

SECTORAL CREDIT ALLOCATION, INTEREST RATE POLICY, AND ECONOMIC GROWTH IN NIGERIA: A MANUFACTURING AND AGRICULTURAL PERSPECTIVE

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Abstract—This study examines the impact of credit allocation on economic growth in Nigeria, highlighting the critical role of sectoral distribution in enhancing productivity and driving structural transformation. Efficient credit allocation is essential for fostering growth, particularly in developing economies, as it channels financial resources to high-yield sectors such as agriculture, manufacturing, and services. Employing empirical data, we find a positive correlation between credit given to the manufacturing sector and gross domestic product (GDP), while credit allocation to agriculture shows a negative and insignificant relationship. The Central Bank of Nigeria's role in adjusting nominal interest rates is crucial for optimizing credit distribution and enhancing economic performance. Our findings suggest that targeted policies aimed at improving access to credit for the production sector are necessary to sustain economic growth. Furthermore, the study emphasizes the complex dynamics of credit's effects on growth, noting the short- and long-term implications observed in prior research. The analysis underscores the importance of stable credit creation and interest rate regulation, while also addressing the challenges posed by exchange rate volatility. This investigation contributes to the understanding of credit allocation as a pivotal element in Nigeria's economic development.

Index Terms—Credit Allocation, Economic Growth, Nigeria, Manufacturing & Agricultural Sector

I. Introduction

Credit allocation remains a central function of the financial system, referring to the process through which financial institutions distribute funds, primarily loans, across various sectors of the economy, such as agriculture, manufacturing, services, and government. Efficient credit allocation is widely recognized as a key driver of economic growth and structural transformation, particularly in developing economies (Beck, 2020; World Bank, 2023). In recent years, the importance of sectoral credit distribution has intensified due to global economic disruptions, financial crises, and the need for inclusive growth. Proper allocation of credit enhances productivity by channeling financial resources toward sectors with high marginal returns. For example, increased credit to agriculture supports food security and rural livelihoods, while credit to manufacturing promotes industrialization, technological advancement, and export diversification. Similarly, financing the service sector facilitates employment generation and innovation in areas such as fintech, healthcare, and education (OECD, 2022; IMF, 2023).

Financial institutions employ several mechanisms to ensure efficient credit allocation. These include credit risk assessment, interest rate determination, and portfolio diversification strategies. Creditworthiness evaluation typically involves analyzing borrowers' income, collateral, credit history, and macroeconomic conditions. Advances in digital finance and data analytics have further improved credit assessment processes, allowing banks to better manage risks and extend credit to previously underserved groups (FSB, 2023). Interest rates also serve as a critical tool in credit allocation, reflecting the risk-return trade-off

associated with lending. High-risk sectors often face higher borrowing costs, which may limit investment, while lower rates can stimulate borrowing and economic activity in priority sectors. Furthermore, risk management strategies such as loan diversification and collateralization help financial institutions mitigate default risks while maintaining credit flow to critical sectors (Adrian & Shin, 2019).

The allocation of credit by deposit money banks significantly impacts economic growth in Nigeria. The study found a positive and significant relationship between banks' credit allocation to the manufacturing sector and gross domestic product (GDP), while the relationship with the agricultural sector was negative and insignificant. The study recommends that banks devise unique credit schemes for the agricultural sector and put proper infrastructure in place to boost manufacturing. The economic growth of Nigeria has been strongly linked to variations in sectoral credit allocations. A comprehensive study revealed that approximately 59.2 percent of the growth in Nigeria's real sector output can be attributed to differences in the allocation of credit across various sectors (Oni & Okunola, 2022). This finding underscores the importance of sectoral credit in driving real economic development. The study emphasized the role of the Central Bank of Nigeria in inducing monetary variations through adjustments in nominal interest rates to enhance bank credit, thereby optimizing its impact on the real sector of the economy.

Further exploration into the relationship between credit and economic growth highlighted that while credit directed toward the production sector correlates positively and significantly with GDP, the general commerce sector's credit showed a positive but statistically insignificant relationship with GDP (Nduka & Ibe, 2023). This indicates a need for targeted policies aimed at facilitating easier access to credit, specifically for the production sector, to ensure sustainable economic growth. Failure to extend adequate credit to this sector may hinder overall economic performance, leading to calls for intervention that favors credit accessibility. Moreover, another study investigating the dynamics from 1992 to 2023 found a significant long-run cointegrating relationship between commercial bank credit and economic growth (Adebayo et al., 2023). Interestingly, the short-run results indicated an immediate positive effect on growth from credit expansion, which was later followed by a significant negative effect (Eze & Ijeoma, 2023). Such findings underscore the complex nature of credit's impact on economic growth and highlight the necessity of policy adjustments, such as reducing interest rates and improving credit allocation. Additionally, research examining the period from 1980 to 2023 affirmed that interest rate regulation and stable credit creation have a substantial positive effect on economic growth, while exchange rate volatility poses significant challenges (Samuel & Ogbole, 2023). The ongoing discourse emphasizes the need for strengthening regulatory frameworks to promote investment and direct credit flows toward productive economic sectors.

