**Original Research Article**

# Mergers and Acquisition of Deposit Money Banks in Nigeria: Empirical Analysis of Contribution to the Economic Growth of Nigeria (2006-2021)

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**Abstract:** Despite impressive results declared regularly by banks in Nigeria, their contribution to the economic growth of Nigeria has been a subject of mixed results as economic growth has been inconsistent for some time and historically been characterised by oscillations in both positive and negative directions. The Central Bank of Nigeria embarked on a major Mergers and Acquisition of Banks in 2005. The study evaluated the effect of Mergers and Acquisition of Deposit Money Banks' contribution to Economic Growth of Nigeria. The study adopted ex-post facto research design. Total yearly data for Economic Growth, Total Commercial Bank Lending and Total Commercial Bank Assets were extracted from the Central Bank Statistical Bulletin for the period 2006 to 2021 and they are considered valid and reliable. The study adopted descriptive and inferential statistics and the Auto-Regressive-Distributed Lag-ARDL model was adopted for data analysis. The elasticity of Total Bank Lending- $ltbl$ upsurges pertaining to Gross Domestic Product (GDP)- $lg\,dp$ is 0.9951, indicating that *ceteris paribus,* a 1% rise in $ltbl$ is expected to increase $lg\,dp$ (Economic Growth ) by 0.995. The positive nexus was statistically significant at 5% (p = 0.009), showing that Total Bank Lending ( $ltbl$ ) impact economic growth positively ( $lg\,dp$ ) in the long run. Furthermore, the study revealed that the Total Bank Assets- $ltba$ depicted a positive nexus with GDP- $lg\,dp$ . The elasticity of $l\,tba$ pertaining to $lg\,dp$ is 0.5773, indicating that *ceteris paribus,* a 1% rise in $l\,tba$ is expected to increase Economic Growth- $lg\,dp$ by 0.5773%. The positive nexus was statistically significant at 0.05 (p = 0.018), hence denoting that Total Bank Assets have a significant individual impact on Economic Growth ( $lg\,dp$ ) in Nigeria in the long run. The study concluded that Total Commercial Bank Lending and Total Commercial bank Assets jointly influenced Economic Growth positively. It is recommended that the policy makers should pay attention to Mergers and Acquisition of Banks and continue to ensure that banks are strong enough to support Economic Growth.

**Keywords:** Commercial bank assets, Commercial bank lending, Economic growth, Gross domestic product, Mergers and acquisition.

## 1. INTRODUCTION

Over time, there have been significant changes to the Nigerian banking industry. The challenges presented by the financial sector's deregulation, globalisation of operations, technological advancements, and the adoption of international standard-compliant prudential and supervisory requirements have all had a significant impact on these changes (Madugba, 2020). According to Aregbeyen and Olufemi (2011), the deregulation of Nigeria's financial sector, which began in 1987, led to a high and healthy level of competition in the country's banking sector. This could be because financial deregulation offered incentives for banks to grow both in size and number of banks operating at the time (Olugbenga & Olakunle, 1998).

A country's economic growth is greatly aided by banks (Alam, Rabbani, Tausif & Abey, 2021). By facilitating financial transactions between fund suppliers and fund-users, they act as intermediaries (Almahadin, Gasaymeh, Alrawashdeh & Siam, 2021). In order to create wealth through capital formation, promote economic growth, and offer risk management services, banks mobilise savings and act as a catalyst for investment (Dogarawa, 2011). Banks must be organised over reform processes aimed at revitalising and integrating the banking industry into an inclusive financial system in order for them to best accomplish these objectives (Ademola & Kazeem, 2022). Organisations seeking to increase value creation are increasingly turning to strategic alliances and mergers and acquisitions (M&As). The global trend towards M&As is being propelled by heightened competition (Sinha *et al.,* 2010). Increasing investment in technology for strategic gains, expanding business into new areas, leveraging economies of scale, lowering costs, and increasing shareholder value are all necessary.

Strategic alliances and Mergers and Acquisitions (M&A) are the dominant corporate strategies followed by organizations looking for enhanced value creation. The growing tendency towards (M&As) world-wide, has been driven by intensifying competition. There is a need to reduce costs, reach global size, take benefit of economies of scale, increase investment in technology for strategic gains, desire to expand business into new areas and improve shareholder value (Sinha, 2010).

The Nigerian banking sector has consistently engaged in Mergers and Acquisition exercises. The Banking Ordinance Act of 1952 was historically prompted by the failure of earlier banks in the 1930s and 1940s. The Act mandates minimum equity capital for all Nigerian commercial banks and authorises operating licences (Onoh, 2002). Giwa *et al.,* (2023) assert that the current wave of bank mergers and acquisitions in Nigeria is garnering a lot of attention, primarily because of the impact these transactions have on the profitability, efficiency, and capital sufficiency of commercial banks, as well as the increased interest in the factors that drive these mergers. Under this regime, commercial bank mergers and acquisitions have emerged as a crucial tactic for boosting the banks' profitability (Giwa *et al.,* 2023). The capital requirements for foreign commercial banks were raised by the colonial government in 1952 from £200,000 to £400,000 British pounds sterling. Thus, bank M&A has been an ongoing issue in Nigeria and other countries. According to Sand (2016), bank M&A is the process through which two or more banking institutions combine or acquire one another. According to Adegbaju and Olokoye (2008), the purpose of bank M&A is to advance the banking industry, foster healthy competition, take advantage of economies of scale, implement cutting-edge technologies, increase efficiency, and enhance the return on investment for stakeholders. Once more, the primary objective is to reinforce the role that banks play as intermediaries and to make sure that they are better equipped to carry out their developmental function of promoting economic growth, which in turn results in enhanced overall economic performance and societal welfare.

Reforms in the banking sector are a purposeful response to address perceived or imminent crises in the industry and the failures that followed due to systemic weakness in the banking sector (Enyinna *et al.,* 2017). The banking crisis in Nigeria, which was marked by a high under capitalization of deposit taking banks, a large number of small banks with relatively few branches, the dominance of a few banks, low ratings for several banks, and widespread bank failures, preceded the 2005 banking sector reforms. As banks weakened as a result of the aforementioned issues, public confidence declined (Uchendu, 2005).

Cardoso (2023) opine that the 2005 banking consolidation is long overdue. He maintain that the N25b capital base for banks has since been eroded by the increase in exchange rates. The exchange rate in 2005 was less than N150 to a dollar. Therefore, the dollar equivalent of the N25b which was $166.7m is now $29.2m (at the official exchange rate of N855.84 on Dec.19, 2023). Therefore, Nigerian banks are currently at a disadvantage due to the issue of their low capitalization base and consequently find it difficult to compete favourably with their international counterparts.

