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EFFECT OF FINANCIAL STATEMENT ANALYSIS ON INVESTMENT DECISION IN THE NIGERIAN INSURANCE COMPANIES

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Abstract
This study aimed at examining the impact of financial statement analysis on investment decision in the Nigerian Insurance companies, covering the period of 2007 to 2016. The study employed the use of ex-post facto research design and multiple regressions were used to analyse the data in addition to test of heteroskedasticity, multicollinearity and Hausman specification test. The result of the study reveals that financial statement analysis have significant positive impact in explaining investment decision. Therefore, some of the recommendations were infer as investors to employ the services of professionals in making analysis for proper decision-making.

Keywords: Financial Statement, Investment Decision.

Introduction
Accounting statements constitutes the support and grounds for the diagnosis of a company's economic and financial performance and risks, as well as determining its value. As a result, and also as a cause of all these goals, accounting is also a social organization tool, providing the necessary trust in the company events and transactions, being standardized, regulated and controlled (International Financial Reporting Standards, 2007). In order to serve these goals, the International Accounting Standards Board (IASB) state that the financial statements drafted in order to provide useful information for making economic decisions meet the common requirements of most of their users.

Users make economic decisions in order to (International Financial Reporting Standards, 2007): decide when to buy, when to keep and when to sell shares of their capital; assess the management skills and responsibilities; assess the entity's ability to remunerate the staff and to offer other benefits to its employees; assess the security that the entity is able to provide for the loans it was granted; determine tax-related policies; determine the profit and dividends to be distributed; provide and use statistical data on the national income and regulate company business. Investors make use of the financial statements when making investment decisions. The information presented in a financial statement would result in the change in stock price (Osuala, Ugwumba, & Osuji, 2012). Investors often use financial ratios based on information from the financial statements to make assumptions which may result in a serious effect on the investors' decision and how easy it is for a business to get financing.

Several studies were conducted on financial statements and investment decision both in Nigeria and abroad. With the exception of study by (Osuala et al., 2012) all other studies used primary data to measure the effect of financial statement on investment decision. The study by (Osuala et al., 2012) was on some selected five companies across different industries listed on the Nigerian stock exchange for the period of ten years (1999 to 2008), they used convenient sampling technique which is not scientific. However, this study will serve as an effort to fill in the gap left by the above research by examining the impact of financial statement analysis on investment decision in the Nigerian Insurance companies, using a more scientific approach to sampling technique for the period of ten years covering the period of 2007 to 2016.

Conceptual Review
Financial Statement
Financial statements are periodical financial reports and accounts and other related documents that highlight the financial position of an enterprise as well as its profitability. They also show the provider of the resources available to an enterprises and the extent to which such resource have been effectively utilized (Adeghe & Kingsley, 2015).

Financial statements comprises: Statement of Financial Position, Profit or loss Account and other Comprehensive Income Statements, Statement of Changes in Equity, Notes, Auditor's Report, Director's Report etc.

According to Abel (2001) financial accounting information are statutory requirement to be prepared in line with the universally accepted assumptions, principles and conventions of accounting which aid intra-firm, inter-firm and industry comparisons overtime.

Financial statement reporting is an organized way of presenting the financial statements of an organization to the users of accounting information making them know the state of affairs of the company for a particular financial year (Obi, 1996).

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These financial reports are usually prepared by management. The external auditor is to make an opinion whether the financial statements prepared by the management shows a true and fair view of the state of affairs of the organization.

The users of financial statement of any organization in Nigeria include but not limited to the following: Creditors and Debtors; Employee and Labour Union; Shareholders; Board of Directors; Government Agencies; Investors and Potential Investors; Regulatory Agencies (e.g. Central Bank of Nigeria (CBN); Nigeria Deposit Insurance Corporation (NDIC); Banks and other Financial Institution Decree (BOFID); Corporate Affairs Commission (CAC)); the General Public/Community etc.

Components of Financial Statements
Financial statement comprises of statement of financial position, statement of profit/loss and other comprehensive income, director's report, auditor's report, statement of changes in equity, cash-flow statement among others. Details of the above components are presented below thus:

Statement of Financial Position
Statement of financial position is a periodical financial statement that shows the resources available to an enterprise and the means by which such resources have been financed. It is a historical document; it shows the accumulated results of past financial transactions (Okolo, 2001). The fundamental principle of Statement of financial position is to show how much money has flowed into the business and where it has been expended on and it must be balanced (Adeghe & Kingsley, 2015).

