	Universal Insurance company PLC	12.4
3	Spring Bank PLC	8.3
4	Lasaco Assurance Company PLC	5.4
5	Intercontinental Bank PLC	5.32
6	Transactional Corporations of Nig PLC	5.16
7	Fidelity Bank PLC	5.15
8	Equity Assurance PLC	4.9
9	Africa Bank Nigeria PLC	4.83
10	Access Bank PLC	4.8
11	Oceanic Bank PLC	4.8
12	First Bank of Nigeria PLC	4.74
13	NEM Insurance PLC	4.4
14	First City Monument Bank	4.3
15	United Bank For Africa PLC	4.0
16	First Inland Bank PLC	3.61
17	Continental Reinsurance PLC	3.60
18	Guaranty Trust Bank PLC	3.2
19	Bank PHB PLC	3.14
20	Mutual Benefits Assurance PLC	3.10

Source: NSE Facts and Figure 2007/2008

Similarly, Okereke observed the serious downward effects of the GFC syndrome on stocks capitalization in NSEM, where another statistical table on the top (20) most capitalized companies out of which (15) are banks shows how capitalization dropped comparatively.

Table 2.1 (Banks and other firms best capitalization comparative table)

S/ No	Company	Market cap b/4 GFC billion Naira	Market Cap after GFC billion Naira	Diff billion Naira
1	First Bank of Nigeria	923,524	524,848	(398,676)
2	Zenith Bank	892,471	368,385	(524,086)
3	Nigeria Breweries	700,251	308,931	(391,320)
4	United Bank For Africa	411,221	283,467	(127,754)
5	Eco Bank incorporated	379,782	273,396	(106,386)
6	Oceanic Bank	410,221	267,767	(142,454)
7	Intercontinental Bank	342,991	243,055	(99,936)
8	African Petroleum	311,001	241,888	(68,113)
9	Bank PHB	397,421	206,387	(191,034)
10	Stanbic IBTC Bank	504,261	204,375	(299,886)
11	Eco Bank Nigeria plc	553,214	201,817	(351,397)
12	Guaranty Trust Bank	399,201	194,907	(204,294)
13	Dangote Sugar Refinery	341,550	186,000	(155,550)
14	Union Bank	339,410	179,012	(160,398)
15	Guinness Nigeria plc	300,111	146,755	(153,356)
16	Wema Bank plc	297,421	145,562	(151,859)
17	Fidelity Bank plc	284,510	135,837	(148,673)
18	Afri Bank Nigeria plc	270,550	129,801	(140,749)
19	Nestle Nigeria plc	250,012	126,455	(123,557)
20	Access Bank plc	230,550	116,211	(114,339)

Source: NSE Facts and Figures 2007/2008

The above twenty (20) most capitalized companies' accounts for 50% of the market capitalization. Changes in the price of these stocks impact substantially on the total market capitalization and on the entire shares index.

With reference to the 2005 consolidations policy on the Nigeria banking sector pronounced by the CBN Head Soludo, he said “one of the aims of the policy is to reposition the Nigerian banks to compete internationally, by increasing the capital base from (2) billion to (25) billion Naira”. Other advantages arising from the policy are the fact that Nigerian banks are exposed to global business with foreign banks, which came up with conditions of downsizing bank staffs demoting staff with low educational qualifications like Teachers Colleges and general certificate of education (TC and GCE, retrenchment of staff on age, health or simple mistakes. Some banks branches were closed due to not making profit or break even profit consistently and many more. The spill over effects of such policies are further reported in the chartered institute of Nigeria banker’s publications of the second quarter of 2008 where most of the banks recording a high volume of bad lending, and lowered prices of bank’s stocks among others factors. This forced the regulatory authority to intervene and take qualitative measures to enable the banks to cope with the effects of the crisis. Some of the measures include: reduction of (MPR) monetary rate policy from 10.25% to 6.0%, reduction in cash reserve requirements (CRR) from 4.0% to 1.0%, and reduction in liquidity Ratios (LR) from 40.0% to 25.0%.

The apex bank also gave money deposit banks the option to restructure margin loans. While the lending facilities period was also expanded up to 180-360 days and the discount window operations (DWO) are implicit guaranty to bank deposits as well as interbank. All these measures were aimed at restoring the glory of the banks as a solution

to their shares and cash crash which resulted in the folding of some banks due to liquidations problems; which meant that some banks had margin trading loans of about 900.0 billion naira at the end of 2008. The amount represented about 12.0% of the credit aggregate of the industry and 31.0% of shareholder funds. (Sanusi, 2009)

2.3 Theoretical literatures on Models

Theoretical models in research show the best model that fits in to current one from a mathematical approach and help determine the research analysis. Theories related to firm dividend payment were used in the past to determine the status of the banks by customers. Dividends were associated with the banks performance before the global crisis. In this study four models were discussed relating to the measurement of a firm's performance with regards to its public (customers) for example ,the study looks at Walter James's approach to dividend payment, Gordon Growth's dividend model, Modigliani and Miller's and Event study model. This research modernized the event study model to a comparative event study model and adopted it because it take care of all the variables in the study and is more closely related to the nature of this study.

2.3.1 Walter James Approach Model

Walter is basically concerned with the maximization of wealth of equity holders. He argues that in the long run, the share price reflects only the present value of expected dividends and the retention that influence stock prices only through their effects on future dividends. He also considered different market prices in different situations. For example,

internal rate of return, market capitalizations and dividend pay out ratio, before determining the market value of the shares. The model was presented quantitatively as -:

$$V_c = D + \frac{Ra}{Rc} \frac{(E-D)}{Rc} \dots\dots\dots 2.1$$

Where, V_c = Market value of the ordinary/share of the firm, R_a = Return on internal retention (earning profit), R_c = Cost of capital investment, E = is the earning per share and D =Dividend per share. Two major factors influence Walter’s analysis i.e. dividend per share and the relationship between the internal rate of earnings returns and the market expectations by the firm. Walter established his conditions of the model operation as when the internal rate (I.R) of retained earning is higher than the market capitalization rate, the values of the shares would be higher even if dividend is low. But if the I.R within the business is lower than what the market expects, the value of the shares will be low. Then share holders will prefer a higher dividend so that they can bridge the difference between capitals invested and expected returns and channel it to more profitable business.

In the researcher’s opinion, the model did not take in to consideration other factors that affect the dividend policy and the shares prices of the firms. For example, the model did not consider whether the firm is growing or not, meaning that the firm can be developed. Also other factors need to be taken in to consideration, such as the nature of the dividend policy applicable to the firm accounting principles (whether it is cash or stock dividend in form of bonus), firm’s investment opportunities, the operation’s environment, government economic policies, natural disasters and overhead operation expenses, which are dynamic in nature. Therefore the model can not fit in to this analysis.

2.3.2 Gordon Growth Model

This is another model that supports the Walter model. It states that dividend payment determines shares prices. The model has (7) seven assumptions which include: firms are all equity and have no debt, no external finance was used, investment programs are financed exclusively from retained earnings, the internal rate of return(r) of the firm is constant, the appropriate discount rate (K_e) for the firm remains constant, the firm has a perpetual life span, the retention income once decided upon is constant, the growth rate ($g=br$) is constant and the discount rate is greater than the growth rate ($K_e > br$), Myron Gordon also argues that what is available to day is better than what is going to be available in future. Therefore all investors are rational and risk and uncertainty.

Based on these assumptions, rational investors always buy stock which has higher price value that give current and constant dividend payment, rather than lower stock price with uncertainty of payment. In addition a rational investor will discount the value of the stock that postpones dividend payments depending on the retention rate and utilize the income in another business sector. The model was presented as follows:-

$$V_e = \frac{D_0 (1+g)}{K_e - g} \dots\dots\dots 2.2$$

Where, V_e = Market price per share (ex-dividend), D_0 = current rate dividend, g = constant annual growth rate of dividend, and k_e = cost of equity capital (expected rate of return). The model operates on three conditions when the rate of returns is greater than the discount rate, the price per share increases and the dividend ratio decreases, when the rate of returns is less than discount rate, the price per share decrease, while the dividend ratio

increases and when the return is equal, to the discount rate, the price per share remains unchanged and the dividend ratio also be the same as it was.

In researcher's opinion, the model left so many questions unanswered. For example, the model was built upon a hypothesis which was not tested and proved practically. Therefore the assumptions are subjective not objective. Additionally, none of the assumptions can be acceptable by investors in practical application and it seems there are contradictions within them. For example firms can never all be equity in status and at the same time be debt free, if this were possible, who would finance the operations of the firm at the initial stage? Therefore the model has short comings and can not be adopted in this analysis.

2.3.3 Modigliani and Miller (MM hypothesis Model)

The MM model opposed to the relevancy of the dividend payment as a yardstick for measurement of the firms performance. The proponents of the theory argue that the firm's dividend policy has no effect on its shares value under perfect capital markets. A rational investor is placed in between dividend payment and capital appreciation given the firms investment policy. Its dividend policy may not influence the market prices of its shares. The model was built upon the following hypothesis. The firms operate in a perfect capital markets in which all investors are rational and information is freely available. There are also no taxes. Alternatively, there is no difference in the tax rates applicable to capital gains and dividends, firm has any fixed investment policy, there is no floatation or transaction cost and the risk of uncertainty does not exist. (Investors are

able to forecast future price and dividend with certainty and one discount rate is appropriate for all securities and all time periods ($r=k=Kt$ for all)

The MM model is primarily based on an arbitrage argument, that the values of the firm remain the same whether the firm pays dividends or not, and the value is on its earnings and is not affected by the pattern of its income distributions. More so, dividend policy does not affect the share holder's wealth. This means that payment of the dividend is offset by external financing because money is borrowed to finance the new investment. Another point is that the value of the share declines when dividends are paid therefore the present value per share after dividend and external financing is equal to the present value per share before the payment of dividend. In this case the share holders are indifferent to the payment of dividend and retention of earnings. The model is presented as:-

$$P_0 = \frac{P_1 + D_1}{1 + K_e} \dots\dots\dots 2.3$$

Where, P_0 = the prevailing market price of a share, K_e = the cost of equity capital, D_1 =dividend to be receive at the end of period one and P_1 = market price of a share at the end of one period. It seems the model is basically a theoretical one because in under developed and developing countries, all the assumptions can not be attainable. In fact, even in the developed countries, their capital markets can not operate in a settings where information's are perfect, rational, free and available, or in an environment where free of taxes or where there exists a fixed investment policy and non existence of uncertainty. Therefore the model is theoretical practical applicable.

2.3.4 Event Study Model

Event study model examines the market reaction in relation to return based on specific information related to the stock. The information can be acquisition of ownership announcement, merger policy, stock split, major financial scandal within the firm and outside the firm, change in government policy toward the operation of the firm and natural disaster among others factors. The model considers five (5) steps in operation.

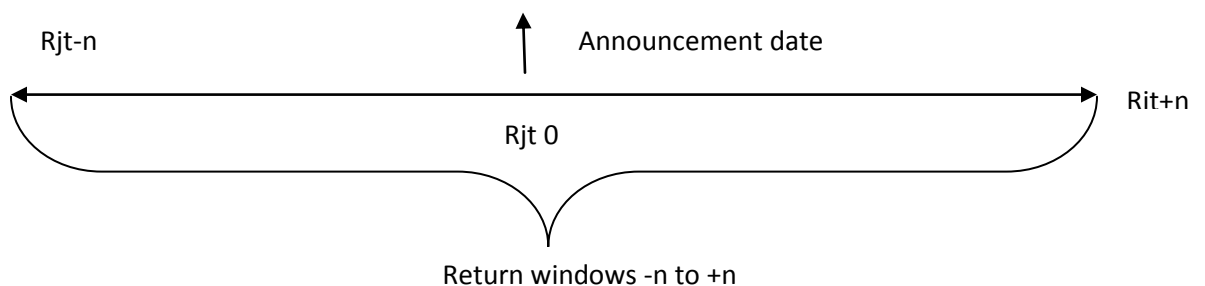
These are:

- (1) Identification of the event to be studied and the date the event was pronounced.



- (2) Collection of the return date around the announcement date. This step includes the period of calculation of the return, which can be weekly, monthly, quarterly, semi - annually, or annually if no event occurred, which will interfere with the existing event, and how long should the period be calculated? Before and after the announcement, identification of exact return window date i.e period that the event started. These information's are depicted diagrammatically below

- (3)



Where:

-n to +n= Return window
 R_{jt} R= Return for firm j

(3) Calculation of excess return

(4) Calculate excess return by the period around the announcement date for each firm in a sample, using $ER_{jt} = R_{jt} - \beta_j R_{mt}$2.4

(5) Calculate the average and the standard error of the entire excess return

(6) Determine whether the excess return around the announcement date is different from zero or not. These steps are further explained in detail in modelling. This model shall be modified to give the flexibility of adopting it in this study since all the steps listed are applicable to this research, therefore the model can fit the research but it will under go some modification

2.4 Empirical Literature on Global Financial Crisis

Musleh (2009) conducted a research on implications of the global financial crisis for macroeconomic and development policies in Pakistan. The study identified four major areas where the crisis affected the macroeconomic imbalance which led to financial institutions crash convertible assets downfall and sharp slowdown in general economic growth of the country. For example, trade for good and service which was constructed in demand for export by the Western world. The study also revealed the decline in capital flow from above 30% to 10.3% within the period of the crisis. Capital flow of the country experienced a downward movement from a higher liquidity level to the extent that, the

foreign deposit investment (FDI) dropped from USD 5,410 million to USD 3,720 million from 2008 to 2009. This situation created panic which affected the general outflow of the foreign investment portfolio to record a negative (510.4) in 2009 against positive of 19.0 in 2008. This literature is an eye opener to my study, even though the scholar considered the entire country economy as his target whereas this study has as its target the mediations sector in Nigeria.