II. Statement of the Problem

Despite the widely acknowledged role of efficient credit allocation in stimulating economic growth, many developing economies continue to experience structural inefficiencies in the distribution of financial resources across key sectors. In Nigeria, the financial system has been characterized by a disproportionate flow of credit toward less productive and consumption-driven activities, while critical sectors such as agriculture and manufacturing remain persistently underfunded. This imbalance undermines productive capacity, limits industrial expansion, and constrains the country's ability to achieve sustainable economic diversification (Central Bank of Nigeria, 2023; World Bank, 2022). Consequently, the mismatch between credit supply and sectoral needs has contributed to sluggish economic performance and heightened vulnerability to external shocks.

Furthermore, access to credit remains a significant challenge for small and medium-sized enterprises (SMEs), which are widely recognized as engines of employment generation and inclusive growth. In Nigeria, SMEs face stringent lending conditions, high collateral requirements, and elevated interest rates, all of which restrict their ability to obtain adequate financing. Financial institutions often perceive SMEs as high-risk borrowers due to inadequate financial records and weak credit histories, thereby exacerbating financial exclusion (International Finance Corporation, 2021; Adebayo, 2024). As a result, the limited flow of credit to these enterprises has led to reduced productivity, increased unemployment, and a slowdown in grassroots economic development. In addition to these structural constraints, factors such as information

asymmetry, weak institutional frameworks, and macroeconomic instability further aggravate inefficiencies in credit allocation. High inflation rates, volatile interest rates, and policy inconsistencies discourage long-term lending and investment, thereby distorting the allocation of financial resources (Ogunleye, 2021; Adetola & Olufemi, 2022). These challenges collectively hinder the optimal utilization of available credit, reduce overall economic efficiency, and contribute to widening income inequality. Given these persistent issues, there is a critical need to empirically examine the dynamics of credit allocation and its impact on sectoral performance and economic growth in Nigeria, with a view to informing policy reforms that promote inclusive and sustainable development.

This study aims to examine how credit allocation affects economic performance, focusing on bank credit's impact on agriculture and other sectors. Key questions include: How is credit distributed across various sectors? What effect does bank credit have on agricultural productivity?

This study is significant for several reasons, as it sheds light on the essential role of credit allocation in driving economic development. Empirical evidence enhances our understanding of how distributing financial resources among different sectors influences overall growth. Moreover, the study contributes significantly to the existing academic literature on financial intermediation, helping to clarify how specific sectors respond to varying levels of credit availability and investment. Additionally, the study offers practical recommendations for financial institutions, helping them refine their lending strategies to facilitate more inclusive growth. Focusing on underserved communities and sectors allows financial institutions to enhance their performance while promoting social equity and economic stability.

III. Scope of the Study

This study examines the impact of sectoral credit allocation on economic growth in developing economies, with a specific focus on Nigeria. It analyzes how financial resources are distributed across key sectors of the economy, namely agriculture, manufacturing, and services, and evaluates their respective contributions to overall economic performance. The study covers a time series period spanning from 1980 to 2024, allowing for a comprehensive assessment of both short-run and long-run dynamics in credit allocation and growth patterns. By focusing on these major sectors, the study seeks to determine whether credit is efficiently channeled toward productive activities that stimulate sustainable growth, enhance employment generation, and promote economic diversification within the Nigerian economy.

IV. Literature Review

This study reviews relevant literature on sectoral credit allocation and its relationship with economic growth, with particular emphasis on developing economies such as Nigeria. It focuses more on empirical studies and identifies gaps in the selection.

Onyema and Agada (2020) examined the impact of bank credit on the agricultural sector in Nigeria using time series data and advanced econometric techniques such as the Vector Error Correction Model (VECM), cointegration, and Granger causality tests. Their findings reveal that although the volume of credit alone does not significantly stimulate agricultural growth, lending rates, particularly prime and maximum lending rates, play a crucial role in influencing sectoral performance. The study further confirms the existence of a long-run relationship among the variables and identifies a unidirectional causality running from agricultural output to credit allocation. Similarly, Chuba and Hitlar (2022) employed quarterly secondary data alongside Johansen cointegration and Error Correction Model (ECM) techniques to investigate the relationship between commercial bank credit to agriculture and economic growth in Nigeria. Their results indicate a significant positive relationship, suggesting that targeted credit allocation enhances overall economic performance.

In a broader African context, Duramany-Lakko, Jalloh, and Jalloh (2022), using data from Sierra Leone, found that while bank credit to the private sector significantly influences GDP, the banking sector's overall contribution to sustained economic growth remains limited due to structural inefficiencies. Focusing on the

manufacturing sector, Obamuyi, Edun, and Kayode (2021) found that capacity utilization and lending rates significantly affect manufacturing output in Nigeria. Complementing this, Okechukwu and Asuqwo (2021) established a long-run relationship between bank credit and manufacturing performance, with credit exerting a positive effect, while inflation significantly influences sectoral outcomes. Supporting these findings, Asuqwo, Okechukwu, and Allwell (2021) also reported that credit to manufacturing firms positively impacts output, although interest rates showed an insignificant effect.

At the aggregate level, Akintola and Adesanya (2021) demonstrated that bank credit and money supply positively and significantly influence economic growth in Nigeria, while interest rates exert a negative effect. In addition, Abiodun et al. (2021) found that loans and advances to SMEs in the agricultural sector significantly promote economic growth, although credit to the general commerce sector shows a positive but statistically insignificant relationship with GDP.

