Original Research Article

EMPIRICAL EVALUATION OF CURRENT ASSETS INVESTMENT AND CORPORATE FINANCIAL RETURNS IN NIGERIA

Abstract

The unceasing apprehension of probable distress of commercial banks in Nigeria has raised concerns on the quality of current assets investment and management in the Nigerian banking industry. Hence, the study analyzed the impact of current assets investment & management on corporate financial returns of listed commercial banks in Nigeria. The longitudinal research design was adopted and secondary data of eight (8) banks whose annual reports were available as at the end of 2016 was randomly selected from the population of fifteen (15) listed deposit money banks in the Nigerian Stock Exchange. Ordinary least square (OLS) regression analysis was employed to determine the association betweencurrent assets investment and corporate financial returns. The results of the study indicate that there exist a significant positive relationship between loans and advances granted to customers and return on assets (r =.443, p-value =.004). This leads to the rejection of the null hypothesis, which states that loans and advances granted to customers have no positive influence on return on assets. The relationship between loans and advances granted to other banks and return on assets is negative and significant at 5% confidence level (r = .369, p-value =.019).This leads to the non-rejection of the null hypothesis, which states that loans and advances granted to other banks have no positive impact on returns on assets. The other predictor variables (financial assets held for trading & cash, and cash balances) have an insignificant positive relationships with return on assets. It was therefore recommended that bank managers should not only increase their investment in current assets but they should also consider the most effective and efficient way of managing these assets in order to improve their financial efficiency and corporate value. To this end,the conservative or aggressive current assets investments policy might be pursued depending on the strategic focus of the firm.

Keywords: Financial Instruments, Financial Assets, Returns on Assets, Current Assets, Corporate Returns, Financial Returns

1.1 INTRODUCTION

The going concern and the liquidity position of firms like banks are related to their capability to plan and manage the firms' current assets. Acquisitions of current and other assets by firms are not an end in itself but a means to an end as they are required tools for organization's operational efficiency and value creation. Investment in current assets is imperative for the working of non-current assets such as property, plant and equipment and the enterprise at large. Efficiency in the management of investment in current assets is a vital element in the total management of operating funds and performance of an enterprise in both the public and private sector of the economy. Economies of trade off involved in the management of current assets are crucial, as excessive or inadequate current assets might be dangerous and at the same

beneficial to the organization. Pandey (2005) noted that excessive investment in working capital (net current assets) results in unnecessary accumulation of inventories leading to inventory mishandling, wastage and theft. He argue further that unnecessary investment in current assets like inventories culminates into higher incidence of bad debts, complacency of management inefficiency, increasing speculative profit from the accumulated inventories and consequent loss of profits. Similarly, inadequate current assets might increase operating inefficiencies and this may result in poor financial performance. According to Chowdhary and Amin (2007), excessive investment in current assets can result in idle funds which could be used for earning profit while inadequate investment in current assets will interrupt the operations and will also impairs profitability. The continual existence and fortune of an enterprise is tied to its ability to manage its current assets. Similarly, Ross (2009) observes that the existence of a firm depend on the ability of its management to manage the firm's working capital, which is a component of its current assets.

Current assets management involves the control and conversion of investment in inventories, and accounts receivables and other current assets into cash or cash equivalents. It also entails the use of these assets to ensure non-current assets are in use and are working efficiently. According to Eljelly (2004), current assets and liabilities must be properly planned and controlled in such a way that the risk of inability in meeting short-term obligations is drastically reduced or eliminated. Besides, under efficient liquidity/current assets management, excess investment in current assets should be avoided to maximize corporate objectives and returns.

Researchers over the years have concentrated so much effort on the study of investment in non-current and intangible assets and much work have not been undertaking in the area of current assets planning, investment and management. However, current assets represent a greater proportion of total assets on the statement of financial position in most organizations such as the financial service firms. The handling of these short-term assets is very important as its mismanagement can lead to liquidity problems and eventual failureof the organization; while its effective management can boost the organization's financial performance. Generally, corporate financial returns and performance are very essential and they are the core reason while firms operate. In the 1990s, most banks in Nigeria were in distress partly because of poor performance indicators, which may have resulted from inappropriate and unprofessional allocation of current assets. The financial fortunes of firms such as commercial banks are hinged on the ability of the firms to use their current assets to generate corporate returns to meet the needs of shareholders and other stakeholders. Scholars have stated that the performance of a business enterprise largely depend upon the effectiveness and efficiency of current assets allocation and management. If a business enterprise is reckless and not prudent in the handling of its current assets, it will lead to poor or negative corporate returns. In some cases, financial issues that may lead to liquidation may arise.