Profit or Loss and Other Comprehensive Income Statement
The profit or loss account is a summary of the expenses incurred over a given period against the revenue generated over the period. Where the revenue exceeds the expenses, a profit or surplus occurs. Where the contrary is the case, a loss or deficiency is incurred (Adeghe & Kingsley, 2015).

Directors Report
The company's directors usually prepare a report aimed at reviewing the general development of the company during the year under consideration. The report provides information in respect of important events and any further developments that have affected the company since the end of the accounting year (Adeghe & Kingsley, 2015).

Cash-Flow Statement
Cash receipts and cash payment of an enterprise over a given period is presented in the cash-flow statement. It presents the pattern of cash generation and utilization. It reveals how cash is generated from operations or through new capital raised and how payments are made for taxes, dividend, new investment and debts. It is usually prepared to shed light on an enterprise's financial strength (Adeghe & Kingsley, 2015).

Statement of Changes in Equity : This explains the changes of the company's equity throughout the reporting period/year (Adeghe & Kingsley, 2015).

Concept of Investment
As postulated by Pandey (2005) investment decisions or analysis has to do with an efficient allocation of capital. It involves decision to commit the firm's funds to the long-term assets. Such decisions are of considerable importance to the firm since they tend to determine its value size by influencing its growths, profitability and risk. Investment decision of a firm is one which is expected to produce benefits to the firm over a long period of time and it can pass both tangible and intangible assets.

Empirical Review
Vestine, Kule, and Mbabazize (2016), examined the effect of financial statements in investment decision making by commercial banks using Bank of Kigali as the case study. The study adopted a descriptive survey design. The study used both questionnaire and interview to collect data in addition to data collected from annual report and accounts of the bank. The data was analysed using correlation and regression analyses in addition to descriptive statistics. The study established that financial statement analysis is the single most important statement in investment decision making.

Mohammed, Abubakar, and Danrim (2016), investigated the role of financial reporting in investment decision making by Banks. The data for the study were collected through administered questionnaire on the staff of Access Bank branches. The descriptive statistics and percentage analysis were used for the data analysis and the hypotheses were tested using t-test statistic. The study revealed that there is significance extent to which Financial Statements are used to be relied upon in investment decision making It also showed that financial statements are useful for forecasting bank's performance. The results also indicated that financial statement determines the profitability of a bank, indicated that new investors are projected by financial statement. The research was concluded based on the findings that financial statement plays a vital role in investment decision making.

Haruna, Danjuma, and Worsen (2016), assesses the effects of Public perceptions on financial statements of Banks in Taraba State, Nigeria. The study utilizes primary data through the use of questionnaires. Analysis of Variance was used as a tool to test hypotheses formulated. The study found that the perception of the general public made significant effects on decision making; the methods of analyzing financial statement such as vertical analysis, horizontal analysis, and so on yield results that affects entities in Jalingo metropolis and that ratio analysis is an effective method of analyzing financial statement.

Sharma and Saha (2015), examines the impact of company's cash flow reporting on the shareholders' investment decision making in Dibrugarh and Tinsukia towns of Assam, India. Data were collected through a means of administered questionnaire. The study used Chi-square in analysing the data and the study reveals that investors are not confident about the impact of the cash flow reported on their investment decision process.

Nkuhi (2015), investigates the role of financial statements in investment decision making. Data were collected through interviews and questionnaire administration. The study employed the used of convenience sampling technique to draw its sample. Correlation analysis was employed to test the hypotheses formulated. The study reveals that financial statements are critical in investment decision making.

Idowu (2015), identified the role of financial indicators in the rationalizing of investing decision in Nigerian stock exchange. Data were collected from primary source through questionnaire administration. Simple percentage and Chi-square were employed to analyse the data. The study reveals that financial analysis factors constitute the main tool in attracting investment.