Similarly the crisis affects the remittance of the foreign inflow of capital which is expected in the macroeconomic perspective to act as an indicator that reduces poverty and increase government income, but due to the effects of the crisis the result was negative. This can be attributed to the fact that majority the migrant of labour workers in Middle Eastern countries have now significantly reduced their economic activities. Similarly there was a reduction in the repatriation of monies saved by those in the Diaspora. Other factors related to the decline in remittance was increased consumptions and reduced investment, falling asset prices, rising of interest rate and depreciations of the local currency; of which shares prices index of the country exchange market dropped from 8.7 to 4.7 trillion, with market capitalizations of Rsl (Pakistan currency) 1.85 trillion in December, 2008 to Rsl 1.27 trillion in 2009. In summary Pakistan's experience on GFC is a true reflection of Nigerian experience.

According to the National statistical data bureau of India, India is another country that suffered from the effects of GFC even though not as widely as other countries within the Asia. This is because their financial system had little to do with investment in structured

financial instruments carved out of the US subprime mortgage, whose failure had set off the chain of events culminating in a global crisis. Notwithstanding, the economic growth was decelerated between 2008 and 2009 to 6.7% which represent 2.1% average growth rate compared to 8.8% before the pronouncement of the crisis. To counter the negative fall out of the crisis the government implemented a policy of tax relief to investors, produces and other economic agents in order to boost productions and increase expenditure in public projects. This created more employment and added value to public assets. The government also used Central Bank reserves to salvage the liquidity position of the commercial banks. The Indian Central Bank (ICB) enhanced the flow of funds in by injecting more funds to financial system to meet the need of produces.

This measure placed Indians economy as one of the best economies which that experienced the least affects of the global crisis, even though their GDP declined from 8.6% to 7.0% within the period. In 2010 and 2011 however, it appreciated to nearly the same level as it was in before the crisis that is (8.6%). These remarkable efforts of the government and economist of India placed the country as one of the fastest growing economies after China. In spite of the remarkable achievements recorded by the Indian economy, the crisis syndrome reflected on their stocks exchange market where shares values declined from USD 51.4 billion to USD 19.0 billion from September, 2008 to January 2009. This explained the 63% decline as a result of withdrawals of the foreign institutional investors, lower external borrowing and short term trade credit by the banks. In the researcher opinion, all the literature that covered Pakistan and India are more of

general analysis of the economy. None of the scholars examine individual sector of the economy as focused on in this study.

According to Mac, J, Washington, D and Maria, P, the situation in Australia is not per from other countries, even though the effects of the crisis seemed severe. The crisis in hit on securities that are related to prime mortgage and the credit market in Australia where the, were value and volume of the mortgage stocks had been thought by the investors to be low-risk. This resulted in sharp losses. This situation made banks to become considerably less willing to lead money, which resulted in to increases in interest rates and a drop in the credit market in terms of the volume of transactions. This gave room for the share prices to fall especially the banks shares. This eventually led to a collapse of the US securities company Lehman Brothers, and larger insurance company (AIG). Mortgage agencies like Fannie Mae and Freddie Mac were all deemed bankrupt.

The financial market recorded huge losses due to fear its effects on the financial system, until the government through the Central Banks responded with policies to salvage the situation such as :- sizeable fiscal stimulus, large reductions in interest rates a, guarantee of bank's deposits, bank debt issuance, and government ownership of some troubled financial institutions. This situations is similar to Nigeria's even though the analysis of the individual sector was not shown in detail unlike in this study that, the effects shall be treated in detail from banking a point of view

In African continent, Nabaho (2009), comments on this from an employment and labour market perspective. He summarised the economic effects from the banking sector where he emphasized the prophesy statement of Dominique Strauss Kahn (2009) which he said” even though the global economic crisis has been slow in reaching Africa’s shores, we all know it is coming and its impact will be severe in one way or the other” this prophesy become true regarding employment and labour in some African countries especially poor countries that solely depend on foreign financial assistance. However, there was less of a negative effect in other part of the continent financial sector and in deed banking industry example Kenya in Eastern and South African. Nabaho further said some of the reason that the effect is not severe on some African countries banks are due to peripheral position in the global economy which shields the countries from the disruptive effects of the crisis compared to other countries across the continent. Ikome (2008) attribute the economic weaknesses of African to some factors which include, excessive regulation, conservatism of the majority of African banking system inherited fro their colonial masters for example rigid controls of foreign exchange, limited foreign ownership of banks shares, and direct business linkage with other banks in Europe and America

The proponents of the perspective which appeared as a form of counter productive financial de-linkage from the world financial banking system before the crisis, now paradoxically stands out as a useful shield against the brunt of the crisis in the countries banking sector (The Economist, 2008) However, most banks in African countries suffered seriously from the crisis Nigerian banks included. Why is this so? Any attempt to answer this question will provide a solution that fills gap knowledge of

the Western world crisis and Africa. Therefore research of this nature is just the beginning of filling the gap

2.5 Research Gap

With reference to Musleh, D (2009) work title global financial crisis: Implication for macroeconomic and development policies in Pakistan were he used empirical econometrical approach to describe his research result; it was found that, the crisis brought about downfall of convertible assets, sharp slowdown in general economic growth, downfall of trade for good and services rate, falling down of local currency value, increased in consumption and reduced in investment, falling of assets price (equities) rising of interest rate dropped on share price index and high cost of living. However it is my opinions that the paper was basically relating the crisis from macroeconomic point of view and the findings are not sufficient to make general statement about the crisis effects on individual sector of the India economy which form the bases of microeconomic analysis as this paper intend to go about.

Indian National Bureau for statistic and data published a report on global financial crisis, effects and solution on Indian economic policies, the report used explanatory and statistical method in analyzing the data were it was discovered that there was a decline in general economic growth in all aspect of live. This situation provide the opportunity of introduction tax relief to both local and foreign investors, reductions of capital expenditure, creating more job opportunity, increased in money supply to salvage the liquidity position of commercial banks and many other macro and micro economic policies as a solution to the crisis effects.

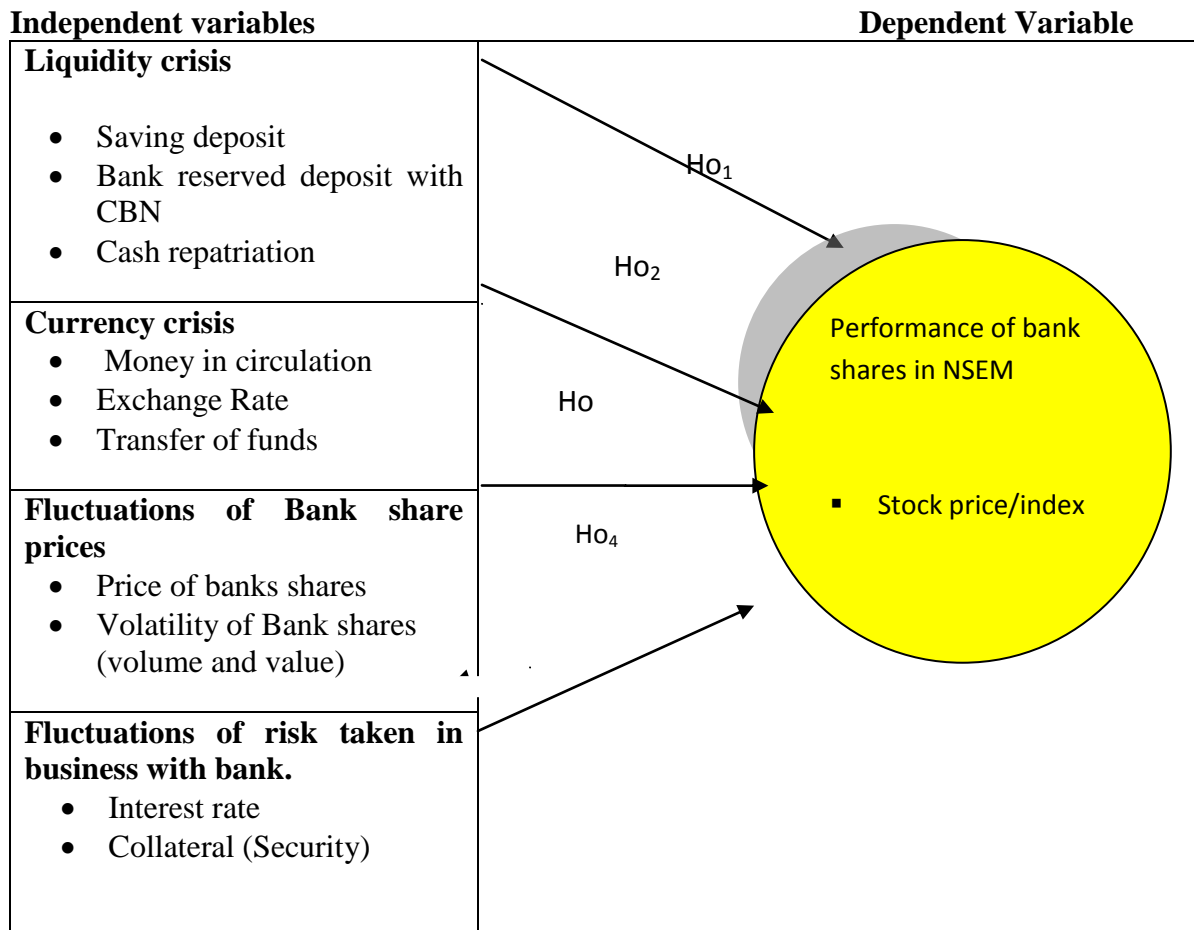
It is my opinion that the study is more of economic policies approach to macro and micro economic problem rather than using the policies to solve the financial problem, in addition to that the paper could not point at the specific area where the crisis affected the economy as individual sector instated it concern about economy in general. Therefore the finding may be relevant to economic perspective but not logical from financial angle.

Mac Jonas and et.al (2009) reviewed Australian economic policies and its relationship with USA focus on financial intermediation in a period of economic controversy. The study used comparison analysis using Pearson correlation and regression, were the result reveal that share prices in general and bank specifically was effected, there was an increased in banks interest rate, stock market value and volume dropped and many commercial banks that are not very financial sound in terms of capital and assets base collapsed thereby making the financial institutions to a semi crave yard for business investors, however the fact that the study focused on financial institutions in Australia yet it does not provide the direction on the same industry because financial institutions are made up of many firms.

From the above studies it seems there are more of economic approach rather than financial and almost all the study focused on either general economic policies or the entire financial institutions without been specific of which this study viewed it as a gap by taking one complete aspect i.e banking industry as part of important firms that played a greater role in nations economic focusing on Nigeria been one of the most vibrant economic nation in Africa and role played by the banking firms in economic development.

2.6 Conceptual frame work

The study proposes to copy and modernize the ideological concept of project life cycle management by (Westland, 2006) as illustrated below.



SOURCE: Adopted from Westland, 2006 and modernized

For the purpose of this study, the independent variables are liquidity, currency, fluctuations of banks shares prices, and risks taken in business with banks. These problems determine the states of bank performance in stock exchange market transactions which are the independent variables. However independent variables cannot stand on their own, without being supported by other factors, therefore the independent variables are subjected to those supportive variables featured in the conceptual framework and they

also serve as a measure between the dependent and independent variables. All the supportive variables in the conceptual framework diagram (under independent variables) are few therefore it is possible in the process of data collection that other factors may be discovered which they will take care of the lapses that may be discovered from those mentioned in case there is failure in anyone of them during the data collections process.

CHAPTER THREE RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, research philosophy, target population, data sources and procedure adopted in data collection. It also explains the instrument used in collection of the data, testing the validity and reliability of the instrument used, operationalization of the variables and models used and the during the data analysis.

3.2 Study Design

Generally research design is considered to be conceptual structure that portrays an accurate profile of the study (Cooper and Schindler,2008) This structure constitutes what Kothari, (2010) referred to as the blueprint for the collections, measurement and analysis of the data within the research parameter in relation to the characteristic of a particular phenomenon the independent and dependent variables. The design of this research is descriptive in nature, because it describes the behavioural pattern of a comparative event study of a n incident that occurred within a particular period of time considered and called a crisis to a particular aspect of life known as finance, across the world, which further affected the individual sector of the economy in which this study focuses with particular reference to the bank's stock price performance in Nigeria

3.3 Research Philosophy

The research philosophy is an important aspect in social science research. The philosophy is basically attached to the subjective researcher's assumption about the way and the method the researcher strategized his work, in such a way that the assumptions established at the beginning justify at the end of the research. (Johnson and Clack, 2006) cited in Sounders,(2009). According to Cooper and Schindler (2008) there is a strong relationship between individual philosophy that is the way they think and the knowledge of a subject matter, which influences the result of the research. Therefore research philosophy is classified in to three paradigms; positivism, interpretivism and realism. From research conducted in the past, evidence shows that the out come of each paradigm presents a different view on how knowledge is developed and judged as acceptable.

Remenyi (1998) cited in Sounders (2008) further explained the three paradigms as positivism which prefers working with observable social reality whose end result can be generalized. Interpretivism philosophers argued that a social science research is unique therefore it depends on circumstantial situations and the understanding of the researcher that determine the result. And realism is based on the belief on the reality which defers from one individual to one another. This study considered positivism and adopted the philosophy of it because the philosophy is attached to a subjective researcher's assumptions about the way people are looking at the event global financial crisis and their experience witness during and after the event. This result reveals a correlation between GFC of 2008 and the banks shares prices performance traded in the NSEM.