As part of management policy, all enterprises have one form of financial performance measures or the other. Some may refer to it as key performance indicators (KPI). However, non-financial indicators are also important but much premium is placed on financial performance because the basic objective of the firm is to make profit and increase shareholders' wealth thus making financial performance as the best measures of the financial health of a business. As the backbone of every enterprise, Flanagan (2005) stated that the primary task of every manager is to keep current assets flowing and use the cash flows to generate profits. Line items such as gross profit, net profit, return on capital employed, return on assets, return on equity and much more can be used as financial indicators for the measurement of corporate returns. This study uses return on assets as a measure of corporate financial returns. The key question this study attempts to solve is whether investment in current assets and its management have influence on the corporate financial

returns of firms in general and banks in particular. It is within this context that this study investigates the correlation between currents assets investment and the financial efficiency/corporate financial returns of commercialbanks in Nigeria. For the purpose of this study, corporate financial returns were substituted for performance and in some occasions, they were used interchangeably. Profitability and liquidity are the core objectives of investing and controlling current assets. The maximization of firms' objectives in terms of returns and profitability can have adverse effect on the liquidity condition of the organization and the pursuit of liquidity has a tendency to dilute earnings and profitability. It is anticipated that efficient or non-efficient investment and management of current assets will have a significant effect on the corporate financial returns of firms.

It is imperative and relevant to undertake this research in a developing economy like Nigeria that has witnessed a lot of banks failure in the past. Studies on current assets investment and management in Nigeria are scarce as much effort in previous works was on the impact of working capital and non-current assets management on financial performance. Non-current assets management is important but more important is the current assets as far as liquidity is concerned since non-currents assets do not quickly produce income to meet obligations when compared to current assets. Therefore, this study will enrich the body of literature on the relationship between current assets investment and the financial performance of commercial banks in Nigeria.

The study is structured as follows: accompanying the introduction, is the second section, which presents an overview of the underlying theories, conceptualization of the variables and empirical review of previous studies on current asset investment and management. Section three (3) presents the research methodology including specification of model. Section four (4) presents the empirical results of the research within the context of the Nigerian economic and financial space.Section five (5) presents the discussion of empirical results, conclusion and recommendations.

2.1 THEORETICAL REVIEW

This study is informed by only theory relevant to the subject matter, namely: the Liquidity-Profitability Trade-off Theory.

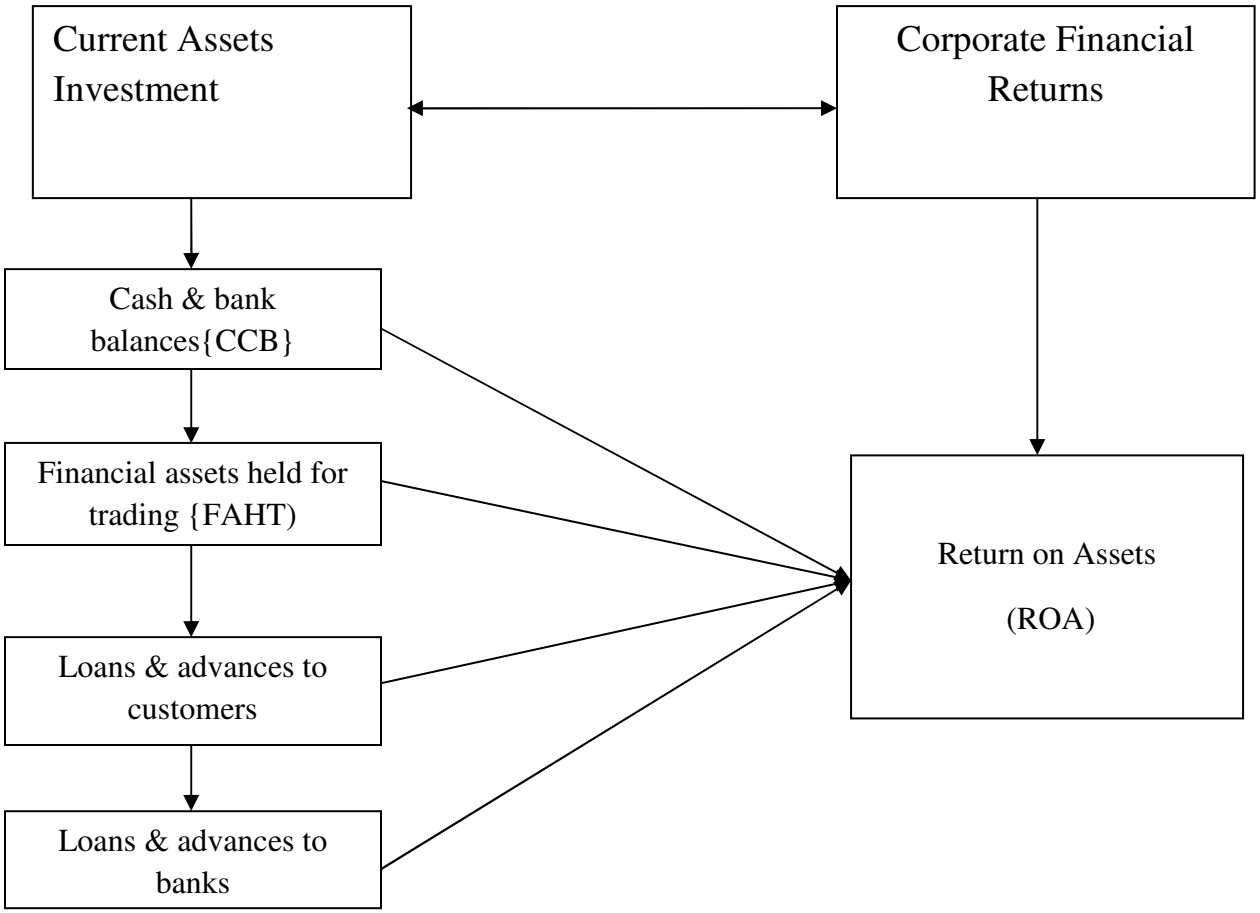
Liquidity-Profitability Trade-Off theory: This theory presupposes that an enterprise may find it difficult to seek to be profitable and have sound liquidity position at the same time without a tradeoff. In other words, the pursuit of profitability by a firm will affect its pursuit for sound liquidity. Past research findings indicated that banks with higher liquidity and larger capital buffers are less vulnerable to failure during financial crisis (Bagyenda et al. (2011). It is therefore necessary for banks to invest prudently in a bid to maintain greater solvency and liquidity. This theory is employed in this work because it captures the financial performance of deposit money banks and it explains the trade-off between the quest for profitability and liquidity.