Blessing and Onoja (2015), analyses the role of financial statements on investment decision making: a case of United Bank for Africa Plc. in Nigeria. The study used secondary data from ten years financial statements of the bank. Ordinary least squares (OLS) regression method of analysis was adopted to test the hypotheses. The parameter estimates of the regression equation obtained revealed that, the transparency of financial statements of the bank has significant influence on the investment decision making of the users of financial statements. From the descriptive statistics and percentage analysis used for the verification of the questionnaire collected via survey method; the results reveal that one of the primary responsibilities of management to the investors is to give a standardized financial statement evaluated and authenticated by a qualified auditor or financial experts. It also showed that investors do understand the financial statement well before making investment .The results of the analysis also indicated that investors depend heavily on the credibility of auditors/financial expert approval of financial statement in making investment decisions and as such published financial statement is very important in the investors’ decision making. We therefore agreed that, profitability, assets, liabilities and equities of banks are significant ways of evaluating the performance of a bank report on investment decision making.

Sultan (2014), analyses the financial statements and measure the performance in terms of assets utilization, and profitability. The research methodology used for the study that has focused on the past and present performance of Baghdad Sort-drink Industry. The study purely relies on secondary data, which were collected for a period of ten years (2004 to September 2013) from the audited annual reports of the company maintained and made available by several organizations viz., Baghdad Sort-drink Industry, and Iraq’s Stock Exchange for the purpose of effective periodical analysis. The paper used accounting ratios and financial report analysis, namely, profitability ratios, which might affect the financial performance of the firm. Profit Margin (PM), Return on Assets (ROA), Return on Equity (ROE), Capital turnover ratio and Expense ratio. All these analyses were done to the case of Baghdad Soft-Drinks Company. The study reveals that financial strengths and weaknesses of the Baghdad Soft-drink Industry over the connected period there were gray areas that took place in June 2007 to June 2009, which resulted in decline of all the concerned profitability ratios and subsequently the performance of Baghdad Soft-Drinks Industry, during the two years. In conclusion, ROE is the most comprehensive measure of profitability of a firm; it considers the operating and investing decisions made as well as the financing and tax related decisions.

Popoola, Akinsanya, Babarinde, and Farinde (2014), investigated published financial statement as correlate of investment decision among commercial bank stakeholders in Nigeria. A correlation research design was used in the study. 180 users of published financial statement were purposively sampled from Lagos and Ibadan. Data generated were analyzed using Pearson correlation and regression. The findings of the study revealed that, balance sheet is negatively related with investment decision while income statement, notes on the account, cash flow statement, value added statement and five-year financial

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summary are positively related with investment decision. Findings also revealed that components of published financial statement significantly predicted good investment decision for commercial bank stakeholders.

Jagongo and Mutswenje (2014), study aimed at establishing the factors influencing investment decisions at the Nairobi Stock Exchange. To collect data the researcher used a structured questionnaire that was personally administered to the individual investors. Data was analysed using frequencies, mean scores, standard deviations, percentages, Friedman's test and Factor analysis techniques. The researcher found out that the most important factors that influence individual investment decisions were: reputation of the firm, firm's status in industry, expected corporate earnings, profit and condition of statement, past performance firms stock, price per share, feeling on the economy and expected dividend by investors.

Aroni, Namusonge, and Sakwa (2014), study examined the effect of financial information on investment in shares for Kenyan retail investors, applying the behavioral finance theory. Primary data was collected from 311 respondents randomly sampled from the population of 836,250 investors participating at the Nairobi Securities Exchange as at March, 2013. Data analysis was done applying descriptive and linear regression statistical data analysis. The results revealed that financial information variable had significant influence on decisions to invest in shares. Acquiring financial information therefore has the potential to improve investors' decision making resulting on improved overall portfolio performance.

Al-Nasser (2014), study aims to point out the impact of financial analysis in maximizing the firm's value. For achieving this purpose, number of 100 questionnaires has been designed, circulated by hand to a selected sample of employees working in different Jordanian industrial companies. Data were analysed using linear regression, the study concluded that, financial analysis has a significant positive effect on helping managers in taking effective decisions that can increase the profitability and the value of the firm.

Olusola, Olugbenga, Zacchaeus, and Oluwagbemiga (2013), study was to establish the effect of accounting information on investment in Nigerian Poultry Agricultural Sector. Specifically the study investigated on the effects of profitability, gearing ratio and growth opportunity on investment in Nigerian agricultural sector. This study adopted a descriptive design which is described as a method of collecting information by interviewing or administering a questionnaire to a sample of individuals. Descriptive statistics such as mode, median, mean, standard deviation, etc were used to perform data analysis. The study findings indicated that there was increase in number of investments in agricultural sector in Nigeria for the last three years. The results reveal that profitability, gearing ratio and growth opportunity are statistically significant in explaining investment in agricultural sector in Nigeria.