3.4 Target Population

The target populations of the study were the 24 Money Deposit Banks (MDB) CBN, SEC and NSEM. A total of 27 organisations in the financial sector of Nigeria, with the headquarters in the capital city Abuja and annex offices of some in Lagos

Here annex is a term referred to office that equally played a role of head office in financial term

3.4.1 Data sources

Considering the relevance of the data required in a research of this nature all the target populations mentioned were expected to provide specific data. For example information about liquidity and currency positions of all the 24 money deposit banks are expected to be extracted from their audited annual financial reports covering the period of the research scope 2006-2010. Other sources include CBN, SEC, and NSEM financial reports, published monthly, quarterly or annually as well as, stock trading rating reports and others.

3.4.2 Data Collection Instrument

This refers to instruments the researcher used in collecting the data. In this case the instrument used is the documented review guide line. Summary of the instrument is attached as Appendix b. The guide lines contain five (5) Colum tables where each variable is represented according to the objectives and the information extracted. Details of the tables are presented in chapter four (4) before the analysis.

3.5 Data Collection Procedure

The method adopted in collection the data are in stages; first stage is making direct contact with the organizational administrative officers were introduction and presentation of letter of introduction took place and later, the administrative procedure was followed. Stage two in the Central Bank of Nigeria there was orientations about their data where the researcher together with the officer in-charge of the documents identified the relevant data required. As a policy one is not allowed to go out of the Bank's research unit with any document without the consent of the officer in-charge. Therefore, information like policy statements, how interest rate is controlled, monetary policy mechanism information, are not allowed to be removed out of the bank, but financial statement of account, interest rate tables are allowed to be taken out of the bank copied on to electronic devices. While in SEC and NSEM almost all the information required is available on CDs and in hard copy; some copies are sold while others are given some are free of charge. Most of the information used is collected in electronic form were flash disks, CD are used in addition to websites and publications of the target organizations.

3.6 Testing of Validity and Reliability of the Instrument

Cooper and Schindler (2006) classified three methods of testing reliability and Validity of data collected using any type of instrument. These are objectivity, reliability and validity test.

The objectivity test concerned with the relationships that exist between on the result and the criteria used in the study. Acceptable and reliable test most provide 90% of the same or similar results, even when the instrument was used by a different scholar, at a different

time and environment (Sounders, 2008). The instrument used in this research was already used by many scholars in different environment for example Obere (2009), Anthony (2006) and Bernard and Thomas (1990) and the out come of the research proved the validity and the reliability of the instrument in an objective manner. Again the reliability of the instrument depends on the consistency obtained in the results. The three cases cited also proved the reliability of the instrument at various point and time in the research environment.

Similarly the objectivity of the instrument is to prove the correctness of the result beyond any reasonable doubt which Saunders (2009) emphasizes in his research book. Therefore this research will not be exceptional since the bases of the data used are secondary in nature and the instrument is recognized as one of the most suitable for collecting the data, thus, the instrument is said to be valid, reliable and acceptable.

3.7 Operationalization of the Variables

The concept of operationalization of the study variables is to highlight how each variable can be measured (Saunders, 2009). In this study, the dependent and independent variables were formulated from supportive variables to account for their operation in relation or to the analysis required. See the three-column Table no3.1

Table 3.1 (OPERATIONALIZATION OF THE VARIABLES)

Independent variables	Supportive variables	Operationalization
1.Liquidity Crisis	(I)Savings deposit (ii) Bank reserve deposit with CBN (iii) Cash repatriation	Average cumulative rate of means and variance of total savings deposit of each bank per year was measured in Naira before and after Average cumulative rate of means and variance of total cash reserved deposit account balance with CBN for each bank per year was measured in Naira before and after Average mean of each bank Average cumulative rate of mean and variance transaction with CBN through cash request per year was measured in Naira before and after
2. Currency Crisis	i. Money in circulation (ii) Exchange Rate	The average cumulative mean and variance rate of money used in Money deposit banks in circulation per year was measured in Naira before and after Average cumulative mean and variance of country currency Naira to Dollar per year was measured in comparative

	(iii) Transfer of Fund	manner Average cumulative rate of quantity of money transferred by each bank per year in Naira was measured. before and after
3. Fluctuation of share price	(i) Price of bank shares	Average cumulative mean and variance price changes of bank stocks per unit form per year was measured before and after
	(ii) Volatility of Banks Shares (Volume and value)	Average cumulative mean and variance of banks share volume and value respectively per year was measured in terms of quantity and value rate before and after
(4) Risk in business with banks shares as collateral	(i) Interest rate	Average cumulative mean and variance of banks interest rate month Jan- Dec per year in a percentage form was measured before and after
	Shares value as collateral for loan	Average cumulative mean and variance of shares value from Jan-Dec per year in percentage was measured before and after

Dependent variable		
Performance of banks shares in NSEM	Stock price index	Average cumulative mean and variance of stock price performance index per year was measure in percentage form before and after the crisis period

3.8 Modelling and data analysis Procedure

The study considered the crisis as an event which occurred at a particular point in time. An event study can be outlined to include: defining event of interest, determining event window (period over which securities will be examined) for comparative purpose and event horizon. While the procedure includes selecting the frequency of the sample, determining the method of measurement of average and cumulative returns and method of testing the hypothesis (Ngugi 2005, Mack Inlay 1997, Green 2005 cited in Almadi 2009)

This study is a modification of an ordinary event study because the analysis did not capture normal and abnormal returns, instead it only captured the average on cumulative returns statistic in order to compare the before and after results i.e 2006/2007 and 2008/2009, while 2007/2008 is considered a window period.

3.8.1 Average Returns

The stock price can only be considered normal if continued in one particular direction (upward or downward) for a long period of time without fluctuations (Brown 1980 cited in Chandra 2010) .The study captured the average return between two periods using statistical model presented as:-

$$R_{it} = \left(\frac{u_t - u_i}{u_{t-1}} \right) \times 100 \dots\dots\dots 3.1$$

Where $\mu_t =$ is the performance of firm i at time t (Campbell et al, 1997)

$\mu_t =$ Is the average means and variance returns before the crisis

$\mu_i =$ is the average means and variance returns after the crisis

3.8.2 Sign Test

Sign test is used to test the existence of the two hypothetical statements already established as null and alternative, which state that GFC has or does not have an effect on each variable indicator. This also determines the performance of banks shares prices traded in the Nigeria stock exchange market. The test can be presented statistically as:

$$H_0 = R_{11} = R_{12} \dots\dots\dots 3.2$$

Where R_{11} is return for period before Global Financial Crisis

R_{12} is return for period after Global Financial Crisis

3.9 Data analysis Procedure and interpretation

This research adopted two procedures in analyzing the data. The first part which is 3.1 modernized the event study model to comparative event study model, so that the application of two sample t test of means and variance, using descriptive statistics can be

attainable. The second part which is 3.2 and 3.3 required aggregation of the returns as applicable to sign test for hypothesis testing on supportive as well as independent using 95% level of significance to determine the acceptability of any result above 0.05% and rejection of any result below 0.05% as presented statistically below as:-

Variance: $H_a = \delta_{11}^1 = \delta_{12}^2$ 3.3

Where δ_{11}^1 is variance before the Global Financial Crisis.

δ_{12}^2 Is variance after the Global Financial Crisis

CHAPTER FOUR RESEARCH FINDING AND DISCUSSION

4.1 Introduction

This chapter is presented in three parts. Part, one includes a brief introduction. Part two covers a brief explanation about descriptive statistics and part three presents the data analysis resulting from the specific objectives stated in chapter one of the study which include the liquidity crisis, currency crisis, fluctuations of bank share price, fluctuation of risk taken in business with the bank and the performance of banks share price traded in NSEM before and after the 2008 GFC.

4.2 Descriptive Statistics

Descriptive statistics were used to describe the nature and the behaviour of the bank performance variables as extracted using financial statement analysis from 2006 to 2010 which represent two years before and after the GFC that affects Nigeria's banks. This statistical data format provided simple summary of the nature of the data as well as an understanding of the behavioural character of the data for comparative measurement using the statistical hypothetical expressions in relations to the two existing hypothetical assumption of sigh test as $H_{01} \text{ diff} = 0$, $H_{02} \text{ diff} > 0$

The tables summarizes all the data covering 18 Money Deposits Banks (MDB) instead of 24 that was mentioned earlier., The remaining six (6) were removed due to lack of complete data covering the window horizon as a result of merger and acquisition by other

banks within the industry. For each objective the a null hypothesis was tested across the mean and variances for the two periods using sign test against two alternative hypotheses

Ha₂ and Ha₃

4.3 Empirical Finding

The following hypotheses were tested simultaneously as mean returns and variances, using the following statistical formula respectively

$$H_{O1}: = \mu_{11} - \mu_{12} = 0 \dots\dots\dots 4.1$$

$$H_{O2}: = \mu_{11} > \mu_{12} \dots\dots\dots 4.2$$

$$H_{O3}: = \mu_{11} < \mu_{12} \dots\dots\dots 4.3$$

$$H_{a1} = \delta_{11}^1 = \delta_{12}^2 \dots\dots\dots 4.4$$

$$H_{a2} = \delta_{11}^1 > \delta_{12}^2 \dots\dots\dots 4.5$$

$$H_{a3} = \delta_{11}^1 < \delta_{12}^2 \dots\dots\dots 4.6$$

let μ_{1i} = Average performance of i^{th} variable before the crisis

μ_{2i} = Average performance of i^{th} variable after the crisis

δ_i^2 = Variance of the i^{th} Variable before the crisis

δ_2 = Variance of the i^{th} variable after the crisis

The p-values obtained from the computations table of mean and variances at 0.05 significant level will form the bases of the result interpretation. Testing the hypothesis at 95% confidence level or 0.05 significant levels was based on the following reason

(a) It has been a normal trend in socio science research across the globe that 0.05 significant levels are used because the result is closer to 100 percent; therefore 0.05 is considered as human era since no body is perfect.

(b) Looking at it from financial perspective and banking industry in particular were risk management is considered as second to the first objective of any profit maximization firm

and banks are known to be risk managers; therefore 0.05 level of risk is quite reasonable

(c) Mathematically 95 percent confidence level is considered as generally accepted as

100 percent if principle of round figure is used

4.4 Liquidity Crisis

Liquidity problem as per this research is a function of saving deposit, bank cash reserved deposit and cash repatriation. Each item is presented in a tabular format first with brief explanation, followed by a detailed interpretation of the table analysis as presented below;-

Table 4.1 (Summary of saving deposit result)

S/N	Banks	Ave % before crisis	Ave % after crisis
	Access	85.09817008	-66.1469
2	Afri Bank	53.38384124	-88.5235
3	Bank PHB	175.1786809	-33.314
4	Diamond Bank	46.56206458	-88.6952
5	Eco Bank	165.2098381	-21.5256
6	Fidelity Bank	115.2832353	-90.5506
7	First Bank	33.58631367	-82.7692
8	First City Monument Bank	166.9687184	-88.3124
9	Guarantee Trust Bank	23.2376121	45.14923
10	Skye Bank	114.6440213	-9.70426
11	Spring Bank	323.7180935	-87.0455
12	Stanbic IBTC	71.9671304	77.61542
13	Starling Bank	43.90682563	-8.83979
14	Union Bank	34.62364117	-72.8566
15	United Bank for Africa	18.78270174	-6.57314
16	Unity Bank	82.96750875	-32.872
17	Wema bank	44.66678348	-18.1515
18	Zenith Bank	61.32175974	-1.25825

Source: C B N annually financial reports 2010

Evidence of result provided in table 4.1 shown the summary of saving deposits of all banks in Nigeria before after the crisis which can be bases of making a general statement since no bank that were not affected drastically. In fact so are even beyond comment while few once are relatively manageable.

4.4.1 Saving Deposit

(Table 4.2) represent the general picture of the entire savings deposit of all the (18) MDB that operated in Nigeria. This was used to analyzed and interpret whether 2008 GFC had an effects on saving deposit performance or not from mean average percentage changes and variance for the period of 2006/2007 and 2008/2009, and also to compare the three (3) probability values against the rule of testing the sigh test $H_{01}: \text{diff} = 0$ $H_{02}: \text{diff} > 0$ $H_{03}: \text{diff} < 0$.

The result of the test in table 4.2 reveal that the P-values for H_{01} and H_{02} and hypotheses are less than 0.05 which means the null hypotheses are rejected at a 95% level of significance. This implies that financial crisis of 2008 had an effect on the mean average saving deposit. Since the H_{03} hypothesis cannot be rejected because the value is more than at the same level of significance 0.05 it shows that the financial crisis of 2008 lead to a decline in average saving deposits.

Table: 4.2(Two Sample t test of mean)

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	92.28372	17.98869	76.31957	54.33089	130.2365
Average % After crisis	18	-37.46521	11.68909	49.59262	-62.12704	-12.80338
Combined	36	27.40925	15.23214	91.39285	-3.513636	58.33214
Diff	129.7489	21.45293	86.15134	173.3465		
diff = mean(var5)		- mean(var11)		t = 6.0481		
Ho: diff = 0		degrees of freedom = 34				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 1.0000		Pr(T > t) = 0.0000		Pr(T > t) = 0.0000		

Source: Constructed from study data

Results in table 4.3 show the impact of financial crisis on the volatility of saving deposits because the P-values of hypotheses H_{01} and H_{02} are less than (0.05) which also indicated that the null hypothesis is rejected at 95% percent level of significance, Since the P-value for H_{03} is greater than (0.05) it means that the 2008 global financial crisis lead to a higher volatility in saving deposit among the banks.