According to the Nigerian Bureau of Statistics, Nigeria's Gross Domestic Product, which is the main proxy for economic growth stood at $477b at the end of 2022, an increase of 8.29% from 2021. Long-term economic dynamics have been the primary focus of global economists since the start of the industrial revolution. The topic of achieving consistent economic growth over time has been debated by nations ranging from Asia to the Americas and from Africa to Europe. This topic keeps coming up at academic forums, conferences, and meetings of professionals from international and regional development organisations. According to Shuaibu, Abdullahi, Shehu and Adamu (2021), Nigeria's economic growth has been inconsistent over the last ten years. Growth has historically been characterised by oscillations in both directions, including recessions, which are defined as two quarters of negative economic growth in 2020 and 2016 respectively.

Deposits held by Nigerian banks increased by N6.92 trillion from N36.13 trillion at the end of October 2021 to N43.05 trillion in the same period of 2022, according to CBN (2022). It went on to say that during the same period, total deposits increased to N43.05 trillion from N36.13 trillion, while total assets increased to N69.67 trillion from N57.3 trillion in October 2021. The total credit climbed to N28.81 trillion by the end of October 2022 from the end of October 2021, with a notable increase in credit to the manufacturing, general commerce, and oil and gas sectors. Economic activity was

predicted to be further supported by the ongoing credit expansion, especially to sectors that increase output. Nonetheless, considering the residual macroeconomic risks, constant regulatory vigilance was necessary to prevent any possible crystallisation of credit risk in the financial system (CBN, 2022).

The contribution of banks post consolidation to the economic growth of Nigeria has been an issue of contemporary discourse. The need to resolve financial distress in order to prevent systemic crises and to limit inefficient banks due to insufficient capital cover to eliminate or at least lessen losses incurred from unsuccessful investments are the root causes of bank consolidation. The requirement for a high degree of consolidated banks through mergers and acquisitions increased due to the existence of weak, unhealthy, and under-capitalized banks. According to Giwa *et al.*, (2023), mergers and acquisitions have emerged as a key factor in the profitability of commercial banks; however, many of the banks that have engaged in this activity are still struggling in the banking industry. This has made it necessary to conduct this study to determine how Mergers and Acquisition of Banks have impacted Economic Growth of Nigeria.

The objective of the study was to investigate the effect of Mergers and Acquisition of Banks on the Economic Growth of Nigeria. Having Gross Domestic Product as the surrogate for Economic Growth and Total Commercial Bank Lending and Total Commercial Bank Assets for Mergers and Acquisition, the objective is stated thus;

To determine the effect of Commercial Bank Lending and Commercial Bank Assets on the Gross Domestic Product (GDP) of Nigeria.

The study provided answer to this question:
- What effect do Mergers and Acquisition of Banks have on the Gross Domestic Product Nigeria?

The research hypothesis below was developed and tested to direct this study in light of the stated research question:
**Ho1**: There is no significant effect of Mergers and Acquisition of Commercial Banks on the Gross Domestic Product of Nigeria.

## 2. LITERATURE REVIEW
### 2.1 Conceptual Review
### 2.1.1 Mergers and Acquisition (M&A)
Mergers and Acquisitions are essential tools for growth in the corporate world. They are applied for varied reasons depending on the strategy adopted by a business and they deal with the buying, selling, splitting and combining of different businesses (Giwa *et al.*, 2023).The Nigerian banking sector has experienced significant transformation over time in terms of institutional and ownership structure, scope of operations, effectiveness of intermediary function, and adoption of contemporary technologies in an effort to provide better customer service and increase public trust in the sector (Madugba, 2020). It is sufficient to state that the Nigerian banking sector was beset with issues prior to the introduction of the recapitalization policy in 2004. These issues included under capitalization/weak capital base, mismanagement, poor corporate governance, egregious insider abuse, an excessive reliance on public sector deposits, sharp practices, and insolvency (Donwa and Odia, 2011). Consolidation, according to Hall (1999), is a worldwide practice that originated in most of the world's developed nations. For instance, the United States of America (USA) permitted interstate banking in 1997 with the passage of the Riegle-Neal Act. As a result, bank mergers increased (Akhavin *et al.*, 1997; Kwan, 2004). Bank consolidation contributes to higher revenue, higher profit margins, and a decrease in bad loans. In a similar vein, the 1990s saw a consolidation of the Japanese banking sector, leading to economies of scale (Fukuyama, 1993; Mckillop *et al.*, 1996).

The majority of M&A that happened in the United States occurred in the banking industry. For example, there were 7,000 banking organisations in 1999, down from 12,000 in the early 1980s—a decrease of over 40%. There is evidence of commercial and merchant bank M&A in European nations, where the universal banking model—which unites the banking and insurance industries—is more common. Although the majority of bank M&A in developed economies took place on the domestic front, there are indications that cross-border activity is on the rise (Adeyemi, 2005). The introduction of the Euro currency has facilitated the M&A of banking operations throughout Europe. Bank failures have been identified as the primary cause of M&A (Soyinbo and Adekanye, 1992). Because a bank with a strong capital base can absorb non-performing loans, recapitalization is a crucial part of reforms in the banking sector. Omoruyi (1991) asserts that recapitalization seems to be the primary impetus behind bank reforms, which centre on rebuilding, repositioning, and modernising the banking infrastructure to meet the demands of bank liquidation. One advantage of M&A, according to Okangla (2023), is the capacity to acquire new goods or services. A business can increase its competitiveness and diversify by acquiring a company that offers complementary goods or services. This is especially crucial in fields where innovation is essential since M&A can give access to cutting-edge technology and intellectual property. With a total valuation of $764 billion, technology was actually the industry with the highest number of M&A transactions in 2021, according to a PwC

report from 2022. M&A is a useful tool for stifling competition. A company can increase market share and lessen competition by purchasing a rival enterprise.

A healthy capital base is essential to any bank's success. In addition to having a multiplier effect on the economy as a whole, it gives banks security and a buffer. Commercial banks need to be adequately capitalised to support their internal operations, provide additional security for depositors, and absorb potential loan losses. A sufficient amount of capital boosts investors' confidence and financial situation. According to Demirguc-Kunt and Levine (2000), recapitalization encourages banks to boost efficiency and create synergy within the banking industry (Boyd and Prescott, 1986; Imala, 2005). Boyd and Prescott (1986) emphasised that a consolidated banking system reduces bank fragility and increases profit efficiency. More significantly, the large profits from this raise the banks' franchise value and act as a buffer against unfavourable shocks. The goal of the bank recapitalization programme is to help the banking sector maximise cost savings, grow market share, and enhance stakeholders' return on investment (Adegbaju and Olokoyo, 2008). Recapitalization has made banks more willing to take on risk and has made bank operations more leveraged. Due to the intense competition in the market in the twenty-first century, a plethora of legal frameworks and regulatory structures have been established to promote healthy competition, economic growth, and the efficient operation of businesses. Expert and seasoned business professionals have long used mergers and acquisitions as a powerful tool to unlock potential, break even, and spark discussions at the highest levels of business (Okangla, 2023).