Ekwe (2013), critically investigated the degree of reliance on the published financial statements by corporate investors. The study employed survey research design by which data were generated by means of questionnaire administered on one hundred and fifty corporate investors and senior management officials of the selected banks. The descriptive statistics and percentage analysis were used for the data analysis and the hypotheses were tested using t-test statistic. The results reveal that one of the primary responsibilities of management to the investors is to give a standardized financial statement evaluated and authenticated by a qualified auditor or financial experts. It also showed that investors do understand the financial statement well before making investment decisions. The results of the analysis also indicated that investors depend heavily on the credibility of auditors/financial expert approval of financial statement in making investment decisions and as such published financial statement is very important in the investors' decision making.

Bashir et al. (2013), research paper aims at identifying the factors that influences the Pakistan's individual investor behavior. Data collection is made with the help of structured questionnaires. The statistical tools that were used for data analysis were mean, standard deviation, frequency distribution table of variables. Results of the calculated mean shown that all the variables are somewhat affecting the decision making behavior of investor and accounting information category of variables is most influencing while advocate recommendation is the least influencing category. Frequency table of significantly influencing variables shown that out of the total 33 items the 6 most influencing items which belongs to the self-image/firm's image and accounting information like dividend paid, reputation of firm, feelings for a firm's products and services, get rich quick, firm's involvement in solving community problems, and firm's status in industry on other side factors that were found to be least influencing with respect to order of importance were friend or co-worker recommendations, opinions of the firm's majority stockholder, recent price movement in the firm's stock, Religious Reason, Family member opinion and Broker recommendation related to other variable categories.

Osuala et al. (2012), investigates the effect of information content of financial statements on shareholders' investment decisions in Nigerian. The proxy variables used in the study, are profitability, dividend per share, earnings per share, leverage, and liquidity; while shareholders' investment decisions is represented by change in number of shares. Data for the

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study were obtained from the published annual financial report of the five selected companies; Nigerian Breweries Plc, P.Z. Industrial Plc, 7UP Bottling Company Plc, Vitafoam Nigerian Plc, and University Press Plc. The above mentioned firms were selected based on convenience and availability of the required data. Regression model was employed to establish the relationship between the variables. The findings generally indicated that shareholders in the Nigerian capital market do not rely much on financial statements as a major determining factor for their investment decisions. It was observed that other factors or variables outside firms' annual reports such as regularity of dividend payment and market price of shares are vital to shareholders investment decisions.

Norman (2012), study was to find out whether investors of stock exchange do consider financial information when deciding to invest. The study used mixed methodology of data collections strategies. However, questionnaire was the prominent collection strategy. The analysis of the findings used Descriptive methods. The study applied purposeful sampling methodology and the stratification of sample was in three categories: Small Investors (SI), Medium Investors (MI), and Large Investors (LI). The findings revealed three propositions: that the use of financial information assimilated a direct relationship with the level of investment, that small investors realized poor use of financial information compared to other groups of investors and finally that large investors indicated that they were more sensitive to the use of financial information when deciding to invest than other groups of investors. Generally, the findings reveal that only 12 percent of all investors use/consider financial information when deciding to invest.

Kadariya (2012), aimed at analysing the market reactions to tangible information and intangible information in Nepalese stock market and to examine the investors' opinions in Nepalese stock market issues. The major findings of the study are: the capital structure and average pricing method is one factor that influence the investment decisions, the next is political and media coverage, the third factor is belief on luck and the financial education, and finally the forth component for stock market movement is trend analysis. Thus, it is concluded that both the tangible and intangible information are essential to succeed in Nepalese capital market.

Dionyssopouloua and Asvestab (2012), paper aimed at studying the utility of methods of financial statement analysis in business decision-making, and the extent of their use by the administration of Greek hotel units. The study used questionnaire in collecting data while simple parentage was used to analyse the data collected, and conclusion is drawn there from. The study reveals that the value of ratio analysis have been recognized at a large extent by the Greek hotel units for evaluating their financial progress in relation to the past, but also for comparing them to the objectives and the budgetary elements.