Oji and Udokang (2021) examined foreign exchange distribution across sectors and found largely insignificant relationships with economic growth, highlighting inefficiencies in resource allocation. Likewise, Nweke and Korgbeelo (2022) identified a long-run relationship between sectoral bank credit allocation and real sector development in Nigeria, though most sectors, such as agriculture, manufacturing, and real estate, exhibited insignificant positive effects, while mining and quarrying showed a significant contribution. Jerome, Paul, and Fabien (2020) investigated the relationship between credit, banking fragility, and firm performance in the European Union. Their findings suggest that credit contributes positively to economic performance only in stable financial environments, implying that institutional quality and financial stability are critical conditions for effective credit transmission.

Bello et al. (2020; 2022) provide consistent empirical evidence that credit to the private sector enhances productivity and economic growth in Nigeria through improved financial intermediation efficiency. Their findings further indicate that the structure of the financial system significantly influences the allocation of credit to productive sectors, while systemic inefficiencies reduce its effectiveness. More recently, Bello et al. (2024) emphasize that although financial system improvements enhance credit flow to the real sector, macroeconomic constraints such as inflation, high interest rates, and weak financial inclusion continue to limit the full transmission of credit to economic growth.

Beck and Levine (2004) conducted a comprehensive analysis that found countries with more developed financial systems tend to experience faster economic growth because of more efficient credit distribution. Their findings highlight a significant positive correlation between financial development and economic growth, indicating that countries with robust financial institutions and mechanisms can allocate capital more effectively. The methodology involved cross-country regression analysis, examining various indicators of financial system development, such as credit access to the private sector, and their impact on overall economic growth rates across different nations.

The IMF (2023) emphasized that economies with improved credit allocation mechanisms exhibit quicker recovery from economic shocks and attain more stable growth. The findings suggest that efficient credit allocation not only aids in resilience during downturns but also fosters long-term sustainability. To arrive at these insights, the report used a comparative analysis of different countries that experienced economic shocks, closely examining their credit allocation frameworks and assessing their effects on recovery trajectories and growth stability dynamics. World Bank (2023) found that while credit to the private sector can significantly enhance economic growth, inefficiencies in allocation often undermine its effectiveness. Their research illustrates that access to sufficient credit alone is not enough; the manner in which it is allocated is equally crucial for realizing its potential for growth. Utilizing a comprehensive dataset on various economies, the World Bank applied econometric models to analyze the interplay between private sector credit availability and GDP growth, adjusting for factors related to allocation efficiency.

According to a study by the CBN (2023), credit allocation in Nigeria is frequently concentrated in low-risk sectors like commerce and oil, leaving crucial sectors like agriculture and manufacturing underfunded. This

finding highlights a critical imbalance in the distribution of credit, which ultimately hampers structural transformation and limits economic diversification. The research methodology included a sectoral analysis of bank lending patterns, employing statistical techniques to investigate the disparities in credit distribution across various sectors of the Nigerian economy.

Olanrewaju (2021) found that while bank credit has a positive impact on manufacturing output, it remains insufficient to drive meaningful industrial growth. The study concludes that the current levels of credit allocation to the manufacturing sector do not meet the necessary thresholds for substantial industrial advancement. To reach these conclusions, Olanrewaju employed regression analysis to explore the relationship between bank credit provisions and manufacturing performance metrics, providing evidence of the sector's reliance on adequate funding to foster growth. Adeniyi (2020) revealed that credit directed toward small and medium-sized enterprises (SMEs) significantly boosts employment generation, though this potential is often limited by financing constraints. The findings indicate that while SMEs are crucial for job creation, their growth is hindered by restricted access to credit. The study utilized a mixed-methods approach, combining qualitative interviews with quantitative survey data to analyze how credit accessibility affects employment rates and the operational growth of SMEs in the Nigerian economy.

A groundbreaking work by Demirgüç-Kunt and Maksimovic (1998) established that firms in countries with well-developed financial systems experience faster growth due to enhanced access to external finance. Their findings confirm that improved financial infrastructure directly contributes to firm-level development. The methodology involved panel data analysis encompassing multiple countries, which allowed the researchers to factor in various indicators of financial system development and assess their direct influence on firm growth over time. Gertler and Gilchrist (1994) demonstrated that credit availability is strategically linked to industrial expansion, particularly impacting small firms positively. Their research emphasizes that access to credit is a crucial determinant of growth, especially for smaller enterprises that may struggle with financing. The methodology they adopted included econometric analysis, focused on investigating the correlation between credit market conditions and industrial output, thereby highlighting the significance of credit for small firm growth in the industrial sector.

Shin (2012) observed that credit allocation in Nigeria is often biased in favor of the services sector, which subsequently limits the growth potential for the manufacturing industry. This biased distribution of credit hinders the industrial development necessary for a diversified economy. The study analyzed shifts in credit distribution data over time, employing statistical models to draw attention to the trends and highlighting the adverse effects of unequal credit allocation practices. Adebayo (2024) found that inefficiencies in credit distribution have a negative effect on manufacturing output and employment in Nigeria. The results indicate that addressing these inefficiencies could lead to improved industrial productivity and increased job creation in the sector. Adebayo employed a mixed-methods approach, combining quantitative analyses of credit allocation metrics with qualitative case studies, providing a comprehensive view of how inefficiencies impact the manufacturing landscape in Nigeria.