When universal banking was essentially adopted in Nigeria in 2001, the capital base was immediately raised to N2 billion for new banks and N1 billion for existing financial institutions. However, the governor of the CBN declared in July 2004 that banks must raise their capital base by December 2005 from a minimum of N2 billion Naira to N25 billion (Eyinna *et al.*, 2017). Under the direction of Prof. Charles Soludo, mergers and acquisitions in the banking sector began in October 2003. Weaker banks were encouraged to merge or be bought out by other banks by the CBN through the implementation of incentives.

From 89 banks that existed prior to 2004 in Nigeria, 25 commercial banks were formed as a result of a banking consolidation operation in 2005 (Kazeem *et al.*, 2022). There have been about 7,000 bank mergers in the US since 1980, and similar trends have been seen in the UK and other European countries. 203 bank mergers and acquisitions (M&As) occurred in the Eurozone in 1997. A bank with US $688 billion in capitalization was established in France through mergers and acquisitions in 1998, while Germany's second largest bank, with US $541 billion in capitalization, was formed in the same year through the merger of two banks (Ikpefan, 2012). With the goal of cutting expenses, raising profits, and improving market share, banks all over the world have been growing through M&As (Coccorese & Ferri, 2020)

Another round of changes to the Nigerian banking sector was sparked by the appointment of Lamido Sanusi, as governor of the Central Bank of Nigeria in 2009. Amidst the global financial turmoil, the primary focus of the reform was to protect Nigeria's financial sector from further crisis. Thus, Sanusi's programmes were based on four pillars: (1) increasing banks' value; (2) creating financial stability; (3) permitting a healthy evolution of the financial sector; and (4) guaranteeing that the financial sector contributes to the real economy. To identify the weaker of Nigeria's 24 universal banks, a special joint committee comprised of the Nigerian Deposit Insurance Corporation and the Central Bank of Nigeria was tasked with conducting an in-depth analysis of each bank. The CBN announced that the audit's findings confirmed that eight banks—Oceanic Bank, Union Bank, Afribank, Finbank, and Intercontinental Bank, Bank PHB, Spring Bank, and Equatorial Trust Bank—were insolvent and clinically close to failing. As a result, ₦620 billion, or roughly US$ 4.1 billion, was injected—representing 2.5% of Nigeria's total 2010 GDP of US$ 167 billion. Despite being found to be insolvent, Unity Bank, the ninth bank, possessed enough liquidity to fulfil its obligations.

As a result, the CBN fired the CEOs of the impacted bankrupt banks and named new managing directors for each, giving the banks until September 30, 2011, to find new core investors. The CBN claimed that this action was taken to avoid a major disruption of the banking system (Njoku, 2019). The financial soundness of some Nigerian banks was also confirmed by the special investigation. Specifically, First Bank, Zenith Bank, GT Bank, UBA and Access Bank were affirmed to have comparatively high levels of capital. Furthermore, the foreign-owned banks that were present in Nigeria underwent a similar examination and were deemed to be stable. These included Standard Chartered Nigeria, Citibank Nigeria, Eco Bank, and Stanbic-IBTC, a division of Standard Bank, which is owned by South Africa (Njoku, 2019).

Commercial banks have undoubtedly made a significant contribution to the growth of the Nigerian economy (Sanusi, 2011 and Okpara 2011). Agusto (2022) asserts that the macroeconomic conditions in 2021 had an effect on the banking sector in Nigeria. The challenges associated with the pandemic had somewhat subsided, but the regulatory procedures and security vulnerabilities persisted. In addition, the Federal Government of Nigeria was compelled to amend a number of existing tax laws in light of the 2023 elections and the widening budget deficit, which had a big impact on the banking sector. Nevertheless, the financial services sector which is primarily dominated by the banking industry contributed a robust 3.5% of Nigeria's GDP in 2021, increasing annually by 70 basis points. Agusto (2022) goes on to say

that the African Continental Free Trade Area (AfCFTA) is an important opportunity for Nigerian banks because the full implementation of the AfCFTA depends on financial institutions having a robust capital base and an effective network throughout the continent and beyond.

PricewaterhouseCoopers (2022) asserts that fintech companies, which are creative and nimble businesses that use technology to provide customised financial services to businesses and consumers, are posing a serious threat to the banking sector worldwide. Nigeria, the largest technology hub in Africa, is attracting investors interested in its burgeoning technology ecosystem due to its appealing fundamentals, including its youthful and tech-savvy populace. According to the International Centre for Investigative Reporting (ICIR, 2023), the Nigerian fintech industry has more than tripled its total value in the last two years, This makes up more than one-third of the astounding $2.7 billion invested in African fintech since July 2021.

Speaking at the 58th Annual Bankers' Dinner and grand finale of the 60th anniversary of the Institute of Chartered Bankers of Nigeria (CIBN) on the 24 November, 2023, Olayemi Cardoso, governor of the Central Bank of Nigeria (CBN) announced that the financial regulator will direct banks to recapitalise in order to service $1 trillion economy being targeted by President Bola Tinubu. Recapitalisation is the process of infusing funds into banks to enable them meet the mandatory capital adequacy set by the CBN, stabilise banks' capital structure and secure shareholders' funds. This will usher in another phase of consolidation in the banking industry in Nigeria. As reported by Popoola (2023), Cardoso also spoke during Nigeria Sustainability Summit 2023 event at Access Bank Towers in Lagos on Tuesday 19 December, 2023, with the theme, 'Crisis-resilient and New Nigerian Economy'. The summit which was facilitated by the European Organisation for sustainable Development, aimed to kick-start the shift from a low value and crisis prone economy, to a high-value socially inclusive, green and climate-friendly economy through a sustainability-driven corporate sector. Cardoso stated that "Now in 2023, here we are in the face of prevailing macroeconomic challenges that we currently face. To be able to cushion unexpected losses and support the aspiration of the President to build $1tn economy that is rooted in sustainable principles warrants that we need to take a second look at the capitalisation of our banks".

### 2.1.2 Commercial Bank Lending

Lending is the process by which a financial institution gives money to a borrower (CRIF 2022). The institution, often known as a lender, usually gets interest in exchange for the loan. Lending in banking creates more liquidity in the markets where loans are originated and utilised, which is advantageous to both lenders and borrowers. This allows companies to take out loans to grow their operations without having to pay more in overhead by issuing new shares, which would reduce the equity positions held by previous investors, or by taking on heavy debt loads that might force them into bankruptcy in the event of even a slight downturn in the economy, as we have seen in recent years. Carefully evaluating credit risk prior to loan approval, extending credit after making prudent decisions, and closely monitoring loans are the three main lending practices that are typically employed. In 2021, commercial banks disbursed N21.6 trillion in loans, as reported in the CBN Statistical Bulletin.