Table: 4.3 two sample test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	92.28372	17.98869	76.31957	54.33089	130.2365
Average % After crisis	18	-37.46521	11.68909	49.59262	-62.12704	-12.80338
Combined	36	27.40925	15.23214	91.39285	-3.513636	58.33214
Ratio = sd (before crisis) / sd (after crisis) f = 2.3683						
Ho: ratio = 1 degrees of freedom = 17,17						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.9578 2*Pr (F> f) = 0.0844 Pr (F > f) = 0.0422						

Source: Constructed from study data

Combined table 4.2 and 4.3 the results show that due to the global financial crisis savings deposits declined while the variance of the same saving deposits increased

Table 4.4a (Summary of Bank Cash Reserved Deposit)

S/N	Banks	Average % before crisis	Average % After crisis
1	Access	22	-63
2	Afri Bank	-38	-67
3	Bank PHB	253	176
4	Diamond Bank	166	-78
5	Eco Bank	48	-49
6	Fidelity Bank	61	-74
7	First Bank	21	-73
8	First City Monument Bank	17	-76
9	Guarantee Trust Bank	19	-44
10	Skye Bank	46	-24
11	Spring Bank	342	-12
12	Stanbic IBTC	-58	-33
13	Starling Bank	-11	-47
14	Union Bank	-48	-62
15	United Bank for Africa	10	-43
16	Unity Bank	-2	-53
17	Wema bank	20	-81
18	Zenith Bank	30	-47

Source: C B N annual financial reports 2010

From the evidence presented in table 4.4a, the bank cash reserved deposit's trend data behaved in a comparative manner before and after which, indicates the effects of the event is more of feeling and seeing rather than imagination because apart from Afri bank, Stanbic IBTC, Union bank, and Unity bank that are in negative sign, and maintained the same trend of negative sign, in an increasing form all other firms moved from impressive

positive to worst negative when the percentage before and after are compared. Detail of the information is also presented in table 4.4(b)

Table 4.4b Bank cash reserved deposit (Cash Deposit with CBN)

S/ N	Bank	2006	2007	Ave 06/07	Before crisis	2008	2009	AVE 08/09	After crisis
1	Access	24,990	30,497	27,744	22	34,818	12,760	23,789	-63
2	Afri Bank	4,586	2,834	3,710	-38	7,788	2,537	5,163	-67
3	Bank PHB	8,459	29,858	19,159	253	84,671	234,000	159,336	176
4	Diamond	32,227	85,657	58,942	166	62,864	13,911	38,388	-78
5	Eco Bank	8,764	12,927	10,846	48	18,768	9,524	14,146	-49
6	Fidelity	12,225	19,734	15,980	61	30,904	8,103	19,504	-74
7	First Bank	50,992	61,844	56,418	21	88,351	23,415	55,883	-73
8	FCMB	14,340	16,814	15,577	17	8,473	2,022	5,248	-76
9	GTB	32,621	38,970	35,796	19	64,350	35,890	50,120	-44
10	Skye	12,164	17,807	14,986	46	40,216	30,579	35,398	-24
11	Spring	3,084	13,638	8,361	342	21,087	1,858,250	939,669	8,712
12	Stanbic IBTC	6,257	2,652	4,455	-58	11,587	7,772	9,680	-33
13	Starling	7,023	6,235	6,629	-11	16,150	8,574	12,362	-47
14	UBN	57,223	29,847	43,535	-48	46,956	17,635	32,296	-62
15	UBA	58,466	64,183	61,325	10	120,088	68,225	94,157	-43
16	Unity Bank	43,075	42,110	42,593	-2	19,835	9,345	14,590	-53
17	Wema bank	4,919	5,922	5,421	20	7,079	1,352	4,216	-81
18	Zenith Bank	85,447	111,055	98,251	30	239,562	126,779	183,171	-47

Source: C B N Annual financial reports 2010/2012

4.4.2 Bank Cash Reserve Deposits

The result in table 4.4c also shows that the p-values of H_{01} and H_{03} hypotheses are rejected because the values are less than 0.05% at a 95% level of significance which means 2008 GFC had an effect on the mean average bank cash reserve deposit in

Nigerian MDB. Since, the P- values of H_{o2} is greater than 0.05 at a 95% level of same significance, it show that the volatility of banks cash reserved deposit had increased.

Table: 4.4c Two-sample t tests for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	57.23833	23.92594	101.5092	6.759004	107.7177
Average % After crisis	18	441.5183	486.71	2064.935	-585.3499	1468.387
Combined	36	249.3783	242.3292	1453.975	-242.576	741.3327
Diff	-384.28	487.2977	-1374.588	606.0281		
diff = mean(before crisis)		- mean(after crisis)		t = -0.7886		
Ho: diff = 0		degrees of freedom =	34			
Ha: diff < 0		Ha: diff = 0	Ha: diff > 0			
Pr(T < t) = 0.2179		Pr(T > t) = 0.4358		Pr(T > t) = 0.7821		

Source: Constructed from study data

The result in Table 4.5 which is two(2) sample tests for variation show that H_{o1} and the H_{o3} hypotheses are rejected because their p-values are less than at 0.05% at a 95% level of significance which means that 2008 GFC had an effect on mean volatility of bank cash reserved deposit in Nigeria Banks . At the same time the H_{o2} hypothesis cannot be rejected at 95% level of significance because the P- value is greater than (0.05) this implied that due to the crisis the variance volatility in cash reserves increased in 2009

when compared to 2006/2007. In summary there is evidence that the global financial crisis of 2008 had lead to a change in Bank cash reserve deposit on the average mean and variances, since all the H_{o2} values of the two tables increased.

Table: 4.5 two sample test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	57.23833	23.92594	101.5092	6.759004	107.7177
Average % After crisis	18	441.5183	486.71	2064.935	-585.3499	1468.387
Combined	36	249.3783	242.3292	1453.975	-242.576	741.3327
Ratio = sd (before crisis) / sd (after crisis) $f = 0.0024$						
Ho: ratio = 1 degrees of freedom = 17,17						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.0000 2*Pr (F> f) = 0.0000 Pr (F > f) = 1.0000						

Source: Constructed from study data

Table 4.6 Cash Repatriation (Cash due from other banks and to other banks)

S/ No	Banks	CR 06	CR 07	Average before crisis	Average (%) before crisis	CR 08	CR 09	Average after crisis-	Average (%) after crisis
1	Access	28484287	134553095	81518691	372.4	620290746	29929099	325109922.5	-95.17
2	Afri Bank	54762000	55531000	55146500	1.4	148201000	47833222	98017111	-67.72
3	Bank PHB	46427245	146135233	96281239	214.8	299976956	193370862	246673909	-35.54
4	Diamond Bank	24366081	42439962	33403022	74.2	145736773	32814889	89275831	-77.48
5	Eco Bank	41974000	92742000	67358000	121.0	183698000	90637000	137167500	-50.66
6	Fidelity Bank	34780000	35661000	35220500	2.5	55463000	12349333	33906166.5	-77.73
7	First Bank	169580000	587405000	378492500	246.4	964664000	178514445	571589222.5	-81.49
8	FCMB	543551131	115309259	329430195	-78.8	220978941	40953614	130966277.5	-81.47
9	GTB	146472000	404910000	275691000	176.4	246787000	270312000	258549500	9.53
10	Skye Bank	11308000	93038000	52173000	722.8	234376000	127053000	180714500	-45.79
11	Spring Bank	185885000	376276000	281080500	102.4	35145000	24678000	29911500	-29.78
12	Stanbic IBTC	12217000	22176000	17196500	81.5	193795000	115288000	154541500	-40.51
13	Starling Bank	128061000	44218000	86139500	-65.5	90218000	60483000	75350500	-32.96
14	Union Bank	339152000	335320000	337236000	-1.1	668833000	68939000	368886000	-89.69
15	UBA	413028000	506132000	459580000	22.5	686869000	486002000	586435500	-29.24
16	Unity Bank	52132000	47551000	49841500	-8.8	149417000	51338000	100377500	-65.64
17	Wema bank	24046000	37580000	30813000	56.3	8655000	60181000	34418000	595.33
18	Zenith Bank	70050000	127764000	98907000	82.4	536846000	341830000	439338000	-36.33

Source C B N/NSE Annual financial reports 2010/2012

4.4.3 Cash Repatriation (cash due from other Banks and to other Banks)

Table 4.7 shows P-values of H_{o1} and H_{o2} hypotheses below (0.05) at 95% level of significance which means the null hypotheses are rejected. The implication is that the financial crisis of 2008 had an impact on Cash repatriation in all banks operating in Nigeria. While H_{o3} hypothesis cannot be rejected because P-value is greater than (0.05) at a 95% level of significance, which means the 2008 GFC lead to a decline in bank cash repatriation.

Table: 4.7 Two-sample t -tests for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	117.9333	44.54081	188.9707	23.96043	211.9062
Average % After crisis	18	-18.46333	36.66699	155.5649	-95.82392	58.89725
Combined	36	49.735	30.67899	184.0739	-12.54665	112.0167
Diff	136.3967	57.69187	19.15267	253.6407		
diff = mean(before crisis)		- mean(after crisis)		t = 2.3642		
Ho: diff = 0		degrees of freedom =	34			
Ha: diff < 0		Ha: diff = 0	Ha: diff > 0			
Pr(T < t) = 0.9880		Pr(T > t) = 0.0239		Pr(T > t) = 0.0120		

Source: Constructed from study data

Table 4.8 which shows two sample tests for variation also indicated that the p-values of H_{01} and H_{02} hypotheses are below 0.05% at a 95% level of significance which mean the null hypothesis are rejected. This implies that 2008 GFC had impact on volatility of cash repatriation among banks in Nigeria. While the H_{03} : hypothesis can not be rejected because the p-value is greater than 0.05 at a 95% level of significance that means the 2008 GFC impact is decreasing in 2008/2009 when compared to with 2006/2007

Table: 4.8 two sample test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	117.9333	44.54081	188.9707	23.96043	211.9062
Average % After crisis	18	-18.46333	36.66699	155.5649	-95.82392	58.89725
Combined	36	49.735	30.67899	184.0739	-12.54665	112.0167
Ratio = sd (before crisis) / sd (after crisis) f = 1.4756						
Ho: ratio = 1 degrees of freedom = 17,17						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F < f) =0.7846 2*Pr (F> f) = 0.4307 Pr (F > f) = 0.2154						

Source: Constructed from study data

In summary, considering at the behaviour of all the bank supportive variables that constitute liquidity crisis and compared with share price performance of the banks that are traded in NSEM all their p-values of the null hypotheses were rejected and the

alternative are not rejected, that means that the GFC of 2008 had an effect on banks shares price performance in NSEM.

4.5 Currency Crisis

The currency problem is captured by supportive variables like money in circulation, exchange rate and level of bank funds transferred for either bank investment development or by the banks customers at individual level within the period of the analysis 2006 to 2010.

Table 4.9 shows the general estimated value of money in circulation through banks operation on a monthly basis in Billion Naira. However, these figures may not represent the actual and correct figure of the money in circulation in the country because there are other illegal ways through which money are circulated without government dictating it. Therefore, this research assumed the figures is valuable and acceptable, since they were official.

Table 4.9 Money in Circulation

S/N	Mon	Amount in Circulation 06	Amount in Circulation 07	Average before crisis	Average (%) b/4	Amount in Circulation/08	Amount in Circulation/09	Average after Crisis	Average (%) after crisis
1	Jan	579,094,000	705,163,000	642,128,500	11	867,454,000	1,063,307,000	965,380,500	11
2	Feb	596,020,000	704,584,000	650,302,000	9	860,846,000	1,022,911,000	941,878,500	9
3	Mar	621,234,000	730,234,000	675,734,000	9	891,532,000	1,035,885,000	963,708,500	8
4	Apr	613,829,000	766,011,000	689,920,000	12	898,619,000	1,047,853,000	973,236,000	8
5	May	608,185,000	746,597,000	677,391,000	11	916,617,000	1,024,163,000	970,390,000	6
6	Jun	597,677,000	717,260,000	657,468,500	10	917,998,000	1,006,314,000	962,156,000	5
7	Jul	604,574,000	713,956,000	659,265,000	9	936,574,000	1,008,251,000	972,412,500	4
8	Aug	611,616,000	718,947,000	665,281,500	9	947,978,000	1,019,143,000	983,560,500	4
9	Sep	615,147,000	722,022,000	668,584,500	9	976,077,000	1,032,176,000	1,004,126,500	3
10	Oct	647,446,000	755,358,000	701,402,000	8	965,427,000	1,020,135,000	992,781,000	3
11	Nov	679,626,000	786,667,000	733,146,500	8	987,898,000	1,108,332,000	1,048,115,000	6
12	Dec	779,254,000	959,982,000	869,618,000	12	1,155,031,000	1,184,322,000	1,169,676,500	1

Source: C B N Annual financial reports 2010/2012

4.5.1 Money in Circulation

The quantity of money in circulation as depicted in table 4.9 is used for easy comparative analysis to determine the quantity and the quality of banks share prices traded in NSEM, as well as establish the relationship of currency use in the flow of the trading market before and after the pronouncement of 2008 GFC.

The result in table 5.0 shows that the p-value of null hypothesis H_{01} and H_{02} are below 0.05 at a 95% level of significance. Hence these indicate that the 2008 GFC had an impact on mean average percentage of the total official money in circulation in all MDB in Nigeria. The P- value of hypothesis H_{03} cannot be rejected because the P-value is greeter than 0.05 at a 95% level of significance. This implies that the 2008 GFC decreased the volume of money in circulation in 2008/9 when compared with the volume in 2006/2007

Table: 5.0. Two sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	9.738076	.4253533	1.473467	8.80188	10.67427
Average % After crisis	18	5.702388	.8776025	3.040104	3.770798	7.633979
Combined	24	7.720232	.6359795	3.11565	6.404608	9.035856
Diff		4.035688	.9752495	2.013144	6.058231	
diff = mean(before crisis)		- mean(after crisis)		t = 4.1381		
Ho: diff = 0		degrees of freedom = 22				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 0.9880		Pr(T > t) = 0.0004		Pr(T > t) = 0.0002		

Source: Constructed from study data

The results in table 5.1 revealed that P- value of hypothesis Ho₁ and Ho₃ are below 0.05 at a 95% level of significance. Therefore, this means the 2008 GFC had an impact on variance level of money in circulation in Nigerian MDB. While the P-value of hypothesis Ho₂ cannot be rejected because the value is greater than 0.05 at same level of significance, this means 2008 GFC led to a decline in the volume of money in circulation.