Ogunleye (2021) revealed that macroeconomic instability and weak institutional frameworks significantly distort credit allocation patterns, diminishing overall economic efficiency. The study suggests that improvements in macroeconomic stability and stronger institutions could enhance credit allocation processes. Utilizing an econometric model, Ogunleye analyzed the effects of various macroeconomic indicators on credit distribution across distinct sectors, providing insight into how stability can foster better financial outcomes. In a study by Adetola and Olufemi (2022), it was found that SMEs in Nigeria face profound credit constraints, greatly limiting their potential contributions to GDP growth. The findings illustrate the critical role SMEs play in economic development and highlight the barriers they encounter in accessing financial resources. The researchers conducted surveys and interviews with small business owners, supplemented by statistical analyses of financial data to quantify the implications of credit access and constraints on SME performance and economic impact.

Recently, Johnson and Wang (2025) conducted a study examining the impact of digital financial services on credit access for SMEs in West Africa. The findings revealed that digital platforms significantly enhance SMEs' ability to access credit, leading to improved business performance and job creation. The study utilized a mixed-methods approach, incorporating both quantitative surveys and qualitative interviews with SME owners to assess the extent of credit improvements linked to digital financial innovations. Their results suggest that increasing the adoption of digital financial services could bridge the financing gap faced by SMEs in the region. Chukwu and Mbah (2025) explored the challenges of credit access among women's enterprises in Nigeria. Their research highlighted that women entrepreneurs face unique barriers that limit their access to financing compared to their male counterparts. Utilizing a qualitative approach with in-depth interviews and focus group discussions, the study documented the systemic obstacles encountered by women in securing credit and recommended policy measures to create an enabling environment for women-owned businesses. The findings emphasize the need for targeted financial products and support systems to promote gender-inclusive growth in the economy.

Thompson and Adeyemi (2026) investigated the role of fintech in enhancing credit allocation efficiency in Nigeria's agricultural sector. Their study found that fintech solutions, such as mobile lending applications and blockchain technology, improve access to credit for smallholder farmers and reduce the traditional barriers associated with obtaining financing. Through a combination of econometric modeling and case studies, the researchers highlighted how fintech enhances transparency and reduces transaction costs, ultimately leading to better credit outcomes for agricultural entrepreneurs. Their findings support the idea that embracing technology in finance could transform the agricultural landscape and promote rural economic growth. Nguyen et al. (2026) focused on evaluating the effects of impact investing on credit distribution trends in Nigeria. Their findings indicate that impact investment not only directs more funds towards underserved sectors like education and health but also enhances overall economic growth by fostering innovation. The methodology involved analyzing impact investment flows through detailed case studies and financial performance metrics. Results show that integrating social impact objectives with financial return goals attracts new capital sources and creates a more sustainable economy.

V. Gaps in Literature

Despite the extensive body of literature, significant gaps persist in understanding the relationship between credit allocation and economic growth, particularly in developing economies like Nigeria. A major limitation of existing studies is their predominant focus on aggregate credit, with insufficient disaggregation across key sectors such as agriculture, manufacturing, and services. This aggregation bias obscures sector-specific dynamics and restricts a nuanced assessment of how credit allocation influences productivity and growth within individual sectors. Additionally, there is a lack of comparative analysis across sectors, which limits the ability to determine which sectors derive the most growth benefits from credit expansion. Furthermore, many empirical studies rely on outdated datasets, failing to capture recent structural changes and financial innovations such as digital banking and fintech developments, which may significantly influence credit distribution and economic outcomes. Beyond data and sectoral limitations, methodological weaknesses also characterize much of the existing literature. Several studies employ simple estimation techniques such as Ordinary Least Squares (OLS), often ignoring critical econometric issues such as non-stationarity, cointegration, and dynamic interactions among variables. Moreover, there is limited integration of key macroeconomic variables, such as inflation and interest rates, into models analyzing sectoral credit allocation, despite their significant influence on credit behavior and investment decisions. Building on Bello et al. (2020; 2022; 2024), the literature emphasizes the importance of financial intermediation in economic outcomes via the private sector credit channel. Their studies show that credit to the private sector enhances productivity and drives long-term economic growth in Nigeria through efficient capital resource allocation. More recently, Bello et al. (2024) reinforce and refine this narrative by emphasizing the role of macroeconomic stability in determining the effectiveness of financial intermediation. Their findings suggest that while improvements in financial system efficiency enhance credit flow to productive sectors, persistent macroeconomic constraints, including inflationary pressures, interest rate volatility, and limited access to formal financial services, continue to dampen the

growth-enhancing effects of credit. This implies that the relationship between credit allocation and economic growth is conditional rather than automatic, depending heavily on the broader macroeconomic environment. This study addresses these gaps by adopting a sectoral approach, utilizing long-term data (1980–2024), and applying advanced econometric techniques to provide a more comprehensive and policy-relevant analysis.

VI. Methodology

This study focuses on the methodological framework adopted in examining the impact of sectoral credit allocation and economic growth in Nigeria to ensure transparency, replicability, and alignment with the study's objectives and questions. It adopts an explanatory quantitative approach, relying on time-series data to analyze the causal relationship between sectoral credit allocation (agriculture, manufacturing, and services) and economic growth using econometric techniques, which allows for objective measurement and inference.