2.2CONCEPTUAL REVIEW

Generally, current assets are the inventories, accounts receivables, and any other current short-term investments held by an organization. Current assets management entails handling a firm's short-term assets to ensure the firm is able to continue its operation and that it has sufficient cash flow to meet maturing debts, short term debts obligations and future operational expenses. It also refers to all actions and decisions of the management which affects the size and effectiveness of current assets (Onipe, et al (2015). It is the management of short-term investments or assets of a firm with maturity less than one year. In the face of paucity of funds coupled with high cost of borrowing, investment in current assets and their

management require a special and professional attention as the key principle is to maintainoptimum level of current assets that is neither excessive nor inadequate. The International Financial Reporting Standards (IFRS) requires that current assets are classified by commercial banks into five major group: cash and cash balances, financial assets held for trading, derivative assets, loans and advances to banks and loans and advances to customers (Onipe, (2015). Cash and bank balances are sometimes refer to as cash and cash equivalents and it consists of cash in hand and demand deposits. Cash equivalents consist of call deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of variation in value with original maturity period of three months or less.

2.3 Conceptual Framework



Source: Authors' conceptualization 2019

The above conceptual framework depicts the various dimensions of current assets investment and corporate financial returns of financial institutions such as deposit money banks.Investments in current assets was measured using cash and bank balances, financial assets held for trading, loans and advances to customers and loans and advances to other banks. Corporate returns/profitability wasproxied by return on assets.

2.4 EMPIRICAL REVIEW

Empirical studies on investment in current assets have shown mixed results based on various sectors, environment and context. For instance, Shin and Soenen (1998) examined the implication of efficient current asset management for value creation of shareholders using a sample of 58,985 firms during the period 1975 – 1994. They empirically investigated the relationship between the length of net trading cycle, firms' profitability and risk adjusted stock return using correlation and regression analysis. Findings revealed a negative relationship between firms' net-trade cycle and profitability and shorter net trade cycle are associated with higher risk adjusted stock returns.

Deloof (2003) examined the relationship between current asset management and corporate profitability for a balanced panel set of 1,009 Belgian companies from 1991 to 1996. He reported that a longer cash conversion cycle lead to larger investment in current asset and longer cash conversion cycle might increase profitability because it leads to higher sales. However, corporate returns in form of profitability might also fall with the cash conversion cycle, if the costs of higher investment in current assets increase rapidly than the gains derivable from holding more inventories and/or granting more trade credits to customers.