Similarly, the result obtained in variation table 5.2 shows that the P-values of hypothesis Ho₁ and Ho₃ are rejected at a 95% level of significance because the values are less than 0.05 respectively. This and explains the 2008 GFC had an impact on money in circulation in Nigeria banks since the Ho₂ cannot be rejected at the same level of significance. This further indicates the fluctuation of the money in circulation declined after the crisis was announced. Therefore the results supported the rejection of null hypothesis and adoption of alternative hypothesis

Table: 5.1 two sample test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	9.738076	.4253533	1.473467	8.80188	10.67427
Average % After crisis	18	5.702388	.8776025	3.040104	3.770798	7.633979
Combined	24	7.720232	.6359795	3.11565	6.404608	9.035856
Ratio = sd (before crisis) / sd (after crisis) f = 0.2349						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.0120 2*Pr (F> f) =0.0239 Pr (F > f) = 0.9880						

Source: Constructed from study data

Both the mean and the variable tables of the analysis indicated that the 2008 global financial crisis directly affected cash in circulations in the Nigerian banking sector specifically and the entire economy in general.

4.5.2 Exchange Rate

This is a monetary policy instrument which involves two or more different Countries currency values for business exchange purpose. The policies differ from one country to another as a result of micro and macroeconomic indices in operation. In this case Nigeria Naira value is compared with US dollar as exchange rate because of the close inter-relationship between the two countries in term of business and other economic policies. Table 5.2 show the exchange rate movement per month, which was captured from 2006 to 2010 for the purpose of the analysis.

Table 5.2 Exchange Rate

Month	Country Exchange Rate 2006	Country Exchange Rate 2007	Average 2006/2007	Average (%)	Country Exchange Rate 2008	Country Exchange Rate 2009	Average 2008/2009	Average (%) 2008/2009
Jan	128.5	126.51	127.505	-1.55	116.31	144.01	130.16	23.815665
Feb	127.5	126.51	127.005	-0.78	116.28	145.35	130.815	25
March	126.75	126.29	126.52	-0.36	116.3	145.2	130.75	24.8495271
April	126.68	126.1	126.39	-0.46	116.2	145.4	130.8	25.1290878
May	126.69	125.73	126.21	-0.76	116.16	146.2	131.18	25.8608815
June	126.67	125.55	126.11	-0.88	116.13	146.25	131.19	25.9364505
July	126.59	125.36	125.975	-0.97	116.09	149.25	132.67	28.5640451
Aug	126.52	124.45	125.485	-1.64	116.06	150.41	133.235	29.5967603
Sept	126	123.9	124.95	-1.67	146.82	146.82	146.82	0
Oct	126.54	126.54	126.54	0.00	116.07	148.64	132.355	28.0606531
Nov	126.5	117.18	121.84	-7.37	130.75	147.81	139.28	13.0478011
Dec	126.3	116.3	121.3	-7.92	130.75	147.6	139.175	12.8871893

Source: C B N Annual financial reports 2010/2012

The results in table 5.3 show that the P-values of null hypothesis H_{01} , and H_{03} are below 0.05 at a 95% level of significance. This shows that the 2008 GFC had an impact on the mean average of the exchange rate between Nigerian Naira and the USA dollar. Since hypothesis H_{02} cannot be rejected at the same level of significance because, the P- value is greater than 0.05 it implied that the crises lead to the devaluation of the Nigerian.

Table 5.3 two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	-2.028956	.7719902	2.674253	-3.728095	-.3298172
Average % After crisis	12	21.89567	2.530411	8.7656	16.32627	27.46507
Combined	24	9.933358	2.809852	13.76541	4.120736	15.74598
Diff		-23.92463	2.645552	-29.41117	-18.43809	
diff = mean(before crisis)		- mean(after crisis)		t = -9.0433		
Ho: diff = 0		degrees of freedom = 22				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 0.0000		Pr(T > t) = 0.0000		Pr(T > t) = 1.0000		

Source: Constructed from study data

The result in table 5.4 confirmed the rejections of hypothesis H_{01} and H_{03} at 95% level of significance because their P-values are below 0.05 levels respectively. This shows the 2008 GFC had an impact on the exchange rate of the two currencies. While hypothesis

Ho₂ cannot be rejected, it means the volatility of the exchange rate during the crisis was high among banks

Table: 5.4 two sample test for variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.]	Interval]
Average % before crisis	12	-2.028956	.7719902	2.674253	-3.728095	-.3298172
Average % After crisis		21.89567	2.530411	8.7656	16.32627	27.46507
Combined	24	9.933358	2.809852	13.76541	4.120736	15.74598
Ratio = sd (before crisis) / sd (after crisis) f = 0.0931						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.0002 2*Pr (F> f) = 0.0004Pr (F > f) = 0.9998						

Source: Constructed from study data

Table 5.5 Bank Fund Transfer

S/ N	Banks	2006 (N 000)	2007 (N 000)	Average before crisis	Average (%) before crisis	2008 (N 000)	2009 (N 000)	Average after crisis	Average (%) after crisis
1	Access Bank	295,834,000	1,024,185,000	660,009,500	246	2,498,000,000	97,974,000	1,297,987,000	-96
2	Afri Bank	30,172,000	61,386,000	45,779,000	103	104,226,000	30,914,000	67,570,000	-70
3	Bank PHB	4,872,000	15,087,000	9,979,500	210	148,881,000	89,570,000	119,225,500	-40
4	Diamond Bank	3,599,000	11,798,000	7,698,500	228	30,834,000	16,859,000	23,846,500	-45
5	Eco Bank	13,889,000	24,261,000	19,075,000	75	22,155,000	15,387,000	18,771,000	-31
6	Fidelity Bank	1,408,000	3,331,000	2,369,500	137	7,178,000	8,995,000	8,086,500	25
7	First Bank	60,875,000	56,869,000	58,872,000	-7	154,376,000	89,965,000	122,170,500	-42
8	FCMB	24,350,000	2,163,999,000	1,094,174,500	8,787	4,338,000	12,424,000	8,381,000	186
9	GTB	42,257,000	117,768,000	80,012,500	179	91,511,000	136,194,000	113,852,500	49
10	Skye Bank	7,783,000	29,536,000	18,659,500	279	46,098,000	36,655,000	41,376,500	-20
11	Spring Bank	747,000	457,000	602,000	-39	4,608,000	6,004,000	5,306,000	30
12	Stanbic IBTC	8,918,000	13,255,000	11,086,500	49	77,425,000	70,880,000	74,152,500	-8
13	Starling Bank	9,951,000	24,511,000	17,231,000	146	36,211,000	27,506,000	31,858,500	-24
14	Union Bank	45,090,000	75,379,000	60,234,500	67	84,166,000	12,067,000	48,116,500	-86
15	U B A	72,942,000	105,038,000	88,990,000	44	126,895,000	188,407,000	157,651,000	48
16	Unity Bank	1,288,000	1,176,000	1,232,000	-9	16,462,000	10,783,000	13,622,500	-34
17	Wema Bank	4,285,000	11,352,000	7,818,500	165	20,953,000	15,863,000	18,408,000	-24
18	Zenith Bank	11,155,000	41,236,000	26,195,500	270	64,564,000	158,977,000	111,770,500	146

Source C B N Annual financial reports 2010/2012

4.5.3 Transfer of funds (investment in Security)

Fund transfer is said to be one aspect of normal banking obligation services to customers. Banks are mandated by the CBN to transfer fund in accordance with the rules and regulations on behalf of customers. There are various methods through which banks transfer money. This service is used to determine the soundness of bank currency and gauge their ability to transfer funds. Table 2.8 shows the volume of currency transferred by each bank from 2006 to 2010 in Billion Naira.

Table 5.6 shows that the P-values of all three hypotheses H_{01} , H_{02} and H_{03} indicated that the null hypotheses cannot be rejected because their values are greater than 0.05 at a 95% level of significance. Therefore, this means that the 2008 GFC had impact on banks funds transfer in Nigeria MDB, because instead of having a shortage funds transferred, results shows higher level of funds transferred means there was an over transfer of the funds after the crisis was pronounced compared with the volume transferred before the crisis.

Table 5.6 Two Sample test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	607.2364	481.7194	2043.762	-409.1027	1623.575
Average % After crisis	18	-1.985486	17.43627	73.97583	-38.7728	34.80183
Combined	36	302.6254	243.0654	1458.392	-190.8235	796.0744
Diff		609.2219	482.0348	-370.3908	1588.835	
diff = mean(before crisis)		- mean(after crisis)		t = 1.2639		
Ho: diff = 0		degrees of freedom = 34				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 0.8926		Pr(T > t) = 0.2149		Pr(T > t) = 0.1074		

Source: Constructed from study data

The result in table 5.7 shows that the hypotheses H_{o1} and H_{o2} are rejected at a 95% level of significance because the calculated P-values are all 0.000 which is less than 0.05. That and that explain that the financial crisis of 2008 had an effect the on volatility of funds transferred among the banks. Since the H_{o3} p- value is greater than 0.05 at the same level of significance cannot be rejected. It means the effects were higher after the crisis was pronounced if you compared the two values before and after.

Table 5.7 two sample test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	607.2364	481.7194	2043.762	-409.1027	1623.575
Average % After crisis	18	-1.985486	17.43627	73.97583	-38.7728	34.80183
Combined	36	302.6254	243.0654	1458.392	-190.8235	796.0744
Ratio = sd (before crisis) / sd (after crisis) f = 763.2751						
Ho: ratio = 1 degrees of freedom = 17,17						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 1.0000 2*Pr (F> f) = 0.0000Pr (F > f) = 0.0000						

Source: Constructed from study data

The results of tables 5.6 and 5.7 of mean and variance show that the global financial crisis of 2008 had affected the transfer of bank funds in the Nigeria banking sector. In summary, all the results presented in tables 5.6 and 5.7 of average mean and variances proved that the 2008 GFC had an effect on Nigeria banks operational indices which was

confirmed by the direct relationship effects with banks shares price performance traded in NSEM in 2006 to 2010.

Table 5.8 Price of Bank Shares

Month	Monthly Average Bank Shares 2006	Monthly Average . before crisis	Monthly Average Bank Shares 2007	Monthly Average . Before crisis	Monthly Average Bank Shares 2008	Monthly Average.	Monthly Average Bank Shares 2009	Monthly Average. After crisis
Jan	23910	-1.91376	36785	0	58219.5	1.27489632	58219.5	1.27489632
Feb	23918.5	-2.19567	41180.5	2.1595004	65001.5	1.98166088	65001.5	1.98166088
Mar	23578	-2.21458	43456	0	63170	1.4957735	63170	1.4957735
Apr	23289.5	-1.23325	47193	0.2919893	60092	2.14345686	60092	2.14345686
May	24106.5	-5.16851	49930	0	59749.5	2.70926201	59749.5	2.70926201
Jun	25358	-6.13891	51516.5	0.7214282	54657.5	4.6167045	54657.5	4.6167045
Jul	26999.5	-6.3233	53022	0	51767	5.06109845	51767	5.06109845
Aug	31651	-19.493	52186.5	7.009726	45494	9.60472075	45494	9.60472075
Sep	32892	-3.31868	51341	4.2399863	46705.5	2.07437229	46705.5	2.07437229
Oct	32951.5	-4.36667	50862.5	2.5639035	38983	12.7617675	38983	12.7617675
Nov	32442	-6.4724	54703	1.8581571	33456	2.53792127	33456	2.53792127
Dec	32586	-5.68873	57990	0	30367	5.22737477	30367	5.22737477

Source: NSE FACT BOOK of financial reports 2010/2012

4.6 Fluctuation of Share Price

Share price fluctuation is captured by price index, volatility of the shares from volume and value point within the period under review. Table 5.8 captured the movement of bank shares on monthly basis out of the total shares traded in the stock market, with an indicator, indicating average mean and average percentage of variables before and after the crisis covering 2006 to 2010 financial years.

4.6.1 Price Index

Price index is an independent variable that gives a highlight on how the price of the bank shares changes in particular period of time with special consideration to 2006/2007 as a period before the crisis pronouncement and 2008 / 2009 as period after the crisis.

The result in table 5.9 show that the P-values hypotheses H_{01} and H_{03} are rejected at 95% level of significance because their P-values are less than 0.05. That explained that the financial crisis of 2008 had an effect on the price of bank shares traded in NSEM. Since hypothesis H_{02} cannot be rejected because the P- value is greater than 0.05 at a 95% level of significance it means that, the financial crisis of 2008 lead to an increase in the mean percentage of banks shares price. This can be further explaining in line with as the principles of devaluation theory, of Neo classical economist.

Table 5.9 two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	3.130413	.7513091	2.602611	1.476793	4.784033
Average % After crisis	12	16.28033	3.817311	13.22355	7.878485	24.68217
Combined	24	9.705371	2.345021	11.48821	4.854325	14.55642
Diff		-13.14992	3.890543	-21.21841	-5.081424	
diff = mean(before crisis)		- mean(after crisis)		t = -3.3800		
Ho: diff = 0		degrees of freedom = 22				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 0.0013		Pr(T > t) = 0.0027	Pr(T > t) = 0.9987			

Source: Constructed from study data

Table 6.0 of variance result indicated that the P- value of the hypotheses H_{01} and H_{03} are rejected at a 95% level of significance because their P-value are less than 0.05 that implies that the financial crisis of 2008 had an effect on variance ratio average fluctuation on banks shares price. While hypothesis H_{02} : cannot be rejected because the P-value is greater than 0.05 at 95%% level of significance. Therefore it leads to higher devaluation of price of the shares in2008/ 2009 when compared with the values in 2006/2007.