Martinez-Carrascal and Ferrando (2008), analyses the impact that firms financial position has on investment decisions using panel data from a large sample of non-financial corporations (around 120,000 firms) in six euro area countries (Belgium, Germany, France, Italy, the Netherlands and Spain). The results indicate that financial position is important to explain capital expenditures, as financial pressure appears relevant in explaining investment dynamics when it is proxied by cash flow, indebtedness and debt burden. The results also show differences in the sensitivity of investment rates to changes in financial pressure across countries, which appears to be especially large in the Netherlands and Italy and relatively small in Germany.
Shaban and Al-Zubi (n.d.), study aims to identify the role of financial indicators in the rationalization of investors' decisions in the Jordanian stock exchange market. The study focuses on the efficiency of financial indicators to influence the decisions of investors. For achieving this purpose, number of 150 questionnaires has been designed, circulated by hand to a selected sample of investors trading at Amman Stock Exchange market. Resolution data were analyzed using the statistical program Smart PLS,(Partial Least Square). Finally, the study concluded that, the use of financial indicators has a significant positive effect on decision of investment taken by investors.

Kemuma (2014), established the effect of investment decision on the performance of firms listed in the Nairobi Securities Exchange. The study employed a descriptive research design. The target population of the study was all the 61 companies listed at the Nairobi Securities Exchange, under the main segment. The study adopted a census approach because of the small number of non-financial companies in the NSE. Both descriptive and inferential statistics were used in data analysis. The study utilized panel data which consisted of time series and cross-sections. Results revealed good, significant and positive correlations between financial performance and all the predictor variables, that is, Investment Decision, Financial Leverage and Liquidity.

Theoretical Review
The theories underpinning this study include the Modern Portfolio Theory, Efficient Market Hypothesis and the Behavioral Finance Theory.

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Modern Portfolio Theory

Markowitz (1952), an American economist developed a theory of "portfolio choice," which allows investors to analyse risk relative to their expected return. Markowitz's theory is today known as the Modern Portfolio Theory, (MPT). The MPT is a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets. Although the MPT is widely used in practice in the financial industry, in recent years, the basic assumptions of the MPT have been widely challenged. The Modern Portfolio Theory, an improvement upon traditional investment models, is an important advance in the mathematical modelling of finance. The theory encourages asset diversification to hedge against market risk as well as risk that is unique to a specific company.

The theory (MPT) is a sophisticated investment decision approach that aids an investor to classify, estimate, and control both the kind and the amount of expected risk and return; also called Portfolio Management Theory. Essential to the portfolio theory are its quantification of the relationship between risk and return and the assumption that investors must be compensated for assuming risk. Portfolio theory departs from traditional security analysis in shifting emphasis from analyzing the characteristics of individual investments to determining the statistical relationships among the individual securities that comprise the overall portfolio.

The MPT mathematically formulates the concept of diversification in investing, with the aim of selecting a collection of investment assets that has collectively lower risk than any individual asset. The possibility of this can be seen intuitively because different types of assets often change in value in opposite ways. But diversification lowers risk even if assets' returns are not negatively correlated-indeed, even if they are positively correlated. (Taleb, 2007).

By combining different assets whose returns are not perfectly positively correlated, MPT seeks to reduce the total variance of the portfolio return. MPT also assumes that investors are rational and markets are efficient. The fundamental concept behind the MPT is that assets in an investment portfolio should not be selected individually, each on their own merits. Rather, it is important to consider how each asset changes in price relative to how every other asset in the portfolio changes in price. Investing is a trade-off between risk and expected return. Generally, assets with higher expected returns are riskier (Taleb, 2007). For a given amount of risk, the MPT describes how to select a portfolio with the highest possible expected return. Or, for a given expected return, the MPT explains how to select a portfolio with the lowest possible risk (the targeted expected return cannot be more than the highest-returning available security, of course, unless negative holdings of assets are possible).

Behavioral Finance Theory

According to Lintner (1998), behavioural finance is 'the study of how humans interpret and act on information to make informed investment decisions'. The emergence of behavioural finance has presented a new realm for analyzing the ways in which investors make decisions that includes psychological factors; as well as providing new grounds upon which to question conventional methods of modeling determinants of investor behaviour.

