

**Title of Article:** Nigeria Stock Exchange and Economic Development

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**Abstract:** The need to critically analyze the efficiency of capital market on the Nigerian economy for the period between 1979 and 2008 as a reference point for developing economies is the bedrock of this work. The results indicate that the stock market indeed contributes to economic growth as all variables conformed to expectation. The Nigerian Stock Exchange has not been having the best of times as an aftermath of the global financial crisis after an unprecedented surge in returns on investment which has resulted in a continuous downturn in market capitalization. Multiple regression method of econometric analysis was used for the work. The major findings revealed a negative relationship between the market capitalization and the Gross Domestic Product as well as a negative relationship between the turnover ratio and the Gross Domestic Product while a positive relationship was observed between the all-share index and the Gross Domestic Product. These findings led to some policy formulations aimed at an improved and developed market for potential gain to the benefit of rational investors even across national borders.

**Keywords:** stock exchange, market capitalization, all-share index, multiple regressions, policy formulation.