Mawih (2014) investigated the effect of current and non-current assets on the financial performance of some manufacturing companies listed on Muscat Securities Market for the period 2008-2012. The assets structure was measured by non-current assets turnover and current assets turnover while the financial performance was measured by return on assets and return on equity. findings reveal that current assets has no impact on return on assets and return on equity but noncurrent assets had impact on return on equity only (assets structure) and does not have a strong impact on profitability. Jose, et al (1996) investigated the relationship between liquidity measures in terms of cash conversion cycle (CCC) and corporate returns for 2,718 firms from 1974 – 1993. After controlling size and industry differences, they drew a conclusion that more aggressive liquidity management in form of current assets is associated with higher profitability for several industries. The study also revealed that aggressive policies of current assets management tend to improve performance and the industries where aggressive policies were adopted, they were more profitable.

Smith and Begemann (1997) compared the relationship between traditional current asset ratios and alternative current asset ratios to the return on investment on 135 industrial firms listed on the Johannesburg Stock Exchange (JSE) for the period 1984 to 1993. The results indicated that a traditional current assets leverage ratio, current liabilities divided by funds flow, displayed the greatest associations with return on investment. Current and quick ratios have insignificant associations whilst only one of the newer current asset concepts, the comprehensive liquidity index, showed significant relationships with return on investment.

Wang (2002) examines the relationship between liquidity management and operating performance and value for firm in Japan and Taiwan. Findings indicated that aggressive liquidity management increased the performance, which also leads to increase in the corporate value for Taiwanese and Japanese firms, despite differences in financial system and structural characteristics of both countries. Gill et al (2010) investigated the relationship between current assets management and profitability of listed firms on New York Exchange using a sample of 88 American firms covering a period from 2005 – 2007. Findings indicated that there is a significant relationship between current asset management and firm's profitability.

As per the various findings, it can be deduced that managers of companies can improve corporate returns and efficiency of their businesses by properly planning and managing cash conversion cycle and by maintaining an optimal level of accounts receivables and other current assets. Most of the empirical

reviews support the belief that efficient current asset investment and management is key to value creation in a firm. It also alludes to the fact that reducing current assets proportion in total assets of a firm in order not to put too much investment in current asset would have positive impact on corporate return. Going by the conservative policy, greater investment in current asset might also improve corporate return. As Blinder &Maccini (1991) put it, when high inventory is maintained, it reduces supply cost and cost of interruptions in the production process as well as the prevention of loss of business due to scarcity of product.

3.MATERIALS ANDMETHODOS

The study attempts to examine the relationship between current assets and profitability of commercial banks in Nigeria.In order to achieve the research objective, the study used the ordinary least square (OLS) multiple regression analysis using E-views (8). A sample of Eight (8) banks whose report were available as at the end of 2016 was selected from the population of 15 quoted deposit money banks in the Nigerian Stock Exchange. Data were obtained from the Nigerian Stock Exchange fact book and Annual financial reports of the individual banks obtained at Nigerian Stock Exchange branch, Port Harcourt, Nigeria.

Model Specifications: The functional representation of the model which is similar to the one used by Onipe, et al (2015) is as shown below:

ROA = F {CBB, FAHT, LATC, LATB}……...{i}

Statistically written as

$ROA = a_0 + a_1CBB_{it} + a_2FAHT_{it} + a_3LATC_{it} + a_4LATB_{it} + U_t$……(iii)

Where:

ROA	=	Return on Assets	
CBB	=	Cash and bank balances	set of predictor/explanatory variables
FAHT	=	Financial assets held for trading	
LATC	=	Loans and advances to customers	
LATB	=	Loans and advances to banks	
a_o	=	Intercept or Constant	
a_1 - a_4	=	Coefficient of the independent variables or slope	
U_t	=	Error term	
it	=	Banks and time script	

A priori expectation: From the above stated model specified, we expect a positive relationship between the predictor and the criterion variables. This can be statistically expressed as: $a_1, a_4 > 0$.

4. Data Analysis and Interpretation of Result: The following table gives the result of the Pearson Product Moment Correlation coefficient, the sum of the square and the cross products for the period of study.