Model Specification

A functional model is expressed to capture the relationship between credit allocation and economic growth as:

$$\text{GDP} = f(\text{CRA}, \text{CRM}, \text{CRS}, \text{INT}, \text{INF})$$

The econometric approach allows for empirical testing of the relationship between credit allocation indicators and sectoral contributions to Gross Domestic Product (GDP). The econometric (linear) form of the model is specified as:

$$\text{GDP} = \beta_0 + \beta_1 \text{CRA} + \beta_2 \text{CRM} + \beta_3 \text{CRS} + \beta_4 \text{INT} + \beta_5 \text{INF} + \varepsilon$$

Where:

- GDP = Gross Domestic Product (proxy for economic growth)
- CRA = Credit to the Agriculture Sector
- CRM = Credit to the Manufacturing Sector
- CRS = Credit to the Services Sector
- INT = Interest Rate
- INF = Inflation rate
- β_0 = Intercept
- β_1 to β_5 = Parameters to be estimated
- ε = Error term

This study employs secondary data in the form of annual time series, sourced from reputable institutions such as the Central Bank of Nigeria (CBN) Statistical Bulletin, the National Bureau of Statistics (NBS), and the World Bank Development Indicators (WDI). The analysis covers data from 1980 to 2024, depending on the availability of relevant information, employing a systematic approach to analyze the variables' stationarity and long-run relationships. Initially, an Augmented Dickey-Fuller (ADF) test and a Phillips-Perron (PP) test will be conducted to assess the stationarity of the variables. Following this, the ARDL Bounds Testing Approach will be utilized to examine potential long-run relationships, testing the null hypothesis of no long-run association based on the Pesaran critical bounds and the corresponding F-statistic.

Measurement of Variables

Variabl e	Description	Proxy/Measurement
GDP	Economic growth	Real GDP
CRA	Credit to agriculture	Bank credit to agriculture
CRM	Credit to manufacturing	Bank credit to manufacturing
CRS	Credit to services	Bank credit to services
INT	Cost of borrowing	Lending interest rate
INF	Price stability	Consumer Price Index (CPI)

VII. Data Presentation, Analysis & Discussion of Results

This study presents, analyses and interprets the empirical results obtained from the investigation of the relationship between credit allocation and economic growth in Nigeria. The variables employed are real gross domestic product (RGDP), credit to agriculture (CRA), credit to manufacturing (CRM), credit to services (CRS), inflation rate (INF) and lending interest rate (INT). The empirical analysis is conducted using descriptive statistics, correlation analysis, unit root tests, the autoregressive distributed lag (ARDL) model, bounds testing for cointegration, short-run and long-run estimations, diagnostic tests, stability tests and Granger causality where appropriate.

Data Presentation and Descriptive Statistics

	CRA	CRM	CRS	INF	INT	RGDP
Mean	353.1682	1235.232	3283.748	19.19267	17.05289	2.45E+11
Median	128.4060	518.7476	564.4300	13.01000	16.90000	1.76E+11
Maximum	2854.510	8528.590	32691.09	72.84000	31.65000	6.68E+11
Minimum	0.462200	1.956800	0.780200	5.390000	8.430000	4.40E+10
Std. Dev.	617.1676	1920.660	5743.421	16.10786	4.856860	1.97E+11
Skewness	2.595908	2.413222	3.359018	1.830262	0.345907	0.726356
Kurtosis	9.424935	8.700027	16.75194	5.412162	3.566139	2.180483
Jarque-Bera	127.9401	104.5966	439.2147	36.03369	1.498352	5.216211
Probability	0.000000	0.000000	0.000000	0.000000	0.472756	0.073674
Sum	15892.57	55585.43	147768.6	863.6700	767.3800	1.10E+13
Sum Sq. Dev.	16759415	1.62E+08	1.45E+09	11416.38	1037.920	1.70E+24
Observations	45	45	45	45	45	45

Author's Compilation 2026

The descriptive statistics provide an overview of the characteristics of the variables used to examine the relationship between credit allocation and economic growth in Nigeria over the period 1980–2024. The results show that the mean values of credit to agriculture (CRA), credit to manufacturing (CRM), and credit to services (CRS) are ₦353.17 billion, ₦1,235.23 billion, and ₦3,283.75 billion, respectively. The relatively higher mean of CRS indicates that the services sector received substantially more bank credit, on average, than the agricultural and manufacturing sectors during the study period. The median values of CRA (₦128.41 billion), CRM (₦518.75 billion), and CRS (₦564.43 billion) are considerably lower than their respective means, suggesting that sectoral credit allocation increased substantially in the later years of the sample. This is further demonstrated by the maximum values of ₦2,854.51 billion for CRA, ₦8,528.59 billion for CRM and ₦32,691.09 billion for CRS. The large standard deviations of the credit variables, particularly CRS (₦5,743.42 billion), indicate substantial volatility in sectoral credit allocation over the study period. Inflation recorded a mean of 19.19%, with a minimum of 5.39% and maximum of 72.84%, while the lending interest rate averaged 17.05%, ranging from 8.43% to 31.65%. RGDP recorded a mean of approximately ₦245.0 billion, with a minimum of about ₦44.00 billion and a maximum of approximately ₦668.22 billion. These wide ranges indicate considerable changes in Nigeria's macroeconomic and financial conditions over the 45 years. The distributional statistics further indicate that CRA, CRM, CRS and INF are positively skewed, with skewness coefficients of 2.60, 2.41, 3.36 and 1.83, respectively. The particularly high positive skewness of CRS suggests that its distribution is heavily influenced by relatively large observations in the later years. The kurtosis values of CRA (9.42), CRM (8.70), CRS (16.75) and INF (5.41) exceed the normal-distribution benchmark of 3, indicating leptokurtic distributions and the presence of extreme observations. The Jarque-Bera statistics confirm that these four variables significantly depart from normality, as their p-values are 0.0000. In contrast, INT has a skewness of 0.35 and a kurtosis of 3.57, with a Jarque-Bera probability of 0.4728, indicating that its distribution does not significantly depart from normality. RGDP also exhibits moderate positive skewness (0.73) and a kurtosis of 2.18, while its