Table 6.0 Two sample test of Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.]	Interval]
Average % before crisis	12	3.130413	.7513091	2.602611	1.476793	4.784033
Average % After crisis	12	16.28033	3.817311	13.22355	7.878485	24.68217
Combined	24	9.705371	2.345021	11.48821	4.854325	14.55642
Ratio = sd (before crisis) / sd (after crisis) f = 0.0387						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.0000 2*Pr (F> f) = 0.0000 Pr (F > f) = 1.0000						

Source: Generated from study data

In summary the statistics results in table 5.9 and 6.0 respectively show that the price of bank shares in Nigeria Stock Exchange Market was drastically below imaginary level to the extent that the mean average and the variance ratio levels are less than 0.05.

Therefore, an average the ratio of the loss recorded is more than 100% in 2008/2009 when compared with the values in 2006/2007.

Table 6.1 Bank Trade (Volume of Shares Volatility)

Month	2006 Volume (000)	2007 Volume (000)	Average before crisis	Average (%) Before crisis	2008 Volume (000)	2009 Volume (000)	Average After crisis	Average (%) after crisis
Jan	1481851837	5637065624	3559458731	280.41	20081009894	4793539995	12437274945	-76.13
Feb	2073009365	9181447332	5627228349	342.90	29771113967	6603151163	18187132565	-77.82
Mar	1702272314	11400701498	6551486906	569.73	18699326803	7800676995	13250001899	-58.28
Apr	2125181407	11797588480	6961384944	455.13	16478439110	7956903916	12217671513	-51.71
May	2599096660	12542589735	7570843198	382.57	16798762487	7961281227	12380021857	-52.61
Jun	2347855068	13530189009	7939022039	476.28	19788956718	11272009411	15530483065	-43.04
Jul	3351561566	12941535134	8146548350	286.13	19977590889	9921024638	14949307764	-50.34
Aug	5111095706	13347349501	9229222604	161.14	17379932184	9910905917	13645419051	-42.98
Sep	3414197745	10047776792	6730987269	194.29	10651755689	9053230810	9852493250	-15.01
Oct	4775257847	10050589900	7412923874	110.47	5851999328	10670895743	8261447536	82.35
Nov	4023839462	18009586459	11016712961	347.57	7972898388	9335586291	8654242340	17.09
Dec	3658347793	9597171763	6627759778	162.34	9684672827	7572877663	8628775245	-21.81

Source: NSE 2010/2012 FACT BOOK

4.6.2 Volatility (Volume of bank share)

Volatility simply means the rate at which the volume of the bank shares fluctuate within a specified period of time observed by the research which is 2006 to 2010. Details of the rate of the changes are presented in table 6.1 which summarized on monthly basis covering 2006 to 2010 financial years.

The result in table 6.2 shows that the hypotheses H_{01} and H_{02} are rejected at a 95% level of significance because their P- values are less than 0.05. This means, financial crisis of 2008 had an effect on average mean volume of banks shares transacted in NSEM. Since hypothesis H_{03} cannot be rejected at the same level of significance. This explains the 2008 GFC lead to the decline in volume of bank shares traded in 2008/2009 when compared with the values in 2006/2007.

Table 6.2 two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	314.082 2	41.0416 3	142.1724	223.750 2	404.414 2
Average % After crisis	12	- 32.5235 2	12.9111 3	44.72547	- 60.9407 3	- 4.10631 4
Combined	24	140.779 3	41.8148 1	204.8499	54.2788 1	227.279 8
Diff		346.605 7	43.0245 6	257.3782	435.833 2	
diff = mean(before crisis)		- mean(after crisis)		t = 8.0560		
Ho: diff = 0		degrees of freedom = 22				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = 1.0000		Pr(T > t) = 0.0000		Pr(T > t) = 0.0000		

Source: Constructed from study data

Table 6.3 shows that the P-values hypotheses H_{01} and H_{02} are rejected at a 95% level of significance because their p-value is less than 0.05. That means the financial crisis of 2008 had an impact on average mean of the volatility of volume of the share transacted. While hypothesis H_{03} can not be rejected because the P-value is greater than 0.05 and that explains that there is a decrease in the number or volume of shares transacted in 2008/2009 compare with 2006/2007

Table 6.3 two sample t test for Variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	314.0822	41.04163	142.1724	223.7502	404.4142
Average % After crisis	12	-32.52352	12.91113	44.72547	-60.94073	-4.106314
Combined	24	140.7793	41.81481	204.8499	54.27881	227.2798
Ratio = sd (before crisis) / sd (after crisis) f = 10.1046						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F < f) = 0.9997 2*Pr (F > f) = 0.0006 Pr (F > f) = 0.0003						

Source Generated from study data

In summary the tables 6.2 and 6.3 results show a drop in volume of the banks shares traded in the stock exchange market when compared to the volume traded before the pronouncement of the crisis. That, translates into poor performance of the stocks within and outside the floor of the market in 2008/2009 as compared to 2006/2007

Table 6.4 Bank Trade (Value of Shares Volatility)

Month	2006 Value of Shares (billion)	2007 Value of Shares (billion)	Average before crisis	Average (%) before crisis	2008 Value of Shares (billion)	2009 Value of Shares (billion)	Average after crisis	Average (%) after crisis
Jan	17068285066	86056408819	51562346942	404.19	2.83193E+11	29761047691	1.56477E+11	-89.49
Feb	26363433123	1.16172E+11	71267500985	340.65	4.13326E+11	38264732059	2.25795E+11	-90.74
Mar	18830642171	1.3339E+11	76110526470	608.37	2.93898E+11	40153106492	1.67025E+11	-86.34
Apr	24626423250	1.39704E+11	82165106657	467.29	2.60686E+11	42367371981	1.51527E+11	-83.75
May	39453998749	1.96667E+11	1.18061E+11	398.47	2.32948E+11	56867877975	1.44908E+11	-75.59
June	31173097487	1.94732E+11	1.12953E+11	524.68	2.4948E+11	94130610841	1.71805E+11	-62.27
July	39796156829	2.08411E+11	1.24103E+11	423.70	1.90754E+11	72384072527	1.31569E+11	-62.05
Aug	75855816312	2.62678E+11	1.69267E+11	246.29	1.69643E+11	68741888951	1.19192E+11	-59.48
Sep	48216161406	1.66097E+11	1.07157E+11	244.48	1.34383E+11	66013429402	1.00198E+11	-50.88
Oct	56004172852	1.51973E+11	1.03988E+11	171.36	39714413569	73312350407	56513381988	84.60
Nov	50110740770	2.65632E+11	1.57871E+11	430.09	66829539414	56116943155	61473241284	-16.03
Dec	42754872966	1.64783E+11	1.03769E+11	285.41	44289529539	47603856749	45946693144	7.48

Source: 2010/2012 FACT BOOK

4.5.3 Volatility (Value of bank share)

The fact that there are fluctuations in the volume of shares transacted may or may not bring changes in value of the same share. This uncertainty is the brain behind the analysis to establish whether there is fluctuation in the value of the bank share or not. Table 6.4 captured the volatility from a value perspective on a monthly basis, covering 2006 to 2010.

The results in table 6.5 show that hypotheses H_{o1} and H_{o2} are rejected at a 95% level of significance because their P- values are less than 0.05. This which means the financial crisis of 2008 had an impact on the average mean value of the banks share. Since hypothesis H_{o3} cannot be rejected at same level of significance because p- value is more than (0.05) and it implies that financial crisis of 2008 lead to the decrease of the average mean value of the bank stock traded in 2008/2009 as compared to 2006/2007.

Table 6.5 Two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	378.7487	36.54594	126.5988	298.3116	459.1857
Average % After crisis	12	-48.71099	14.89234	51.58858	-81.48881	-15.93318
Combined	24	165.0188	48.56465	237.9172	64.55522	265.4825
Diff		427.4597	39.46375	345.6169	509.3025	
diff = mean(before crisis)		- mean(after crisis)		t = 10.8317		
Ho: diff = 0				degrees of freedom = 22		
Ha: diff < 0				Ha: diff = 0 Ha: diff > 0		
Pr(T < t) = 1.0000		Pr(T > t) = 0.0000		Pr(T > t) = 0.0000		

Source: Constructed from study data

Similarly the results presented in table 6.6 show that the hypotheses H_{o1} and H_{o2} are rejected at a 95% level of significance. This is because the p-Values are less than (0.05)

which means the financial crisis of 2008 had an effect on the average mean value of the bank's shares. Since the hypothesis H_{o3} cannot be rejected at same level of significance because the P-value is greater than 0.05 it decreases the value of the stock in the market in 2008/2009 as compared to 2006/2007.

Table 6.6 two sample t test for variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	378.7487	36.54594	126.5988	298.3116	459.1857
Average % After crisis	12	-48.71099	14.89234	51.58858	-81.48881	-15.93318
Combined	24	165.0188	48.56465	237.9172	64.55522	265.4825
Ratio = sd (before crisis) / sd (after crisis) f = 6.0222						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F < f) = 0.9970 2*Pr (F > f) = 0.0060 Pr (F > f) = 0.0030						

Source: Constructed from study data

The value of the bank's shares from the mean and variance tables result also proved the drop of the value of the bank stocks in particular within the period of the global financial crisis of 2008 which can be interpreted as the effects of the event, since their P-values of the hypothesis H_{o1} and H_{o2} are below 0.05 at a 95% level of significance while H_{o3}

cannot be rejected at same significance level because the P- value is greeter than 0.05, which indicates that, the value is dropped which is a clear effects of the financial crisis.

Table 6.7 Interest Rate

Month	2006	2007	Ave Before crisis	Ave % before crisis	2008	2009.00	Ave after crisis	Ave % before crisis 8/9
Jan	12.00	15.00	13.50	25.00	20.50	26.25	23.38	28.05
Feb	12.00	15.00	13.50	25.00	20.50	26.25	23.38	28.05
Mar	12.00	15.00	13.50	25.00	20.50	26.25	23.38	28.05
Apr	12.50	17.50	15.00	40.00	22.50	22.50	22.50	0.00
May	12.50	17.50	15.00	40.00	22.50	22.50	22.50	0.00
Jun	12.50	17.50	15.00	40.00	22.50	22.50	22.50	0.00
Jul	13.00	16.50	14.75	26.92	26.00	25.00	25.50	-3.85
Aug	13.00	16.50	14.75	26.92	26.00	25.00	25.50	-3.85
Sep	13.00	16.50	14.75	26.92	26.00	25.00	25.50	-3.85
Oct	13.50	20.50	17.00	51.85	26.00	25.00	25.50	-3.85
Nov	13.50	20.50	17.00	51.85	26.25	25.00	25.63	-4.76
Dec	13.50	20.50	17.00	51.85	26.25	25.00	25.63	-4.76

Source: C B N Annual financial reports 2010

4.7 Fluctuation of Risk in Business with the Bank

Risk portion in business cannot be avoided, but can be minimize if the information's related to the business is available and used at the right time (Fermer 2010). Risk

according to Prasahna (2009) is a symbol of business progress or retrogressive that reflects the true position of the business pattern which needs to be study by the operators. Adenuga (2009) qualified risk as a mirror that reflects the true position of banking business in Nigeria during the GFC. In line with the above statements, fluctuation of risk in bank business is measured by interest rate and banks shares as security collateral variables. Table 4.0 provides a picture of the interest rate movement on a monthly basis which was captured by the monitory authority in Nigeria

4.6.1 Interest Rate

The result in table 6.8 shows that the P-values of hypothesis H_{01} and H_{02} are a rejected at 95% level of significance because their P- values are less than 0.05 and that means the financial crisis of 2008 had an effect on interest rates in Nigeria MDB. While the P- value of hypothesis H_{03} cannot be rejected at same level of significance because the P- value is greater than 0.05, it means the crisis lead to decrease on interest rate on average mean when compared with values of 2008/2009 and 2006/2007.

Table 6.8 two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	35.94373	3.270596	11.32968	28.7452	43.14227
Average % After crisis	12	4.936493	4.056698	14.05282	-3.99224	13.86523
Combined	24	20.44011	4.116283	20.16558	11.92493	28.95529
Diff		31.00724	5.210912	20.20047	41.81401	
diff = mean(before crisis)		- mean(after crisis)		t = 5.9504		
Ho: diff = 0		degrees of freedom =	22			
Ha: diff < 0		Ha: diff = 0	Ha: diff > 0			
Pr(T < t) = 1.0000		Pr(T > t) = 0.0000		Pr(T > t) = 0.0000		

Source: Generated from study data

The result in table 6.9 of variance indicated that hypotheses H_{01} and H_{03} are rejected because their P-values are less than 0.05 at a 95% level of significance respectively. Therefore the financial crisis of 2008 had an effect on the variance ratio of banks interest rate. Since the hypothesis H_{02} cannot be rejected at same level of significance because the p-value is greeter than 0.05. It means the impact is increasing in 2008/2009 when compared with 2006/2007.