Table 1: Correlations

	CBB	FAHT	LATC	LATB	ROA

CBB	Pearson Correlation	1	.142	.443**	-.034	.144
	Sig. (2-tailed)		.383	.004	.835	.376
	Sum of Squares and Cross-products	1.050	19.736	.463	-.020	.033
	Covariance	.027	.506	.012	-.001	.001
	N	40	40	40	40	40
FAHT	Pearson Correlation	.142	1	-.033	-.369*	-.055
	Sig. (2-tailed)	.383		.840	.019	.737
	Sum of Squares and Cross-products	19.736	18439.448	-4.578	-29.383	-1.640
	Covariance	.506	472.806	-.117	-.753	-.042
	N	40	40	40	40	40
LATC	Pearson Correlation	.443**	-.033	1	.372*	-.234
	Sig. (2-tailed)	.004	.840		.018	.146
	Sum of Squares and Cross-products	.463	-4.578	1.042	.223	-.053
	Covariance	.012	-.117	.027	.006	-.001
	N	40	40	40	40	40
LATB	Pearson Correlation	-.034	-.369*	.372*	1	-.146
	Sig. (2-tailed)	.835	.019	.018		.369
	Sum of Squares and Cross-products	-.020	-29.383	.223	.344	-.019
	Covariance	-.001	-.753	.006	.009	.000
	N	40	40	40	40	40
ROA	Pearson Correlation	.144	-.055	-.234	-.146	1
	Sig. (2-tailed)	.376	.737	.146	.369	
	Sum of Squares and Cross-products	.033	-1.640	-.053	-.019	.049
	Covariance	.001	-.042	-.001	.000	.001
	N	40	40	40	40	40

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Field survey and Authors' computation 2019

Table 1 shows that the relationship between loans and advances granted to customers and return on assets is positive and significant (r = .443, p-value = .004). This leads to the rejection of the null hypothesis, which states that loans and advances granted to customers have no positive influence on return on assets. The relationship between loans and advances granted to other banks and return on assets is negative and significant (r = .369, p-value =.019). This leads to the acceptance of the null hypothesis, which states that loans and advances granted to other banks have no positive impact on returns on assets. The other predictor variables (financial assets held for trading & cash, and cash balances) have a positive

relationships but they are not significant. This result is supported by the model summary in table 2 below wherethe coefficient of correlation(r) of the model is.381 (38%), while the coefficient of determination is (R^2) =.145 (15%) and the adjusted R^2 =.047 (5%) . Even though these coefficients have positive signals, they are very weak as the predictor variables (CBB,FAHT,LATC & LATB) constitute just 15 percent of the components of return on assets.

Table 2: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.381[a]	.145	.047	.03448	2.513

a. Predictors: (Constant), LATB, CBB, FAHT, LATC

b. Dependent Variable: ROA

From the model summary, the Durbin Watson is 2.513, which is higher than 2, suggesting that there is no auto-correlation issue in the study data. The standard error of the estimate is 0.03448.

Table 3: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.007	4	.002	1.485	.228[b]
	Residual	.042	35	.001		
	Total	.049	39			

a. Dependent Variable: ROA

b. Predictors: (Constant), LATB, CBB, FAHT, LATC

Analysis of Variance (ANOVA): At the degree of freedom 4 and 35 at.05 (5%) level of significance, the F - computed is 1.485 and the significance level =.228 >.05. The result implies that there is no significant relationship between the predictor variables and the criterion variable. This result further strengthen the outcome of the analysis in table 1 (coefficient of correlation); and it shows that overall, there is no significant relationship between current assets management and corporate financial returns of the studied manufacturing firms for the period.

Table 4: Coefficients[a]

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	Collinearity Statistics

		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1										
	(Constant)	.047	.014		3.331	.002	.018	.076		
	CBB	.069	.039	.321	1.781	.084	-.010	.148	.752	1.330
	FAHT	.000	.000	-.130	-.764	.450	-.001	.000	.844	1.185
	LATC	-.078	.042	-.362	-1.871	.070	-.163	.007	.651	1.536
	LATB	-.018	.070	-.048	-.258	.798	-.160	.124	.708	1.413

a. Dependent Variable: ROA

a. Dependent Variable: ROA

Source: SPSS 20 Output

A further analysis indicate that financial assets held for trading, cash and bank balances and loan and advances to customers have positive relationships which is not statically significant relationship with return on assets However, loan and advances to banks has a negative insignificant relationship.

Modeling Return on asset, we have:

$$ROA = .047 + .069\,(CBB) + .000(FAHT) - .078\,(LATC) - .018\,(LATB)$$

To evaluate the validity of non-multicollinearity indication revealed by the correlation the study adopted tolerance value (TV) and variance inflation factor (VIF). Multicollinearity feature exists when the value of tolerance value is less than .2 (Statnotes, 2007) and since the tolerance values for all the variables computed above are greater than .2, it signifies the absence of multicollinearilty. The variance inflation factor (VIF) which is the reciprocal of tolerance value is less than 10 and this indicates non-multicollinearity. VIF shows multicolinearity when its value exceeds 10 (Tobachnick and Fidel, 1996).