### 2.1.3 Commercial Bank Assets

Banks assets are the items owned or held by a bank which are used to generate income. Typically, the assets of a bank include loans and advances, investments, deposits with the Central bank of Nigeria, foreign currency holdings, treasury bills, bills discounted, treasury certificates and fixed assets. Nnorom (2023), reported in the Vanguard newspaper of June 16, 2023, that banks total assets rose by 17.8% to N87.35trn at the end of March, 2023. The banks were Zenith Bank Plc, Access Holdings Plc, United Bank for Africa (UBA) Plc, Guaranty Trust Holding Company (GTCo) Plc, FBN Holdings Plc, Fidelity Bank Plc, Unity Bank Plc and Union Bank of Nigeria (UBN) Plc. Others are Stanbic IBTC Holdings Plc, Ecobank Transnational Incorporated (ETI) Plc, FCMB Group and Wema Bank PLC.

### 2.1.4 Economic Growth

Lindholm *et al.*, (1967) defines economic growth as the yearly rise in the quantity of goods and services that a country offers. However, economic growth is quantified by Dwivedi (2004) as a percentage change in the Gross Domestic Product (GDP) or Gross National Product (GNP). Thus, this study is set out to unravel the impact of Mergers and Acquisition of banks on the economic growth of Nigeria. An economy experiences growth when it produces more goods and services. Economic growth can be attributed to increases in capital goods, labour force, technology, and human capital. Using estimates like GDP, economic growth is typically calculated as the increase in the total market value of newly produced goods and services. Economic growth occurs in four stages: expansion, peak, contraction, and trough. Increases in government spending have a greater effect on stimulating economic growth than tax cuts do.

### 2.1.5 Gross Domestic Product (GDP)

According to International Monetary Fund (IMF, 2023), GDP calculates the monetary value of final goods and services—those purchased by the end user—that are produced in a nation within a specific time frame, such as a quarter

or a year. It sums all output produced inside a nation's boundaries. GDP is made up of both market-driven goods and services as well as some non-market production, such government-supplied services for defence and education.

Based on National Bureau of Statistics (NBS, 2023), Nigeria's Gross Domestic Product (GDP) grew by 2.54% (year-on-year) in real terms in the third quarter of 2023. This growth rate is higher than the 2.25% recorded in the third quarter of 2022 and higher than the second quarter 2023 growth of 2.51%. The performance of the GDP in the third quarter of 2023 was driven mainly by the Services sector, which recorded a growth of 3.99% and contributed 52.70% to the aggregate GDP. The agriculture sector grew by 1.30%, from the growth of 1.34% recorded in the third quarter of 2022. The growth of the industry sector was 0.46%, an improvement from -8.00% recorded in the third quarter of 2022. The Finance and Insurance Sector consists of the two sub-sectors, Financial Institutions, and Insurance, in which the financial institutions accounted for 91.00% and insurance 9.00% of the sector respectively in real terms in Q3 2023. Growth in this sector in real terms totalled 28.21%, higher by 15.52% points from the rate recorded in the 2022 third quarter and higher by 1.37% points from the rate recorded in the preceding quarter. Quarter-on-quarter growth in real terms stood at -9.17%. The contribution of Finance and Insurance to real GDP totalled 4.36%, higher than the contribution of 3.49% recorded in the third quarter of 2022 by 0.87% points, and lower than 5.26% recorded in Q2 2023 by 0.91% points.

## 2.2 Theoretical Review and Theoretical Framework
The study is anchored on the following theories.

### 2.2.1 Neoclassical Growth Model
An economic model of growth known as the Neoclassical Growth Theory describes how the three economic forces of labour, capital, and technology interact to produce a steady rate of economic growth. The Neoclassical Growth Model's most straightforward and well-liked variant is the Solow (1957) and Swan (1956) popularly called Solow-Swan Growth Model. According to the theory, different labour and capital inputs that are essential to the production process lead to short-term economic equilibrium. The theory maintains that changes in technology have a major impact on how an economy functions as a whole. The three requirements for an expanding economy are outlined by neoclassical growth theory. The theory emphasises, nevertheless, that none of the three components are necessary for temporary, or short-term, equilibrium, which is distinct from long-term equilibrium.

Neoclassical Growth Theory is predicated on several key assumptions, including the following: labour must be fixed or constant, capital is subject to diminishing returns if the economy is closed, and the final unit of capital accumulated will always have a smaller impact on total output than the previous one. The economy transitions to a steady-state economy, where it remains relatively constant and the rate of growth slows down as the law of diminishing returns takes effect. The neoclassical growth model explains how economic growth in labour, capital, and factor inputs—as well as technological advancement—determine overall output. In a steady-state equilibrium, the rate of savings has no bearing on the growth rate of total output; instead, it is equal to the growth rate of the labour force or population. The rate of savings increases total capital per head and raises the steady-state level of per capita income and, consequently, total income, even though it has no effect on the steady-state economy growth rate of total output. Technological advancement or regression is the only factor that affects an economy's long-term growth rate.

### 2.2.2 Says Theory of Recapitalization
Say's Theory of Recapitalization, which Kates proposed in 1998. According to this theory, bank recapitalization or consolidation increases the capital base of the banks, which in turn increases the amount of loanable funds available to the economy (Kates, 1998). Say's theory is consequently connected to both economic growth and bank mergers and acquisition. According to this theory, consolidation promotes financial institution stability, which in turn speeds up economic growth and sustains the economy. This theory goes on to say that the idea of financial sector consolidation seems to be in line with the traditional understanding of monetary policy, which holds that the primary purposes of money are to establish the level of aggregate prices and serve as a medium of exchange.

### 2.2.3 The Contingency Theory
The contingency theory of leadership, developed by Professor Fred Fiedler in the 1960s, postulates that a leader's efficacy depends on how well their style of leadership fits the needs of the specific circumstance. A person can be an effective leader in one situation and an ineffective leader in another, according to this theory. This theory suggests that in order to increase your chances of being a successful leader, you should be able to assess each situation and determine whether or not your style of leadership will work. This usually calls for self-awareness, objectivity, and flexibility.

### 2.3 Empirical Review
The impact of bank consolidation on Nigeria's economic growth has been the subject of numerous empirical studies. In literature, this has given rise to both positive and negative arguments. Below is a review of a few of these works of literature.