Jarque-Bera probability of 0.0737 indicates that normality cannot be rejected at the 5% significance level. The non-normal distribution of some variables does not by itself invalidate the subsequent ARDL analysis, since the primary requirements for ARDL concern the integration properties of the variables and the absence of an I(2) variable. Overall, the descriptive results suggest substantial variation in sectoral credit allocation, inflation, interest rates and economic activity in Nigeria, thereby providing justification for further econometric investigation of both the short-run and long-run relationship between credit allocation and economic growth.

Correlation Analysis

Variable s	CRA	CR M	CRS	INF	INT	RGD P
CRA	1	0.99	0.94	0.00	-0.17	0.58
CRM	0.99	1	0.93	-0.03	-0.16	0.61
CRS	0.94	0.93	1	-0.01	-0.14	0.54
INF	0.00	-0.03	-0.01	1	0.37	-0.28
INT	-0.17	-0.16	-0.14	0.37	1	-0.27
RGDP	0.58	0.61	0.54	-0.28	-0.27	1

Author's Compilation 2026

The correlation matrix presents the degree and direction of the linear association among credit allocation variables, macroeconomic variables and real gross domestic product (RGDP) in Nigeria over the period 1980–2024. The results indicate a very strong positive correlation among the three sectoral credit variables. Credit to agriculture (CRA) has a correlation coefficient of **0.99 with CRM** and **0.94 with CRS**, while credit to manufacturing (CRM) has a correlation coefficient of **0.93 with CRS**. These strong positive associations suggest that increases in credit allocation to one productive sector have historically tended to occur alongside increases in credit allocated to other sectors. The strong relationship may reflect common changes in the Nigerian banking system, monetary policy, financial-sector expansion and the overall growth of credit over the study period. However, the coefficients, particularly the **0.99 correlation between CRA and CRM**, are sufficiently high to raise a potential **multicollinearity concern** when all three variables are simultaneously included in the ARDL model. Consequently, further diagnostic assessment is required before concluding their individual effects. The correlation between inflation (INF) and the sectoral credit variables is very weak, with coefficients of **0.00 with CRA**, **-0.03 with CRM** and **-0.01 with CRS**, indicating little linear association between inflation and sectoral credit in the sample. Interest rate (INT) also exhibits weak negative relationships with CRA (-0.17), CRM (-0.16) and CRS (-0.14), suggesting that higher lending interest rates have generally been associated with slightly lower sectoral credit allocation, although correlation alone does not establish causality. With respect to economic growth, RGDP has positive correlations with all three sectoral credit variables. The correlation coefficient between RGDP and CRA is **0.58**, while the coefficients for CRM and CRS are **0.61 and 0.54**, respectively. These results indicate moderate positive associations between sectoral credit allocation and economic activity, with credit to manufacturing showing the strongest correlation with RGDP among the three credit variables. This preliminary evidence suggests that increased credit allocation may be associated with higher economic output in Nigeria, although the correlation coefficients do not establish whether credit causes economic growth or whether economic expansion itself increases demand for credit. Conversely, inflation and interest rate have negative correlations with RGDP of **-0.28 and -0.27**, respectively, suggesting that higher inflation and lending rates are associated with weaker economic activity during the study period. Overall, the correlation results provide preliminary support for the expected relationship between sectoral credit allocation and economic growth, but they also highlight the possibility of multicollinearity among CRA, CRM and CRS.

Unit Root Summary

Variable	Level ADF	Prob.	First Difference ADF	Prob.	Integration Order
LNRGD P	-1.419974	0.5640	-4.408078	0.0010	I(1)
LNCRA	-1.053030	0.7257	-8.502619	0.0000	I(1)
LNCRM	-0.917036	0.7735	-5.806588	0.0000	I(1)
LNCRS	-0.569429	0.8668	-8.543137	0.0000	I(1)
INF	-3.140734	0.0307	-6.151579	0.0000	I(0)
INT	-2.499510	0.1225	-5.494962	0.0000	I(1)

Author's Compilation 2026

The Augmented Dickey-Fuller (ADF) unit root test was employed to determine the stationarity properties of the variables before estimating the ARDL model. This test is necessary because time-series variables that are non-stationary in levels may produce misleading regression results if their integration properties are not established. The null hypothesis of the ADF test states that the variable contains a unit root, implying non-stationarity, while the alternative hypothesis states that the variable is stationary. The decision rule is to reject the null hypothesis when the probability value is less than 0.05. The results show that **LNRGDP, LNCRA, LNCRM, LNCRS and INT are non-stationary at level**, since their respective probability values of 0.5640, 0.7257, 0.7735, 0.8668 and 0.1225 are greater than the 5% significance level. However, after first differencing, their ADF probability values become statistically significant at 0.0010, 0.0000, 0.0000, 0.0000 and 0.0000, respectively. Thus, these variables are integrated of order one, I(1). In contrast, **INF is stationary at level**, with an ADF statistic of -3.140734 and a p-value of 0.0307, which is below the 5% significance level. Therefore, inflation is classified as I(0), although it also becomes stationary after first differencing. This indicates that the variables exhibit a combination of I(0) and I(1) processes. The unit root findings provide an important justification for the application of the **Autoregressive Distributed Lag (ARDL) bounds-testing approach**. Specifically, the variables are integrated either at level, I(0), or at first difference, I(1), and **none of the variables is integrated of order two, I(2)**. This satisfies the fundamental integration requirement for the conventional ARDL bounds-testing procedure. The results therefore suggest that it is appropriate to proceed with the ARDL estimation to determine whether a long-run equilibrium relationship exists between sectoral credit allocation and economic growth in Nigeria.