Conclusion and Recommendations

This study was undertaken to examine the relationship between current assets management and corporate returns and by extension corporate performance of commercial banks in Nigeria. From the descriptive statistics table under the appendix, the mean value of cash and cash balances (CBB) is .1525 (15%) with a standard deviation of .16412. The average statistics value of financial assets held for trading (FAHT) is 11.7684 with a standard deviation of 21.74411. Loans and advances to customers have an average statistic value of .3681 with a standard deviation of .16344. Loans and advances granted to other banks has a mean value of .0928 (9.28%) with a standard deviation of .09398. Finally, the criterion variable, return on assets (ROA), has an average statistic value of .0249 (2.5%) with a standard deviation of .15976. The results of the study indicate that there is a positive and significant relationship between loans and advances granted to customers and return on assets (r = .443, p-value = .004). This leads to the rejection of the null hypothesis, which states that loans and advances granted to customers have no positive influence on return on assets. This outcome is anticipated since one of the major sources of revenue to financial institutions such as commercial banks is interest mobilized from loans and advances extended to needy customers. The relationship between loans and advances granted to other banks and return on assets is negative and significant (r =.369, p-value = .019). This leads to the acceptance of the null hypothesis which

states that loans and advances granted to other banks have no positive impact on returns on assets. This finding is not far from the researcher's expectation since interbank loans and other funds given by one bank to other banks may have a low interest yield when compared with loans and advances granted to investors, entrepreneurs and other individuals. The other predictor variables (financial assets held for trading & cash, and cash balances) have a positive relationships but they are not significant.

This result is supported by the **model summary** where the coefficient of correlation(r) of the model is .381 (38%), while the coefficient of determination is (R^2) =.145 (15%) and the adjusted R^2 =.047 (5%), all showing weak positive signals. These results agree with the findings of Onipe et al. (2015), which suggested a positive effect of some current assets such as financial assets held for trading, loans and advances to customers and cash and cash balances and the negative impact of derivatives assets and loans and advances to banks on returns on assets. It also supports the Chowdhary& Amin (2007) who found a positive association between current assets management and performance of Pharmaceutical firms listed at Dhaka Stock Exchange. Overall, the study indicates that current assets proxied by financial assets held for trading, cash and bank balances, loans and advances to customers have a positive insignificant relationship with corporate value/financial efficiency of the selected banks within the period of study. In summary, the research findings indicate that commercial banks can increase their financial efficiency and corporate value to shareholders and other stakeholders if only they can manage their cash and bank balances, financial assets held for trading, loans, and advances to customers effectively and efficiently.

On the basis of this findings, it is recommended that bank managers should not only increase their investment in current assets but they should also consider the most effective and efficient way of managing these assets in order to improve their financial efficiency and corporate value. Besides, much attention should be given to current assets management when formulating financial policies and standard of operating structures. It would be appropriate also to classify some current assets as aggressive, defensive and conservative in the current assets management policies of listed firms.

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APPENDIXES

Table i

Years	Banks	FA HT PAT/FA	CBB PAT/CCB	LAC LAC/TA	LAB LAB/TA	ROA PAT/TA	ROE PAT/TE
2012	UBA	103.8925	0.0753	0.2948	0.0139	0.0245	0.2150
2013	UBA	59.8237	0.0749	0.359	0.01172	0.0210	0.1791
2014	UBA	36.4722	0.0535	0.3709	0.0205	0.0171	0.1422
2015	UBA	4.2352	0.0806	0.359	0.0063	0.0215	0.1409
2016	UBA	0.9091	0.0778	0.4293	0.0091	0.0187	0.1216
2012	Union	37.7381	0.0222	0.1534	0	0.0036	0.0185
2013	Union	2.1571	0.0964	0.2383	0	0.0058	0.0274
2014	Union	8.1133	0.3504	0.3275	0	0.0222	0.9852
2015	Union	55.4923	0.3312	0.3451	0	0.0180	0.0772
2016	Union	48.8769	0.4470	0.4354	0	0.0141	0.0632
2012	Diamond	0.2561	0.1872	0.4938	0.1067	0.0218	0.2150
2013	Diamond	8.6775	0.1449	0.4321	0.0768	0.0220	0.2151
2014	Diamond	6.3364	0.0763	0.4068	0.1222	0.0126	0.1072
2015	Diamond	0.2923	0.0120	0.4167	0.0424	0.0025	0.0184
2016	Diamond	0.2868	0.0068	0.4833	0.05294	0.0012	0.0093
2012	Zenith	9.2671	0.3055	0.3674	0.1284	0.0393	0.2187
2013	Zenith	17.5645	0.1419	0.3912	0.2039	0.0290	0.1765
2014	Zenith	0.0000	0.1270	0.0461	0.2126	0.0270	0.1804
2015	Zenith	0.0000	0.1342	0.493	0.196	0.0263	0.1806
2016	Zenith	0.0000	0.1901	0.4993	0.1357	0.0278	0.1935
2012	Sterling	3.4787	0.1093	0.3948	0.1086	0.0120	0.1491
2013	Sterling	3.7597	0.0854	0.454	0.1357	0.0117	0.1304