In 2022, Abdulraheem conducted a study to investigate the performance of Deposit Money Banks (DMBs) and their influence on the growth of the Nigerian economy. Data for the years 2005–2019 were taken from the CBN bulletins and the NDIC's annual reports. Utilising trend analysis, the chosen DMB performance indices were examined, and the influence of the independent variables on the dependent variable was investigated using the Autoregressive Distributed Lag Model. The GDPPC (gross domestic product per capita) was chosen as proxy for the dependent variable, and the assets, capital, liquidity, and earnings of deposit money banks were surrogates for the independent variables. The results showed that, while all other variables, with the exception of Asset, had a positive impact on GDP per capita in the short term, all explanatory variables had a significantly positive impact on GDP per capita over the long term.

Additionally, Okonkwo *et al.*, (2022) looked at the banking industry's contributions to the expansion of the Nigerian economy between 1986 and 2020. The study specifically looked at how bank assets, deposits, and credit affected Nigeria's economic growth as determined by real GDP. The Ordinary Least Square Regression and the Granger causality test were used to analyse the data, which were taken from the CBN statistical bulletin. The study's conclusions showed that bank credit and deposits have a major and negative impact on economic growth. On the other hand, Nigeria's economic growth is positively and significantly impacted by banking assets.

The impact of credit from the banking sector on Nigeria's real sector was examined by Magaji *et al.*, in 2023. It made use of an auto-regressive distributed lag model. Real GDP is proxy for the dependent variable (ie Economic Growth), and the bound testing result shows that there is a long-run association among the variables of interest. The outcome shows that Commercial Bank Credit positively influence Nigeria's GDP both immediately and over an extended period of time. According to the study, utilising bank credits for the real sector is crucial to achieving Nigeria's economic growth.

Using secondary data, Olasehinde *et al.*, (2023) examined the impact of mergers and acquisitions on the banking sector's performance in Nigeria. Five Nigerian commercial banks that were quoted for the 2011–2020 financial years made up the sample size that was chosen. Data were gathered from the Nigerian Exchange Group and research design analysis was performed using descriptive and inferential statistics. The outcome demonstrated that mergers and acquisitions significantly and favourably impacted DBMs' return on assets in Nigeria. The study also found that M&As positively and significantly impacted ROA and positively but not significantly impacted DBMs' earnings per share and return on equity in Nigeria.

Enyinna, Odumegwu, and Stanley (2016) assessed how Nigeria's economic growth was impacted by the consolidation of commercial banks between 2006 and 2015. The dependent variable, economic growth, was proxied by the gross domestic product, while the independent variable, banking consolidation, was represented by bank deposits and bank assets. Ordinary Least Square (OLS) was employed to estimate the parameter values. The outcome demonstrated a strong correlation between Commercial Bank Assets (CBA) and the Real Gross Domestic Product (RGDP). This suggests that CBA has contributed to Nigeria's growth in economy. Additionally, the study discovered no correlation between Commercial Bank Deposits (CBD) and the Real Gross Domestic Product. This suggests that CBD has little to no effect on Nigeria's economic growth.

For 12 years (2000-2011), Nwankwo (2013) evaluated the effects of bank consolidation both before and after it occurred on the growth of the Nigerian economy. As a result of the consolidation, the Nigerian economy has been positively and significantly impacted by the money supply, interest rate, and exchange rate. However, the Nigerian economy was not significantly impacted by interest rate margin, credit to the private sector, saving, or the rate of inflation, according to Adeusi and Oke's (2013) analysis of the effects of bank consolidation on the country's economy from 1986 to 2010.

Yakubu (2015) evaluated how Nigeria's economic growth was impacted by banking consolidation between 1980 and 2010. According to the Granger causality test, bank assets, lending rate, loan-to-deposit ratio, and loans and advances all have a favourable effect on Nigeria's economic growth. Additionally, Ifeghna, Nchege, and Aduku (2019) assessed the impact of bank consolidation on the Nigerian economy between 1970 and 2017. The results of the OLS estimation indicate that investment, the liquidity ratio, and the monetary policy rate have a favourable and significant effect on the Nigerian economy. According to Madugba's (2020) assessment of the recapitalization and performance of Nigerian banks from 2000 to 2016, bank credit to the private sector significantly and favourably affects return on equity (ROE).

Makinde (2016) looked into how Nigeria's economic growth was impacted by bank consolidation. Between 2004 and 2015, secondary data were acquired from the National Bureau of Statistics and the Central Bank of Nigeria (CBN) statistical bulletin. Gross Domestic Product (GDP) was used as a proxy for the dependent variable, economic growth, and commercial bank deposits and assets were used as proxies for the independent variable, banking consolidation. The data was analysed using multiple regression techniques in order to produce empirical findings. The study found a positive and significant relationship between the assets and deposits in commercial banks and Economic Growth.

Similarly, Racheal (2013) studied the effect of bank consolidation on managerial role and commitment of commercial banks in the Niger Delta Region, Nigeria. Study adopted descriptive research design. Total population of the study comprised of 384 staffs of the banks. The sample size was calculated using Freud and Williams formula and was given as 190. Questionnaire was administered to the study population using five (5) point likert-scales of; strongly agreed, agreed, undecided, disagree and strongly disagree. Data were analysed using the Chisquare ($R^2$) statistics to generate empirical result. Findings showed that bank consolidation had significant positive effect on managerial roles and commitment of commercial banks in Niger Delta region, Nigeria.

Olayinka and Farouk (2014), on the other hand, looked at how consolidation affected Nigerian bank performance. There were twenty-four banks in the study population. The Central Bank of Nigeria (CBN) Statistical Bulletin and Annual Report provided secondary data for the years 2000–2011, respectively. The study hypothesis was tested using T-test statistics at the 5% level of significance in order to produce a result. Based on the study's findings, the consolidation reform in Nigeria's banking industry has improved net profit margin and return on asset, but it has had no positive effect on banks' return on equity. Consequently, their performance has benefited from the banking sector's consolidation.

Okelue (2011) also looked at how consolidation affected Nigerian banks' performance. To compare the post- and pre-consolidation performance of the chosen banks, a descriptive research design was used. To test the research hypothesis at the 5% level of significance, T-Test statistics were used. Results indicated that consolidation affected Nigerian banks' performance in both positive and negative ways.

The effect of banking consolidation on Nigeria's economic development was also studied by Emori, Nkamane, and Nneji (2014). The Central Bank of Nigeria (CBN) Statistical Bulletin and Annual Report served as the main source of secondary data. To analyse the data and obtain empirical results, the Ordinary Least Square (OLS) method was used. The results showed that bank capital and investment had a positive impact on Nigeria's economic expansion.