Brabazon (2000) suggests that the finite aspects of behavioural finance can be split into two different classification groups. The first is that of heuristic decision processes (a common sense rule), where an individual investor through instinctive psychological processes can result in decisions that according to the standard finance model, are not rational. Brabazon (2000) explains that these decision processes are those with which humans attempt to make mental 'short cuts'. These short cuts have been vital for the survival of the human race, especially useful when decision making time is limited. Decision makers in this instance tend to form decisions by observing patterns that may not be relevant or even truly apparent (Brabazon, 2000). They may assume that a recent trend in price movements will definitely continue into the future.

This may result in individual investors devoting too much attention to popular stocks that have recently been performing well. Statman (1999) explained that being duped into making investment decisions based upon this imperfect theory of small numbers is something that the standard finance investor would never do; that an investors regarding past performances of stocks as evidence of future returns is a realistic possibility contrary to the standard finance model of an investor. Nofsinger (2002) explains how this Psychological factor affects individual investors' decisions and opined that regret aversion results in a 'disposition effect' where investors sell well performing stocks too soon and hold poorly performing stocks for too long. Regret aversion may also result in what is known as herding investing in a popular stock if everyone else believes that it is a good one. Responsibility of it failing will be shared with the other investors who originally expected it to do well also.

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Methodology

The study employed the use of panel data which consisted of time series and cross-sections. The data for all the variables in the study was extracted from published annual reports and financial statements of the listed Insurance companies in the Nigerian Stock Exchange (NSE). The data extracted included income statement, Statement of financial position, statement of changes in equity, cash-flow statement and notes to the accounts.

For the purpose of testing the hypothesis formulated the study used the following variables, namely: Investment Decision (ID), Return on Assets (ROA), Liquidity, Age of the Company, Return on Equity (ROE) and Size. Robust regression analysis was employed for analyzing the data set due to the presence of Heteroskedasticity in the model. The explicit form of the regression model for the study is expressed thus:

$ID_{it} = \beta_0 + \beta_1 ROA_{it} + \beta_2 LIQ_{it} + \beta_3 AGE_{it} + \beta_4 ROE_{it} + \beta_5 SIZE_{it} + e$

Where:

ID = Investment Decision (Change in Equity)

ROA=Return on Asset; LIQ = Liquidity (Current ration); AGE = Age of company in Years; ROE-Return on Equity and SIZE=Natural Logarithm of Total Assets.

β_0 = Intercept.

e = error Term.

Results and Discussion

Table 1: Financial Stament Analysis and Investment Decision

Dependent Variable: Investment Decision	Robust			
	Coef.	Std. Err.	T	p>|t|
Roa	-0.00024	0.0000763	-3.16	0.002
Liq	0.00017	0.0000264	6.37	0.000
Age	0.02651	0.005846	4.54	0.000
Roe	-0.02572	0.0025012	-10.29	0.000
Size	-0.13149	0.033213	-3.96	0.000
Constant	10.5073	0.2368581	44.36	0.000
R-squared	0.7333			
Prob>F	0.000			

Table 1 above presents the regression results of the dependent variable (Investment Decision) and the independent variable (FinancialStatement Analysis). The OLS regression does not provide efficient estimates and to check whether the variability of error terms is constant or not, Breusch-Pagan / Cook-Weisberg test for heteroskedasticity was conducted. The result of the test reveals presence of heteroskedastiticity in the model evidence by a signifincance p-value of 0.009 at 1% level of significance. Therefore, robust regression model was used to correct all the anomalies in the data set.

The robust regression result shows that parameter estimate for ROA, ROE, and SIZE were found to have significant negative impact on investment decision at 1% level of significance. Liquidity and Age of the company were found to have significant positive impact on investment decision at 1% significance level. R-square of 0.7333 is an indication that about 73% variation in investment decision is explained by join influence of ROA, LIQ, AGE. ROE and SIZE, and Significant F-value (47.45) at 1% level of significance is an evidence that the model is very much adequate to explain the relationship between the variables.

Conclusion and Recommendations

from the results of the regression model above, the study concludes that financial statement analysis have significant impact on investment decision. It is therefore recommended that potential investors are encourage to make use of financial statement in analysing the strength or otherwise of any business they want to invest in. This study was carried out in the Insurance companies listed in the nigerian stock exchange within the period of ten years (2007-2016), therefore other researchers are to look at the problem considering other sectors of the nigerian economy.

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