Table 6.9 two sample t test for variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	12	35.94373	3.270596	11.32968	28.7452	43.14227
Average % After crisis	12	4.936493	4.056698	14.05282	-3.99224	13.86523
Combined	24	20.44011	4.116283	20.16558	11.92493	28.95529
Ratio = sd (before crisis) / sd (after crisis) f = 0.6500						
Ho: ratio = 1 degrees of freedom = 11,11						
Ha: ratio <1 Ha: ratio= 1 Ha: ratio > 1						
Pr (F <f) = 0.2433 2*Pr (F> f) = 0.4866 Pr (F > f) = 0.7567						

Source: Generated from study data

In summary the interest rates show in the two tables 6.8 and 6.9 of mean and variance indicated that the 2008 global financial crisis had an effects on interest rate while the mean values recorded a higher devaluation of the Nigeria Currency (Naira) when compared with the value of US Dollar while the variance table result indicated a higher value of the US Dollar against the Nigeria Naira. From whatever angle you looked at the results whether from the point of decreased or increased, the emphasis is on Naira currency against the US Dollar.

Table 7.0 Bank share as Security for loan Collateral

Period	Interest Charge 2006	% change on share collateral	Interest Charge 2007	Average before crisis	Average % before crisis	% change on share collateral	Interest Charge 2008	% change on share collateral	Interest Charge 2009	Average after crisis	Average % after crisis
Jan-Dec	0.14	0.85	0.205	17.25	46.429	0.85	0.265	0.85	0.25	25.75	-5.66
Jan-Dec	0.14	0.8	0.205	17.25	46.429	0.8	0.265	0.8	0.25	25.75	-5.66
Jan-Dec	0.14	0.75	0.205	17.25	46.429	0.75	0.265	0.75	0.25	25.75	-5.66
Jan-Dec	0.14	0.7	0.205	17.25	46.429	0.7	0.265	0.7	0.25	25.75	-5.66
Jan-Dec	0.14	0.65	0.205	17.25	46.429	0.65	0.265	0.65	0.25	25.75	-5.66
Jan-Dec	0.14	0.6	0.205	17.25	46.429	0.6	0.265	0.6	0.25	25.75	-5.66

Source: C B N financial reports 2010/2012

4.6.2 Banks Shares as Security Collateral for Loan

According to (Doguwa 2010) Security/Securities from financial point of view are said to be a locus of the banking business primal intern operation. While Okereke, (2011) said failure to obtain a higher value of security as collateral which has more than half the value of the loan secured in commercial banking, is equal to liquidating the banks financial strength. Sanusi (2010) lamented that progress or failure of MDB in 2000 global financial era depended solely on three factors with security considered ranking first in the pyramid structure of sound risk control management of long surviving financial firm. Therefore, bank's shares value as security for loans collateral is a function of the share price performance in the stock exchange market. Table 7.0 represent the summary of the annual value attached to average bank shares.

The result in table 7.1 and 7.2 shows that all the P- values of the three hypotheses tested H_{01} , H_{02} and H_{03} are below 0.05 at a 95% level of significance. In fact, the probability values of all the mean variance ratio averages indicated a zero values. Therefore the 2008 GFC had a 100% effects on both the mean and variance values on banks shares certificate used as collateral for loan.

Table 7.1 Two sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	6	46.42857	0	0	46.42857	46.42857
Average % After crisis	6	-5.660378	0	0	-5.660378	-5.660378
Combined	12	20.3841	7.852704	27.20257	3.100411	37.66778
Diff		52.08895	0	52.08895	52.08895	
diff = mean(before crisis)		- mean(after crisis)		t = .		
Ho: diff = 0		degrees of freedom = 10				
Ha: diff < 0		Ha: diff = 0 Ha: diff > 0				
Pr(T < t) = .		Pr(T > t) = .			Pr(T > t) = .	

Source: Generated from study data

Table 7.2 Two sample t test for variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.]	Interval]
Average % before crisis	6	46.42857	0	0	46.42857	6.42857
Average % After crisis	6	-5.660378	0	0	-5.660378	-5.660378
Combined	12	20.3841	7.852704	27.20257	3.100411	37.66778
Ratio = sd (before crisis) / sd (after crisis) f =.						
Ho: ratio = 1 degrees of freedom = 5,5						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) =. 2*Pr (F> f) =. Pr (F > f) =.						

Source: Constructed from study data

In summary using share certificate as collateral for bank loans within the period of the global financial crisis of 2008 is difficult because of the devaluations of the shares which indicated the effects of the event on Banks shares traded. In NSEM

Table 7.3 Bank monthly stocks prise Shares performance

Banks	06(N billion)	07(N billion)	Average 06/07	Average %06/07	08(N billion)	09(N billion)	Average 08/09	Average %08/09
Access	18.0708	23.2083	20.63955	28.43	24.0466	8.3916	16.2191	-65.10
Afri Bank	14.5333	21.6	18.06665	48.62	18.6583	3.1041	10.8812	-83.36
Bank PHB	12.5958	15.8833	14.23955	26.10	16.6375	3.3541	9.9958	-79.84
Diamond	14.2	15.8375	15.0185	11.53	17.0666	3.85	10.4583	-77.44
Eco Bank	11.641	15.7291	13.6916	34.97	17.0416	3.9416	10.4916	-76.87
Fidelity	13.8333	15.7791	14.8262	14.07	17.0941	3.7041	10.3991	-78.33
First Bank	28.2708	30.1758	89.2233	6.74	28.2625	10.604	19.4333	-62.48
FCMB	14.2083	16.875	15.54165	18.77	20.4541	3.6416	12.04785	-82.20
GTB	25.6958	28.7166	27.2062	11.76	27.1416	9.4875	18.31455	-65.04
Skye	12.0458	15.0458	13.5458	24.90	16.7708	3.4291	10.09995	-79.55
Spring	10.5375	15.1916	12.86455	44.17	16.6666	3.9166	10.2916	-76.50
Stanbic IBTC	11.5208	14.9541	13.23745	29.80	18.1583	4.425	11.29165	-75.63
Starling	9.0916	15.5708	12.3312	71.27	16.1041	3.7208	9.91245	-76.90
UBN	27.0916	28.2416	27.6666	4.24	25.75	8.8125	17.28125	-65.78
UBA	20.7583	26.8541	23.8062	29.37	25.1666	9.5291	17.35785	-62.14
Unity Bank	8.625	9.5833	9.10415	11.11	10.5375	2.5425	6.54	-75.87
Wema bank	6.7125	9.0458	7.87915	34.76	10.7458	2.0441	6.39495	-80.98
Zenith Bank	35.7166	44.0291	39.87285	23.27	44.1333	18.867	31.49995	-57.25

Source: 2011/ NSE /FACT BOOK

4.8 Performance of Banks Shares prices in NSEM

The entire analysis was built upon the effects that the event of 2008 global financial crisis caused to the bank's shares price in NSEM, which is the dependent variable of the study analysis. Table 4.6 captures the performance of the banks stock price from 2006 to 2008 which can be considered as a confirmatory analysis to the assumption of the entire study.

The result in table 7.4 indicated that hypotheses H_{01} and H_{02} are rejected at a 95% level of significance because their p-values are less than 0.05 meaning that the financial crisis of 2008 had an impact on banks share price performance traded in NSEM. Since hypothesis H_{03} cannot be rejected at the same 0.05 at a 95% level of significance because the P- value is 1.000 which is greater than 0.05. This which means the financial crisis of 2008 had dropped the general performance of the Banks shares price traded in NSEM in 2008/2009 as compared to 2006/2007.

Table 7.4 Two-sample t test for mean

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	26.32667	3.94395	16.73276	18.00566	34.64767
Average % After crisis	18	-73.40333	1.89831	8.053847	-77.40842	-69.39825
Combined	36	-23.53833	8.700351	52.20211	-41.20099	-5.875681
Diff		99.73	4.377022	90.83482	108.6252	
diff = mean(before crisis)		- mean(after crisis)		t = 22.7849		
Ho: diff = 0		degrees of freedom =	34			
Ha: diff < 0		Ha: diff = 0	Ha: diff > 0			
Pr (T < t) = 1.0000		Pr (T > t) = 0.0000		Pr (T > t) = 0.0000		

Source: Generated from study data

The result in table 7.5 further proved the rejections of the hypotheses Ho₁ and Ho₂ at 95% level of significance because their p-values are less than 0.05). That indicated that the financial crisis of 2008 had an effect on the bank shares price performance. While Hypothesis Ho₃ cannot be rejected at a 95% level of significance because the p-value is 0.9978 which is greeter than 0.05 which means the banks shares price dropped in the NSEM in 2008/2009 as compared to the value in 2006/2007.

Table 7.5 two sample t test variance

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Average % before crisis	18	26.32667	3.94395	16.73276	18.00566	34.64767
Average % After crisis	18	-73.40333	1.89831	8.053847	-77.40842	-69.39825
Combined	36	-23.53833	8.700351	52.20211	-41.20099	-5.875681
Ratio = sd (before crisis) / sd (after crisis) f = 4.3165						
Ho: ratio = 1 degrees of freedom = 17, 17						
Ha: ratio <1 Ha: ratio = 1 Ha: ratio > 1						
Pr (F <f) = 0.9978 2*Pr (F> f) = 0.0043 Pr (F > f) =0.0022						

In summary statistically the study proved that 2008 GFC affected the performance of bank's shares price in NSEM in a between two period of 2006/2007 as tagged before the crisis and 2008/2009 as period after the crisis.

4.9 Discussion of Result

Discussion on this section was build upon the results established from the statistical tables using three p- values of each mean and on variable that supported the independent variables.

The first p-value which is in the centre of the statistical table indicated with $\Pr (T>t) =$ for mean and $2* \Pr (F>t) =$ respectively explained the position of the null hypothesis at 0.05 level weather to be accepted or rejected. If the values are less ($<$) 0.05 level, the null hypotheses are rejected which means the 2008 global financial crisis had an effects on the variables analyzed. While if the p-values are more ($>$) than 0.05 level we do not reject the null hypothesis meaning that the 2008 global financial crisis did not have effects on the variables discussed. In summary those P-values signify only the relationship between the variable discussed and the event, which is Global Financial Crisis, but they could not further explain the direction of the effects weather positively or negatively.

Other P – values in left and right hand side of the tables further indicated the direction of the effects movement as follows:

If the P- value in the left hand side is greeter ($>$) than 0.05 level, it show the effect of the event is increasing negatively, while if it is below ($<$) it decreasing negatively. Similarly if the P- value is in right hand side is greeter ($>$) than 0.05 it indicated that the effect is increasing positively or if it is below ($<$) 0.05 it decreasing positively.

On the bases of the above preamble which is the statistical evidence back up the interpretations of the result, the results was said to be generalizes statement that 2008 Global Financial Crisis had an effects on all the in dependent variables measured and it

also affected the performance of the banks shares price traded in stock exchange Market in Nigeria except

for only one value which the result is (0.08) in the variance of saving deposit which could be either human era, technical in the process of collecting the data or keying in the data or transferring it to the statistical package or computational error

For the directions of the effect a summary table provide a clear view of the movement according to the supportive variables extracted from the analyzed tables.

Table (7.6a, b, c, d & e) Summary of other mean P- values result indicating the effective direction

(a) Liquidity

Table No & variable	Statistical value	Direction	Interpretations
Table no 4.2(saving deposit)	1.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)
Table No 4.4c (Bank Reserved Deposit)	0.2179	Left	Decreased (+)
	0.7821	Right	Increased (-)
Table no 4.7(Cash request)	0.9880	Left	Increased (-)
	0.0120	Right	Decreased (+)

(b) Currency

Table No & variable	Statistical value	Direction	Interpretations
Table no 5.0 (Money in Circulations)	0.9880	Left	Increased (-)
	0.0002	Right	Decreased (+)
Table No 5.3 (Exchange Rate)	0.0000	Left	Decreased (+)
	1.0000	Right	Increased (-)
Table No 5.6 (Transfer of Funds)	0.8926	Left	Increased(-)
	0.1074	Right	Decreased(+)

(c) Fluctuation of Share Price (Volatility)

Table No & variable	Statistical value	Direction	Interpretations
Table no 5.9(Share Price)	0.0013	Left	Decreased (+)
	0.9987	Right	Increased (-)
Table No 6.2 (Volume of Share)	1.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)
Table no 6.5 (Value of Share)	1.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)

(d) Fluctuations of risk in business with bank share collateral

Table No & variable	Statistical value	Direction	Interpretations
Table no 6.8 (Interest rate)	1.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)
Table No 7.1 (Share as collateral for loan)	0.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)

(e) Performance of Bank Share Price

Table No & variable	Statistical value	Direction	Interpretations
Table no 7.4 (Price of share before crisis)	1.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)
Table no 7.4 (Price of Share after crisis)			

Table (7.7a, b, c, d&e) Summary of other Variance P- values result indicating the effective direction

(a) Liquidity

Table No & variable	Statistical value	Direction	Interpretations
Table no 4.3(saving deposit)	0.9578	Left	Increased (-)
	0.0422	Right	Decreased (+)
Table No 4.5 (Bank Reserved Deposit)	0.0000	Left	Decreased (+)
	1.0000	Right	Increased (-)
Table no 4.8(Cash request)	0.7846	Left	Increased (-)
	0.2154	Right	Decreased (+)

(b) Currency

Table No & variable	Statistical value	Direction	Interpretations
Table no 5.1 (Money in Circulations)	0.0120	Left	Increased (-)
	0.9880	Right	Decreased (+)
Table No 5.4 (Exchange Rate)	0.0002	Left	Decreased (+)
	1.9998	Right	Increased (-)
Table No 5.7 (Transfer of Funds)	1.0000	Left	Increased(-)
	0.0000	Right	Decreased(+)

(c) Fluctuations of Share Price (Volatility of share price)

Table No & variable	Statistical value	Direction	Interpretations
Table no 6.0 (Share Price)	0.0000	Left	Increased (-)
	1.0000	Right	Decreased (+)
Table No 6.3 (Volume Share transaction)	0.9997	Left	Decreased (+)
	00003	Right	Increased (-)
Table No 6.6 (Value of Share transaction)	0.9970	Left	Increased(-)
	0.0030	Right	Decreased(+)

(d) Fluctuations of risk in business with bank share collateral

Table No & variable	Statistical value	Direction	Interpretations
Table no 6.9 (Interest rate)	0.2433	Left	Increased (-)
	0.7567	Right	Decreased (+)
Table No 7.2 (Share as collateral for loan)	0.0000	Left	Increased (-)
	0.0000	Right	Decreased (+)

(e) Performance of Bank Share Price

Table No & variable	Statistical value	Direction	Interpretations
Table no 7.5 (Price of share before crisis)	0.9978	Left	Increased (-)
Table no 7.5 (Price of Share after crisis)	0.0022	Right	Decreased (+)

The summary tables for means and variances p-values which was interpreted as increased or decreased positively or negatively determined the directions of the effects and the consequences it brought on each supportive as well as independent variables which again collectively transformed into the actual position of the subject matter which dependent variable performance of banks shares price traded in stock exchange Market Nigeria.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter presents the summary of the study and draws conclusions based on the outcomes, of the result. Recommendations and suggestions for future research spur researchers to exploit knowledge, since knowledge is not restricted or monopolized by individual or group of people. All the recommendations were based on actual facts established from the study, and the hope is that it will be use by the target audience, not only in Nigeria but by the rest of the world. Finally suggestions for further areas where researchers can exploit more knowledge within the scope but looking at it from different direction are given.