# 3. METHODOLOGY
The study's scope are the 21 deposit money banks in Nigeria as listed in the National Deposit Insurance Commission (NDIC) reports and CBN statistical bulletins from different years. The research design used in this study was descriptive. Secondary data was used and sourced from the NDIC Annual Reports for various years between 2006 and 2021 and the Central Bank of Nigeria Statistical Bulletin.

This study assessed how Nigeria's economic growth has been impacted by bank consolidation between 2006 and 2021. The stand-in for Economic Growth, the dependent variable, was Real Gross Domestic Product (GDP). The proxies for the Mergers and Acquisition, the independent variables were Bank Lending and Total Commercial Bank Assets. Commercial banks' assets and lending capacity improves as a result of Mergers and Acquisition. This combination also leads to increases in capital base and shareholder funds which in turn, increases the overall size of the banks.

**3.1 Model Specification**
The dependent variable in this study is Economic Growth while independent variables are Mergers and Acquisition. Economic Growth is proxied by Gross Domestic Products (GDP) while M&A are proxied by Commercial Bank Lending (CBL) and Commercial Bank Assets (CBA).

The variables for this study were operationalized thus:
Y= Dependent Variable - Economic Growth (EG)
X= Independent Variable - Mergers and Acquisition (M&A)

**Functional Relationship**
**Y = f (X)**
Where: Y = Dependent Variable (Economic Growth)
X = Independent Variables (Mergers and Acquisition)
Y= $y_1$
X= $x_1, x_2,$
Where
$y_1$ = Gross Domestic Product (GDP)
$x_1$ = Commercial Bank Lending
$x_2$ = Commercial Bank Assets
Then,
GDP = f (CBL, CBA)-------F1
Restating equation 1
GDP= $\beta_0 + \beta_1 CBL_{it} + \beta_2 CBA_{it} + U_{it}$

U = stochastic error term
Where, $\beta_0$, $\beta_1$ and $\beta_2$ are parameters.

The theoretical relationship between the specified functions' parameter magnitudes and signs is explained by *a priori* expectation. The economic relationships between the variables under study are guided by *a priori* expectations, which are established by economic theory. It is anticipated that commercial bank lending and assets will a have a positive relationship with Nigeria's real GDP.

$$\text{Therefore, EG}_{it} = \beta_0 + \beta_1 CBL_{it} + \beta_2 CBA_{it} + U_{it>0}$$

**Data, Variables and model**

Following the recent empirical literature such as Abdulazeez and Yahaya (2016), Abdul-Ramon and Ayorinde (2012, 2021), Anderibom and Obute (2015), Hassan and Lukman (2020) and Ugwu *et al.*, (2016), it is possible to examine whether there is a long-run association between merger and acquisition of deposit banks and economic growth. Furthermore, to test the validity of Say's theory of recapitalisation, the following equation which is similar to Equation 1 above has been defined and employed:

$$lg\,dp_t = \lambda_0 + \lambda_1 ltbl_t + \lambda_2 ltba_t + \mu_t \quad (1)$$

Where $lg\,dp$ is the logarithm of gross domestic product (GDP), a proxy for economic growth, $ltbl$ stands for total bank lending, $ltbl$ captures total bank assets and finally $\mu$ is the disturbance error term. The annual time series data was culled from the Central bank Statistical Bulletin

The co-integration techniques have been used to reveal the long-run relationships in times series analysis with several examples of using the methodology based on the residual by Engle and Granger (1987) and based on Modified Ordinary Least Square (MOLS) procedures by Phillips and Hansen (1990). Furthermore, multivariate co-integration analysis by Johansen (1988, 1995) and Johansen and Juselius (1990) maximum likelihood methods have been used to examine the long-run relationships among the series. In all these co-integration techniques, the most important restriction is that all series have the same order of integrations. However, the autoregressive-distributed lag (ARDL) model, also known as the bounds test, was proposed by Pesaran *et al.*, (2001), which withdrew this restriction. ARDL methodology allows that regressors may be stationary in levels (I (0)) or the first differenced (I (1)). Because of this convenience, the ARDL method has been used in many studies and in the current study. Therefore, this technique has been used to obtain the long-run relationship among the series in this study.

Equation (1) can be rewritten as an ARDL formula as the model thus:

$$\Delta lg\,dp = \beta + \sum_{i=1}^{p} \delta_{1i}\Delta lg\,dp_{t-1} + \sum_{i=0}^{q} \delta_{2i}\Delta l\,tbl_{t-i} + \sum_{i=0}^{r} \delta_{3i}\Delta l\,tba_{t-0} + \gamma_1 lg\,dp_t$$
$$+ \gamma_2 ltbl_{t-1} + \gamma_3 ltba_{t-1} + \upsilon_t \quad (2)$$

Furthermore, the existence of a long-run relationship among the variables is examined by Bounds test. According to the test, null hypothesis which implies no co-integration is $H_0 : \gamma_1 = \gamma_2 = \gamma_3 = 0$: against the alternative hypothesis $H_a : \gamma_1 \neq \gamma_2 \neq \gamma_3 \neq 0$. If the calculated F statistic is higher than the upper bound critical value I(1) for the number of explanatory variables (k) by Pesaran *et al.*, (2001), the null hypothesis will be rejected. If the F statistic is lower than the lower bound critical value I(0), null hypothesis cannot be rejected. The F statistic being between I(0) and I(1) puts forth an indecision about co-integration. Besides, there must be no serial correlation in residuals for the model. If there is a co-integration, next step of ARDL process holds the long-run ARDL equation as follows:

$$\Delta lg\,dp = \beta_0 + \sum_{i=1}^{p} \delta_{1i}\Delta lg\,dp_{t-1} + \sum_{i=0}^{q} \delta_{2i}\Delta l\,tbl_{t-i} + \sum_{i=0}^{r} \delta_{3i}\Delta l\,tba_{t-0} + \varepsilon_t \quad (3)$$

To select the lag values p, q and r in equation (3), model selection criteria such as Akaike Information Criteria (AIC) is used. The best estimated model is the model which has the minimum information criteria or the maximum R-squared value. Finally, short-run estimation of ARDL:

$$\Delta lg\, dp = \delta_0 + \sum_{i=1}^{p} \delta_{1i}\Delta lg\, dp_{t-1} + \sum_{i=0}^{q} \delta_{2i}\Delta l\, tbl_{t-i} + \sum_{i=0}^{r} \delta_{3i}\Delta l\, tba_{t-0} + \lambda ECT_{t-1} + \varepsilon_t \tag{4}$$

The coefficient of the error-correction term (ECT) λ in equation (4) captures the speed of adjustment parameter which shows how quickly the series attain a long-run equilibrium. The expected sign of this coefficient is negative and it is also expected significant. Diagnostic tests such as serial correlation, normality, functional form, and heteroscedasticity tests are conducted to ensure the acceptability of the model. Besides, stability test using cumulative sum of squares (CUSUMQ) by Brown *et al.*, (1975) are done to see the stability of the coefficients on the graphical representations.

