

# **An Empirical Estimation of Average Return in the Nigerian Stock Market**

By

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## **Abstract**

*This study empirically evaluates average return in the Nigerian Stock Market for the period of 2000-2004 as weekly. The objective of the study is to determine the average obtainable return on equity investment in the Nigerian Stock Market. This study employed return model to estimate the quoted firms' returns on their shares. The study revealed that estimated average return on equity investment in Nigerian Stock Market is 7%. This appears to be relatively low compared to the returns from Stock Markets in developed world. The low level of return in the Nigerian Stock Market is a common feature among most emerging Stock Markets in the developing world (Korajczyk 1996; Daniel, Titman & Johnwei 2001; Wakin & Neaime 2002 and Abdullahi 2011).*

**Keywords:** *Average Market Return, Return Model, the Nigerian Stock Market and Emerging Market.*