2014	Sterling	4.6203	0.0515	0.4502	0.2111	0.0109	0.1063
2015	Sterling	2.1933	0.0888	0.423	0.1439	0.0129	0.1077
2016	Sterling	3.1356	0.0480	0.5638	0.1289	0.0062	0.0605
2012	First	0.0000	0.0000	0.0000	0.0000	-0.0030	-0.0030
2013	First	0.0000	0.0000	0.0002	0.0005	0.2265	0.2292
2014	First	2.8415	0.0000	0.0003	0.0113	0.0197	0.0204
2015	First	0.0000	0.0000	0.0002	0.0169	0.0077	0.0079
2016	First	0.0000	0.0000	0.2443	0.0030	0.0281	0.0289
2012	GTB	0.3188	0.4054	0.4580	0.1093	0.0526	0.2976
2013	GTB	6.2229	0.3742	0.4863	0.0084	0.0449	0.2638
2014	GTB	15.7102	0.5512	0.5559	0.0141	0.0419	0.2478
2015	GTB	3.7609	0.5447	0.5554	0.2801	0.0414	0.2325
2016	GTB	20.0660	0.5424	0.5423	0.011	0.0485	0.2660
2012	Fidelity	0.0888	0.1528	0.3779	0.2355	0.0196	0.1110
2013	Fidelity	0.0303	0.0371	0.3941	0.2670	0.0071	0.0472
2014	Fidelity	0.1655	0.0534	0.4563	0.2755	0.0116	0.0797
2015	Fidelity	3.4162	0.0750	0.4694	0.2153	0.0113	0.0758
2016	Fidelity	0.5378	0.0470	0.5534	0.1974	0.0075	0.0525

Table ii - Descriptive Statistics

	Mean	Std. Deviation	N
CBB	.1525	.16412	40
FAHT	11.7684	21.74411	40
LATC	.3681	.16344	40
LATB	.0928	.09398	40
ROA	.0249	.03533	40
ROE	.1499	.15976	40

Table iii - CollinearityDiagnostics[a]

Model		Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	CBB	FAHT	LATC	LATB
1	1	3.387	1.000	.01	.02	.02	.01	.02
	2	.915	1.924	.00	.01	.48	.00	.11
	3	.436	2.787	.01	.60	.23	.00	.13
	4	.191	4.206	.29	.20	.27	.05	.66
	5	.070	6.956	.68	.17	.00	.94	.08

a. Dependent Variable: ROA

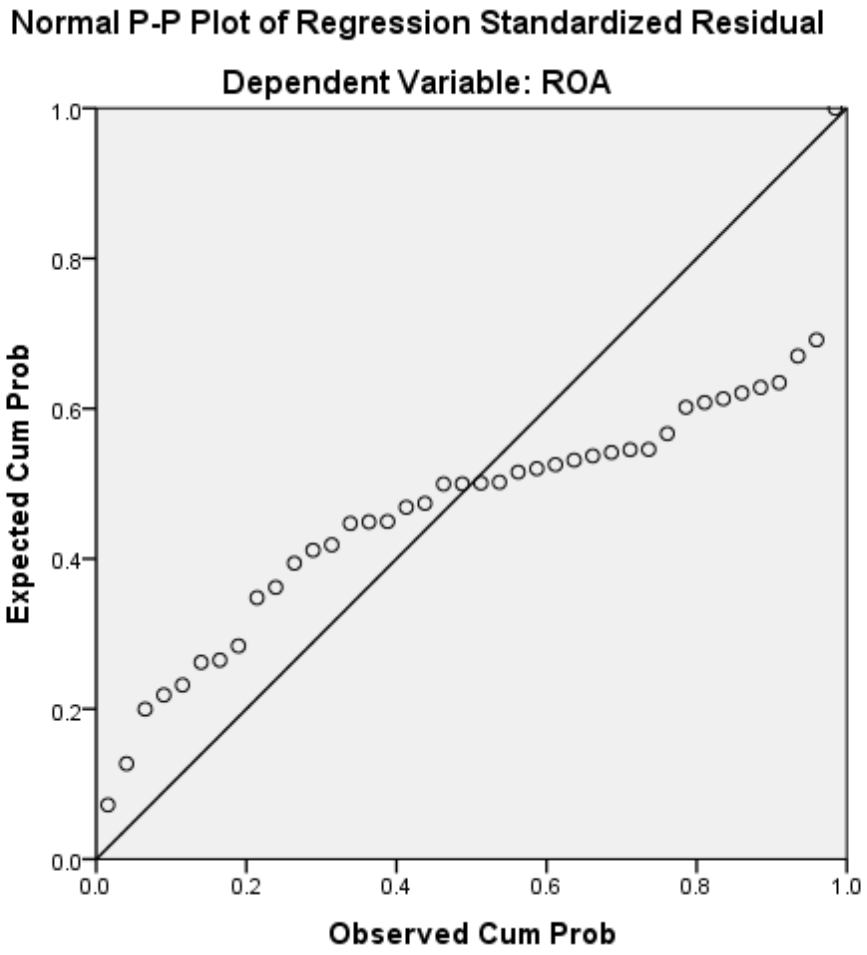
Normal P-P Plot of Regression Standardized Residual
Dependent Variable: ROA
Expected Cum Prob
Observed Cum Prob
0.0
0.2
0.4
0.6
0.8
1.0

