

Review of: "Does Exchange Rate and Interest Rate Affect Stock Prices in Nigeria?"

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Potential competing interests: No potential competing interests to declare.

The paper examines some standard relationships among between stock prices, interest rates and exchange rates. In literature there is empirical evidence that there is significant links between these variables. However, the paper does not find long-term relationships using the ARDL approach (Pesaran et al., 2001).

From my point, there is a model-based misspecification of over-parameterization and this may be have as a result the finding that there is no existence of long-term relationships (cointegration).

I suggest a more parsimonious model of ARDL or another cointegration technique such as Johansen (1988) or P. C. B. Phillips and S. Ouliaris (1990): Asymptotic Properties of Residual Based Tests for Cointegration. *Econometrica* **58**, 165–193.