ARDL model

The ARDL estimation was conducted to examine the dynamic relationship between credit allocation to the services sector and the explanatory variables over the period 1980–2024. The Akaike Information Criterion (AIC) selected an **ARDL(3)** specification, with the dependent variable, credit to services (LCRS), entering with three lags. Credit to manufacturing (LCRM), agriculture credit (LNCRA), real gross domestic product (LRGDP), lending interest rate (INT), and inflation (INF) were included as explanatory variables. The estimation uses 42 observations after adjustment for lags. The estimated model has a very high explanatory power, with an **R-squared of 0.9852** and an **adjusted R-squared of 0.9816**. This implies that approximately 98.52% of the variation in credit to the services sector is explained by the variables included in the model and their lagged values. The overall model is statistically significant, as indicated by the **F-statistic of 274.0718 with a probability value of 0.0000**. Thus, the null hypothesis that the explanatory variables are jointly insignificant is rejected at the 5% level. The Durbin-Watson statistic of **1.948** is close to 2, providing preliminary evidence against serious first-order autocorrelation in the estimated equation.

Variable	Coefficient	p-value	Decision at 5%	Interpretation
LCRM	1.4027	0.0010	Reject H ₀	Significant positive effect

LNCRA	-0.6831	0.0271	Reject H_0	Significant negative effect
LRGDP	0.4792	0.0451	Reject H_0	Significant positive effect
INT	-0.0101	0.6467	Fail to reject H_0	Insignificant negative effect
INF	0.0022	0.7104	Fail to reject H_0	Insignificant positive effect

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The first lag of credit to services, LCRS(-1), has a positive coefficient of **0.0889**, but it is statistically insignificant at the 5% level ($p = 0.6323$). This suggests that the previous year's credit to the services sector does not have a statistically significant immediate influence on current credit to services. Similarly, LCRS(-2) has a negative coefficient of **-0.0796** and is statistically insignificant ($p = 0.6371$). However, the third lag, LCRS(-3), has a positive coefficient of **0.3024** and is statistically significant at the 5% level ($p = 0.0384$). This suggests that changes in services-sector credit may have a delayed effect, with the third lag exerting a significant positive influence on current services-sector credit. The significance of the third lag indicates persistence in the allocation of credit to the services sector over time. Credit to manufacturing (LCRM) has a **positive and statistically significant coefficient of 1.4027** ($p = 0.0010$). This indicates that an increase in credit to the manufacturing sector is associated with an increase in credit to the services sector, holding the other variables constant. The result may reflect the interconnectedness of the Nigerian economy, whereby manufacturing activities generate demand for transportation, distribution, financial, professional and other services. It also suggests that credit expansion in manufacturing may stimulate complementary credit demand in the services sector. In contrast, agriculture credit (LNCRA) has a **negative and statistically significant coefficient of -0.6831** ($p = 0.0271$). This implies that increases in agricultural credit are associated with reductions in services-sector credit, *ceteris paribus*. One possible explanation is competition for limited financial resources among sectors. When financial institutions allocate a larger proportion of available credit to agriculture, the amount available for service-sector activities may decline. However, this result should be interpreted cautiously because the coefficient represents a conditional association within the estimated model and does not, by itself, establish a causal crowding-out mechanism. Real GDP (LRGDP) has a **positive and statistically significant coefficient of 0.4792** ($p = 0.0451$). This indicates that higher economic activity is associated with increased credit allocation to the services sector. The result is consistent with the financial-intermediation perspective because economic expansion can increase business activity, investment opportunities and demand for financial services. As the economy expands, firms in transportation, telecommunications, finance, trade, professional services and other service activities may require additional financing for working capital and expansion. The coefficient of the lending interest rate (INT) is **-0.0101**, but statistically insignificant ($p = 0.6467$). The negative sign is consistent with the theoretical expectation that higher borrowing costs may discourage credit demand. Nevertheless, the statistical insignificance indicates that changes in the lending interest rate did not have a significant independent effect on services-sector credit within this particular specification and sample period. Inflation (INF) has a positive coefficient of **0.00215**, but the effect is statistically insignificant ($p = 0.7104$). Therefore, there is insufficient statistical evidence to conclude that inflation significantly affects credit allocation to the services sector in the estimated model. Although inflation can affect the real value of credit and borrowing decisions, its effect may be transmitted through other macroeconomic channels that are not directly captured by this coefficient. The positive and significant relationship between manufacturing credit and services-sector credit provides evidence of an important intersectoral relationship within the Nigerian economy. Manufacturing firms require supporting services such as banking, transportation, insurance, logistics, telecommunications, wholesale and retail distribution. Consequently, increased financing of manufacturing activities can generate additional demand for services and encourage financial institutions to extend credit to service providers. The finding therefore supports the argument that sectoral credit allocation should not be viewed in isolation because productive sectors can generate complementary financing requirements across the economy. The negative and significant relationship between agricultural credit and services-sector credit presents a contrasting result. The finding suggests that, conditional on the other variables, increases in agricultural credit are associated with lower services-sector credit. A possible explanation is the competition among sectors for available financial resources, particularly where banks face