Figure 1

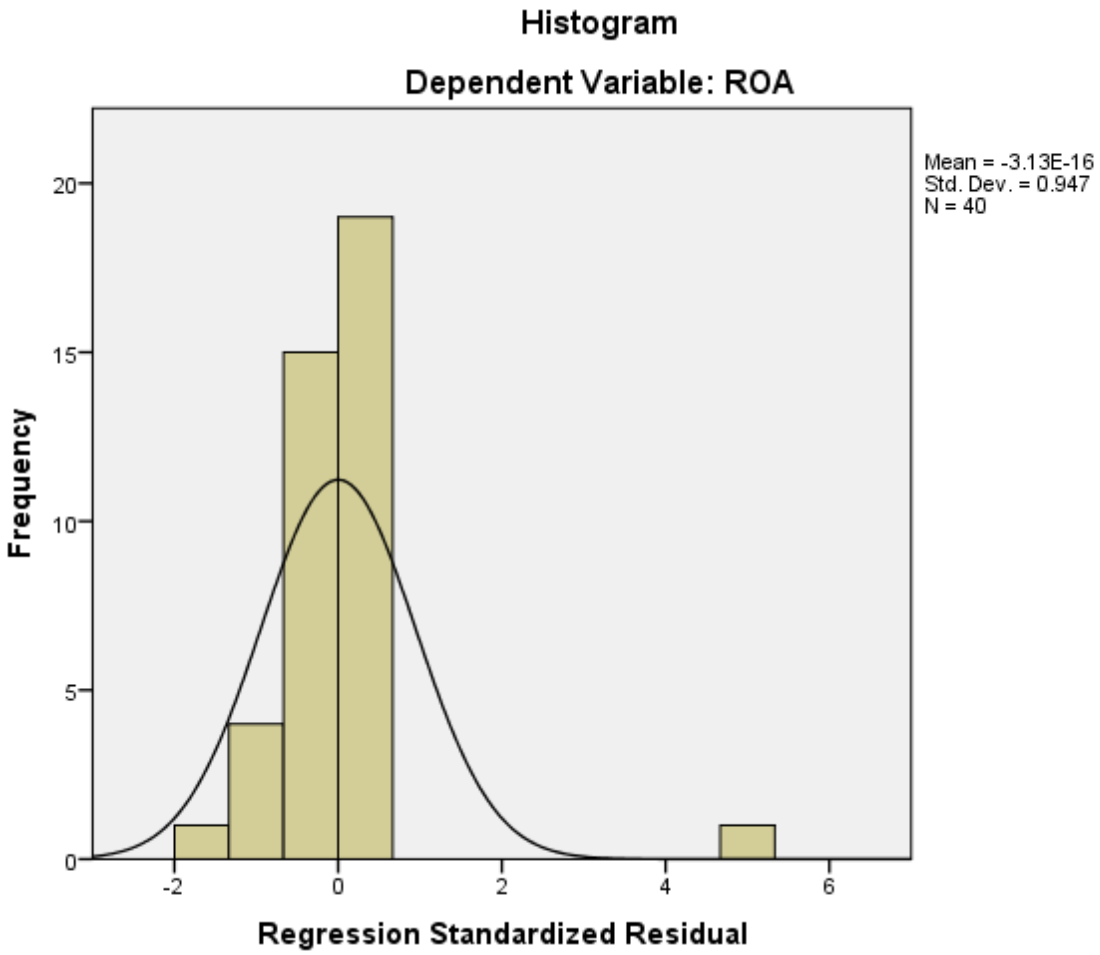
Histogram
Dependent Variable: ROA
Mean = -3.13E-16
Std. Dev. = 0.947
N = 40
Frequency
20
15
10
5
0
-2
0
2
4
6
Regression Standardized Residual

Figure 2