## 4. DATA ANALYSIS, RESULTS AND DISCUSSIONS OF FINDINGS

In order to test the presence of stochastic stationary in data, firstly the integration of time series has been investigated. For this purpose, Augmented Dickey-Fuller test (ADF) and Philips-Perron (PP) tests have been performed (see Table 1).

**Table 1: Augmented Dickey-Fuller (ADF) and Philips-Perron (PP) unit root tests**

| Variable | ADF | PP |
|---|---|---|
| *lg dp* | -3.5011**[b] | -3.4947***[b] |
| *ltbl* | -3.5954[b] | -3.8216**[a] |
| *ltba* | -4.1299**[b] | -4.3401**[b] |

**Note: A** and **b** denote stationarity at level and at first difference, respectively, while ***, **, * indicate statistical significance at 1%, 5% and 10%, respectively.

From Table 1, both ADF and PP unit root tests reflect that gross domestic product ( *lg dp* ) and total bank asset ( *ltba* ) integrated after first difference I (1), while total bank lending ( *ltbl* ), under ADF and PP, integrated at I(1) and I(0), respectively, necessitating the bounds testing procedures.

The short- and long-run estimated coefficients of the ARDL are reported in Table 2. In the short-run, the estimates were positive for *ltbl* and *ltba*. For instance, the estimated elasticities of *ltbl* pertaining to *lg dp* is 0.7786 indicating that a one per cent expansion in the total deposit money banks' lending in Nigeria will increase Nigeria Gross Domestic product by 0.779 per cent, *ceteris paribus.* Statistically, the coefficients of *ltbl* is significant at 5% (ie.p-value of 0.0022 < 0.05). Furthermore, in the short run, as explicit from Table 2, the estimated elasticities of total deposit banks' asset ( *ltba* ) about *lg dp* is 0.1021, indicating that all things being equal, a 1% increase in total deposit banks' asset ( *ltba* ), is projected to increase *lg dp* by 0.102. Statistically, the coefficients of *ltba* is significant as the p-value was less than 5% significant level $(0.0176 < 0.05)$.

**Table 2: Results of the Auto Regressive Distributed-lag (ARDL) equation**

| Variables | coefficient | SE | t-Stat | Prob |
|---|---|---|---|---|
| $\delta^{ltbl}$ | 0.778561*** | 0.002652 | 293.5755 | 0.0022 |
| $\delta^{ltba}$ | 0.102080** | 0.002821 | 36.18892 | 0.0176 |
| constant | 3.927484*** | 0.006093 | 644.5450 | 0.0010 |
| $\lambda^{ltbl}$ | 0.995123*** | 0.013821 | 71.99972 | 0.0088 |
| $\lambda^{ltba}$ | 0.577309** | 0.016462 | 35.06877 | 0.0181 |
| $\gamma^{ECT}$ | -0.789136*** | 0.001219 | -647.6001 | 0.0010 |
| **Diagnosis tests** | | | | |
| $R^2 = 0.6762 \quad \bar{R}^2 = 0.6492 \; DW = 1.7425$ | | | | |
| $X_{LM}^2 = 0.4083[0.8125] \quad X_{BGP}^2 = 11.9995[0.4691] \quad X_{JB}^2 = 0.0447[0.9779] X_{RS}^2 = 0.1734[0.6859]$ | | | | |

| | | | | |
|---|---|---|---|---|
| $F - statistic = 46.8862 [0.0023]$ STABILITY=CUSUMSQ | | | | |
| NARDL bound test | | | | |
| | $F - statistic = 5.0068 [I(0) = 3.1, I(1) = 3.87 @ 5\%]$ | | | |

**Source: Author's Compilation from STAT 15 output**

**Notes:** SE: standard error, DW: Durbin Watson statistics. The $\lambda s'$ are for the long run, while the $\delta s'$ are for the short run. ***, ** & * imply significance at the 1%, 5% and 10% levels, respectively. $X^2_{LM}, X^2_{BGP}, X^2_{RS}, X^2_{JB}$ represent LM test for serial correlation, Breusch-Pagan Godfrey test for heteroscedasticity, Ramsey rest test for model specification and Jarque-Bera normality test, respectively. I (0) and I (1) represent lower and upper bound, respectively. $[\quad]$ indicate respective probability values, ECT; Error correction term.

A test for co-integration among gross domestic product, total bank lending and total bank asset compared the computed F-statistic with the upper critical value tabulated by Pesaran *et al.*, (2001). Following this procedure, the ARDL bound test estimated the F-statistic to be 5.01, and the 5% upper critical value was 3.87. Hence, the hypothesis of long-run co-integration among variables is firmly accepted, leading to the interpretation of the long-run coefficient estimates.

The long-run estimation results are shown in Table 2. All coefficients are significant and they all have the expected signs. The fact that the coefficient of the total bank lending and total bank asset is positive means that the Say's theory of recapitalisation is valid for Nigeria. The elasticity of *ltbl* upsurges pertaining to *lg dp* is 0.9951, indicating that *ceteris paribus,* a 1% rise in (Total Bank Lending)- *ltbl* is expected to increase *lg dp* (economic growth ) by 0.995. The positive nexus was statistically significant at 5% (ie 0.001 < 0.05), showing that total bank lending ( *ltbl* ) positively impact economic growth ( *lg dp* ) in the long run. Furthermore, the study revealed that Total Bank Assets - *ltba* depicted a positive nexus with Economic Growth- *lg dp* . The elasticity of *l tba* pertaining to *lg dp* is 0.5773, indicating that *ceteris paribus,* a 1% rise in *l tba* is expected to increase *lg dp* by 0.5773%. The positive nexus was statistically significant at 0.05 $(0.018 < 0.05)$, hence denoting that the money deposit banks' total assets have a significant individual impact on economic growth ( *lg dp* )in Nigeria in the long run.

The coefficient of ECT (-0.789) is negative and statistically significant at the 5% level $(0.001 < 0.01)$ and elaborates how speedily variables converge to equilibrium, indicating that the total bank lending ( *l tbl* ) and total bank asset ( *l tba* ) speedy adjust back to equilibrium at about 78.9 per cent annually in Nigeria.

Further findings from Table 2 established from the estimates include the goodness of fit of the model confirmed with the adjusted R² ( $\bar{R}^2 = 0.6492$ ), which is the evidence of dependent variable [economic growth ( *lg dp* )] variations explained by the independent variables –total bank lending ( *l tbl* ) and total bank asset ( *l tba* ) – by 64.92 per cent. The remaining variations in the dependent variable are explained by other factors not present in the model but captured with the error term in the model.