5.1 Summary

There are various style of summarizing academic research of this nature, For example Jagongo (2009) summarized his thesis, by considering each independent variable separately under its own different heading and finally using one paragraph to further re-summarized the entire summary. Wawire (2006) used a long easy paragraph style where he combined all the independent variables and summarized them in a paragraphed under one heading called summary, While Almadi (2009) treated each independent variable as a chapter. He used the conclusion as a title to summarize the entire research..

This study adopted the Jagongo (2009) style where each independent variable and its supportive variables are summarize under separate heading already mentioned in the conceptual frame work, which further form the basis for the specific objectives of the

research.. Time series data was used for the five (5) years period from January 2006 to December 2010, which gives flexibility of two (2) years before and after the event for comparative analysis. Two sample of t test statistic were used to compare the mean and the variance of each supportive independent variable while sign test was used to test the hypothesis at a 95% level of significant and the conclusion was on the bases of probability values of the calculated data where 0.05 was considered as a scale of decision making. For any value below 0.05 the null hypothesis is rejected, while any value above 0.05 means the null hypothesis is not rejected. This means that, GFC of 2008 has an impact on bank's share price performance traded in the stock exchange market in Nigeria. While if the p value is above 0.05 the alternative hypothesis is not rejected meaning that GFC of the 2008 has no impact on bank share price performance traded in the stock exchange market of Nigeria.

Objective one focused on the effects of the global financial crisis on Nigeria banks liquidity, where saving deposit, bank cash reserved deposit with Central Bank and Cash repatriation data was analyzed using two (2) sample t tests of means and variance. The results of the test rejected the P- values below 0.05 at a 95% level of significance, which also the null hypothesis and do not reject a P-value above 0.05 at a 95% level of significance as an alternative hypothesis. Another explanation of the result is the determination of the direction of the variable either at decreasing or increasing level. The effects of the 2008 global financial crisis are very real and starkly different from the results before crisis was announced. Therefore it is true that the 2008 GFC had an effect on bank's share price performance from the perspective of liquidity of the bank in Nigeria stock exchange market.

Objective two focuses on determining the effects of the 2008 Global Financial Crisis on bank currency in Nigeria. To establish the relationship, money in circulation, exchange rate and bank funds transfer used to draw in to conclusions. Statistical tests reveal that, the null hypotheses are rejected at a 95% level of significance because the P-values are below 0.05 Therefore it means there negative effects regarding the event (GFC) and the currency position of Nigeria bank's, which also affected the performance of the industry stocks price traded in the Nigeria stock exchange market (NSEM) after the crisis was pronounced, when compared with the price before the crisis.

Objective three is concerned with the inconsistency of the bank's share price. To analyze the objective price index, volatility of price from volume and value perspectives are measured. The statistical results proved the rejection of null hypotheses at a 95% level of significance. Therefore the alternative hypothesis was adopted. That implies that the 2008 Global Financial Crisis played a significant role in bank's shares price fluctuation, which also affected the quantity and the quality of the share prices. The result further reveal that, the stocks volume was reduced from 314.05% before the event was pronounced to negative (32.52%) after the event was pronounced. Similarly the value of the stocks stand event as 378.75% before and moved down to negative (48.72) after the event.

Objective four focuses on the risk of taking loans for business in a bank for. The analysis used the interest rate and bank share certificate as collateral. The statistical evidence shows that the interest rate of the bank was higher, and the value of the bank share certificate used for collateral for example the value of the bank share used for collateral

before the crisis stands as 46.43% out of 100% security collateral used in the banking industry. The percentage dropped drastically to negative 5.66% after the crisis pronouncement, which can be interpreted as more than 100% effect value per share before the crisis. Its value was 100% which of course was a serious concern for bank. This is because it led to customers servicing the higher interest rate. At the same time devaluation of the share price value as collateral also contribute to poor performance of the stocks in the trading flow of the (NSEM) Nigeria Stock exchange. This placed their business profile at a greater risk.

The entire study focused on effects of the 2008 Global Financial Crisis on bank shares price performance where various indices were used to find out the relationship between two (2) variables. To conclude and confirm the overrule assumption, the performance of, the dependent variable which is the performance of the bank's shares price is also tested using monthly price data. The statistical analysis indicated that the performance of banks shares price in 2008/2009 drastically decline to zero level, when compared with that of 2006/2007. Therefore all the results confirmed the existence of a negative relationship between the GFC and the performance of banks shares price. In summary this study provides factual information, which clearly explains the effects of GFC of the 2008 on bank's shares price performance traded in NSEM.

5.2 Conclusion

The study concluded by observing key findings on each objective as follows:

Objectives one Liquidity crisis which is a function of saving deposit, banks reserved deposit with Central Bank of Nigeria and cash request were all affected negatively. For

example savings depositors were no longer depositing, they hold their cash at hand for precautionary purpose: the existing savings deposit before the crisis were highly demanded by the same depositors in a huge withdrawal volume which placed banks to no option rather than to backup their liquid transaction from cash reserved deposit with Central Bank. This situation placed money deposit banks in a higher liquidity problem which reflected on their share price performance to the extent that some of the banks can not withstand the pressure therefore the only option remain was to go in to distress or accept the policy of merger or acquisition, which can be directly related to the effects of 2008 global financial crisis on bank shares price performance.

The situations remain the same from currency point of view were the rate of money in circulations within the period under review became high. Exchange rate also became an issue to the extent, that the value of Naira against Dollar or Pound or any other strong currency is more than 100% devaluation. Transfer of funds from Naira to other stronger currencies became the order of the day. All these situations played an important role in determining bank share prices which also used to determine the performance of the banks shares price.

Fluctuations of share price which was measured by the price performance and volatility of the shares from volume and values perspective was all affected drastically. The level of the price changes which brought about absolute loss resulted to some investors to commit suicide others full out from the business and those intend to invest in the same directions change their mind, which placed banks share business in a critical condition all as a result of the effects of global financial crisis.

Banks share certificates which was initially considered among the top security collateral for loans and other financial advances lost credibility completely because the share had no value and it may take longer time to regain its glory, therefore accepting it as security collateral became highly risky. Finally the study stands to accept the fact that the two periods of the comparison i.e. before and after the crisis, the price of banks shares performance is said to have declined with more than 100% after the crisis when compared with the prices before the crisis. Therefore without any doubt the 2008 global financial crisis had an effect on the performance of banks shares price traded in the stock exchange market in Nigeria.

5.3 Policy recommendations

On the basis of problems already identified, this research fills a gap in knowledge according to the literature review for this research also forms the basis of the specific objectives of the study.

The following recommendations were made to serve as a short and long term solution to the problem of the banking industry in the event of such a global financial crisis not only as it applies to the Nigerian banking sector, but also to other countries banking sectors across the globe.

(1) With reference to the liquidity problem, the researcher is appealing to the federal government of Nigeria through its financial regulatory agencies to collaborate and develop a strategy in form of regulations that will force all the money deposit banks to keep a minimum of quarter of all their customers deposit in a separate account with CBN different from cash reserve deposit and strictly applicable to saving accounts depositors which can be redeemable bi-annually. This will attract a reasonable and interest at the

same time raise cash reserved deposit by 25% from its present status. This will go along way in reducing the high level of risk from both depositors and the bank, and restore confidence by depositors as well attract more customers to improve the level of their bank deposit. This takes care of the liquidity problem.

(2) Central Bank of Nigeria should improve the services of the bank inspectorate division, especially on currency operation where money in circulation, transfer of funds, exchange rate, and other indices should be properly inspected monthly at branch level and a certificate of clearance and compliance should be given to the branch as evidence of inspection. At the same time stiffer punishment imposed on branches found to be violating the rules. This will go a long way in exposing bank as branch weaknesses in terms of cash management and reduce the general currency problem in banks and banks and the general economy.

(3)The issue of exchange rates is becoming a very serious problem because since the pronouncement of the global financial crisis, Nigerian Naira is lowering in value when exchanged with US Dollar. The situations persist because Nigeria become is importing more than export. Therefore, government must bad the importations of any goods that are capable of producing it at commercial quantity for at list a period of fifteen (15) and above years or levy higher taxes at list 50% of the imported goods book value. This measure will force the exchange rate to come down and make the Naira currency appreciate.

(4) With regard to share volatility, it is suggested that the security and exchange commission of Nigeria should monitor the activities of the stock exchange market share

price fluctuation, and play an advisory role to banks that are likely to face. This way, it act as an evaluator, with a special unit with tools to perform this role, and if the said advice is in existence there is need to over hold it completely.

(5) To overcome the issues of higher risk taken in business with banks by investors in line with the stock market business, the CBN and SEC should carry out routine. This will ensure proper control over the interest rate and valuation of bank's share certificate as collateral possible, independent valuation reports outside the banking and stock exchange market should be adopted by financial analyst, to ensure that there is a fair valuation of the bank or firm stocks. This will add more value in using bank stocks as security collateral.

(6) Nigerians and other stakeholders in government and private organizations that are directly or indirectly responsible for stock exchange market activities should be sensitized on the causes and effects of the global financial crisis. They should also daily, weekly; monthly and annual examine their actions to ensure they are ethical and professional values. National or nationwide public awareness campaigns must support this initiative.

5.4 Recommendations for further research

The fact that this study concentrated on banking firms in Nigeria, it does not mean the effects of the global financial crisis within the financial industry are well and adequately covered. Even within the banking firms, there are other areas of study that still, need to be addressed. For examples marketing and human resources were seriously affected by

the crisis affected which brought about the present aggressive approach in marketing and the downsizing of staff within the industry. In addition, Insurance, discount houses, mortgage institutions, brokers firms and a host of financial industry institutions were affected but the research is quite silent about them. Therefore this research leads the way for incoming researchers to explore more knowledge on those areas

5.5 Study Contribution to Knowledge

The study contributions to knowledge is unique in the sense that many studies done on global financial crisis across the globe are directed towards individual financial firm or on one of the economic indices of a particular country, and the results obtained did not capture the entire economy neither sufficient to make a general statement that reflect or covered the entire industry which the firm study was used as a scope. Unlike this study a particular industry I.e. (Banking industry) was study and the results obtained provided a room for generalization statement which many parties can make used of it to correct their mistakes. Example economists, accountants, financial experts, potential investors, administrators, marketers, academicians and other within the society

The study also added value to the existing literatures on finance, economics and other related field of business courses across the world. It also justifies the application of same statistic approach on each objective variables rather than applying different statistics method on each objective variable. However the study provided the flexibility of modification of existing financial/economic model (Event study model) to comparative event study model which seems not to be very rear in most of academics research.

Again the study allowed the introduction of variance in the hypothesis test became reality. While from Nigerian perspectives as a country, the study will contribute towards achieving the nation vision 2020 and Millennium Development Gold (MDG) from financial perspective.

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APPENDICES

LIST OF MONEY DEPOSIT BANKS IN NIGERIA (Appendix A)

- (1) Access Bank P.L.C
- (2) Afri Bank P.L.C
- (3) Diamond Bank P.L.C
- (4) Eco Bank P.L.C
- (5) Equatorial Trust Bank P.L.C
- (6) Fidelity Bank P.L.C.
- (7) First Bank P.L.C
- (8) First City Monument Bank P.L.C
- (9) First Inland Bank P.L.C
- (10) Guarantee Trust Bank P.L.C
- (11) Intercontinental Bank P.L.C.
- (12) Key Stone Bank P.L.C
- (13) Mainstream Bank P.L.C
- (14) Nal Bank P.L.C
- (15) Platinum Habib Bank P.L.C
- (16) Sky Bank P.L.C
- (17) Spring Bank P.L.C
- (18) Stanbic I.B.T.C. P.L.C
- (19) Standard Chartered Bank P.L.C
- (20) Union Bank P.L.C
- (21) United Bank for Africa P.L.C
- (22) Unity Bank P.L.C
- (23) Wema Bank P.L.C
- (24) Zenith Bank P.L.C

Source: CBN 2006

DOCUMENTED GUIDE LINE (Appendix B)

Year of assessment	Variable 1	Variable 2	Variable 3	Variable 4	Variable 5
Jan,2006-Dec,2006					
Jan,2007-Dec,2007					
Jan,2008-Dec,2008					
Jan,2009-Dec,2009					
Jan,2010-Dec,2010					