Some diagnostics tests were performed to ascertain that the model is free from econometrics problems such as multicollinearity, autocorrelation and serial correlation, and heteroscedasticity are all confirmed absent from the model and estimations. Autocorrelation, serial correlation, and heteroscedasticity are confirmed absence from this analysis with Durbin Watson's (DW) values, $X^2_{LM}$ and $X^2_{BGP}$ at 1.734 $0.4083 [0.8125]$ and $11.9995 [0.4691]$ , respectively. Furthermore, the normality and linearity of the residuals were diagnosed with the Jarque-Bera test and Ramsey Reset test. Non-normality and non-linearity are all confirmed absent from the estimated model with the values of $X^2_{JB}$ and $X^2_{RS}$ at $0.0447 [0.9779]$ and $0.1734 [0.6859]$, respectively. Finally, the stability of the parameters was established using the cumulative sum (CUSUM) of the square tests,
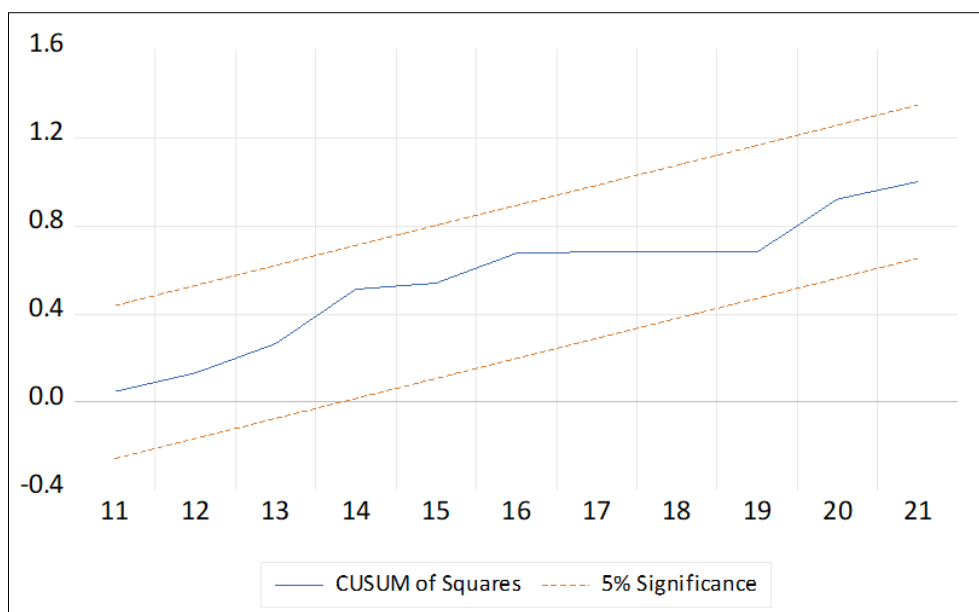
**Fig. 1**

Finally, the *F*-test Statistic of 46.886 with a probability value of 0.0023 is significant at a 1 per cent level, which implies that the null hypothesis of there is no significant effect of commercial bank consolidation on the GDP of Nigeria was rejected. The alternative hypothesis that commercial bank consolidation significantly affect GDP of Nigeria was accepted. This implies that Mergers and Acquisition of banks banks have significant positive effect on the Economic Growth of Nigeria. This is in line with the result of previous study by Makinde (2016) on the effects of banks consolidation on economic growth in Nigeria. The findings in that study showed that Commercial Bank Deposits and Assets have both positive significant impact on Nigerian Economic Growth. On the contrary, Eyinnaya *et al.*, (2017), studied the effect of banking Consolidation and Economic Growth of Nigeria between 2006 and 2015 and concluded that, there is insignificant relationship between Commercial Bank Deposit (CBD) and the Gross Domestic Product. This also implies that, CBD plays no significant impact on the economic growth of Nigeria.

## 5. CONCLUSION AND RECOMMENDATIONS
The study concluded that Commercial Bank Asset (CBA) had positive impact on the Gross Domestic Product (GDP) of Nigeria. This implies that, CBA have contributed positively to Nigerian economic growth. Again, study also concluded that, Commercial Bank Deposit (CBD) positively impacted the Gross Domestic Product of Nigeria.

The following recommendations are made;
   i.   That federal government of Nigeria should put adequate structure in place to sustain the viability of banks consolidation policy to make them strong and support the projected economic growth of Nigeria.
   ii.  The drive by the new governor of Central Bank of Nigeria should be followed through with the aim of making Nigerian Banks very competitive in the global space

**Contribution to Future Research:** The following areas of knowledge have benefited from this study's contribution.

**Policy**: This study closed a significant knowledge gap in previous research and will add to the body of knowledge regarding mergers and acquisitions and economic growth.

**Concepts**: The information and knowledge provided by this study on the subjects of Mergers and Acquisitions and economic growth is useful.

**Theories**: The study included details on Say's Theory of mergers and acquisitions and the neoclassical theory of economic growth. The theories supported the study's findings by demonstrating that mergers and acquisitions are a reliable strategy for boosting economic growth.

**Empirical Contribution**: The study's findings indicated that mergers and acquisitions significantly impacted Nigeria's growth in economy.

**Accounting Practice**: This research has increased the knowledge of accounting practice regarding the impact of mergers and acquisitions on economic growth.

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| APPENDIX 1 | | |
|---|---|---|
| DATA FOR THE ANALYSIS | | |
| **Proxies for Dependent Variable** | **Proxies for The Independent Variable** | |
| **Economic Growth** | **Merger and Acquisition** | |
| **Year** **GDP $** | **TOTAL BANK LENDING $** | **TOTAL BANK ASSETS $** |
| **In Bilions** | **In Bilions** | **In Bilions** |
| 2006 238.45 | 19.95 | 56.70 |
| 2007 278.26 | 41.39 | 94.43 |
| 2008 339.48 | 49.28 | 121.76 |
| 2009 275.01 | 55.22 | 118.72 |
| 2010 366.99 | 47.21 | 116.58 |
| 2011 414.47 | 42.80 | 124.18 |
| 2012 463.97 | 49.74 | 137.10 |
| 2013 520.12 | 61.00 | 156.58 |
| 2014 574.18 | 72.25 | 164.34 |
| 2015 493.03 | 61.90 | 144.11 |
| 2016 404.65 | 48.45 | 104.05 |
| 2017 375.75 | 47.51 | 113.24 |
| 2018 421.74 | 44.96 | 123.02 |
| 2019 474.52 | 51.38 | 138.74 |
| 2020 432.20 | 47.75 | 139.57 |
| 2021 440.83 | 52.41 | 147.90 |
| **Source:** Central Bank Statistical Bulletin | | |