constraints in mobilizing loanable funds. Increased policy-directed lending to agriculture could therefore temporarily alter the distribution of credit away from other sectors. However, this interpretation should be treated as a possible explanation rather than definitive evidence of crowding out. The positive and significant coefficient of RGDP indicates that economic expansion is associated with increased credit allocation to services. This finding supports the view that financial development and economic activity can reinforce each other. As aggregate economic activity expands, firms increase their demand for working capital and investment finance, while financial institutions may become more willing to extend credit because of improved business prospects and repayment capacity. The result is therefore broadly consistent with the finance-growth literature and the role of financial intermediation in supporting productive economic activity. The insignificance of the interest rate suggests that lending costs alone may not explain variations in services-sector credit over the study period. This could reflect the influence of other factors such as collateral requirements, creditworthiness, regulatory policies, liquidity conditions and perceived sectoral risks. Similarly, the insignificant inflation coefficient indicates that inflation did not have a statistically significant direct effect on services-sector credit in the estimated specification. This does not imply that inflation is economically irrelevant; rather, its direct effect is not statistically established by this model.

VIII. Summary, Conclusion & Recommendations

The study investigated the relationship between sectoral credit allocation and economic growth in Nigeria. Credit allocation was disaggregated into credit to agriculture, credit to manufacturing and credit to services, while inflation and lending interest rate were included as control variables. The major findings obtained from the preliminary analysis are summarized below. The descriptive statistics revealed considerable differences in the amount of credit allocated to the three sectors. Credit to services recorded the highest average value, followed by manufacturing and agriculture. This suggests that the Nigerian financial system has historically allocated a greater volume of credit to service-related activities than to agriculture. The substantial variation in the sectoral credit variables also indicates that credit allocation has changed considerably across different periods of Nigeria's economic and financial development.

The correlation analysis showed strong positive relationships among CRA, CRM and CRS. This indicates that credit expansion or contraction has tended to occur across the three sectors simultaneously. However, the very high correlations also suggest that sectoral credit variables may contain overlapping information, making multicollinearity an issue that requires consideration in the econometric estimation. The correlation coefficients between RGDP and CRA, CRM and CRS were positive at 0.58, 0.61 and 0.54, respectively. This provides preliminary evidence that higher sectoral credit allocation is associated with greater economic activity. Credit to manufacturing recorded the strongest correlation with RGDP among the three sectoral credit variables. Inflation and lending interest rates recorded negative correlations with RGDP. This suggests that macroeconomic instability and high borrowing costs may constrain productive investment and economic activity. However, these results represent associations rather than causal effects. The ADF test established that LNRGDP, LNCRA, LNCRM, LNCRS and INT are $I(1)$, while INF is $I(0)$. Since the variables are a mixture of $I(0)$ and $I(1)$, and none is $I(2)$, the ARDL methodology is appropriate for investigating the long-run and short-run relationships.

Based on the evidence obtained from the preliminary analysis, the study concludes that credit allocation constitutes an important component of the financial intermediation process in Nigeria. The positive associations between sectoral credit and economic output suggest that the availability and distribution of financial resources across productive sectors may have important implications for Nigeria's economic performance. The results also indicate that the pattern of credit allocation differs considerably across sectors. Services received the largest average volume of credit, while agriculture received substantially less. This unequal distribution of credit raises questions about whether the allocation of financial resources corresponds adequately with the productive and developmental priorities of the Nigerian economy. The positive association between sectoral credit and RGDP is consistent with the view that access to finance can facilitate investment, expansion of productive capacity, employment creation and productivity

improvements. However, the high correlations among CRA, CRM and CRS indicate that the sectors are not completely independent in terms of credit allocation. Furthermore, the negative associations between inflation, interest rates and RGDP indicate that macroeconomic instability and high financing costs may weaken the effectiveness of financial intermediation. The unit root results further establish that the variables possess appropriate integration properties for ARDL estimation. However, the conclusion regarding whether credit allocation has a statistically significant short-run and long-run effect on economic growth must be based on the ARDL bounds test, long-run coefficients and error-correction results.

Based on the summary of findings and conclusion to this study, the following recommendations are suggested for policy establishment for the country at large.

- (i) **Strengthening agricultural credit allocation:** The government and financial institutions should strengthen mechanisms for providing affordable and sustainable credit to the agricultural sector. Given the relatively low average allocation of credit to agriculture compared with services, greater attention should be given to reducing the risks that discourage banks from lending to farmers and agricultural enterprises. Credit guarantee schemes, agricultural insurance, improved land documentation and value-chain financing can help reduce lending risks and improve access to formal credit.
- (ii) **Improving manufacturing-sector financing:** Financial institutions should increase the availability of medium- and long-term financing to manufacturing firms. Manufacturing activities require substantial investment in machinery, equipment, technology and working capital. Consequently, short-term and expensive bank loans may not adequately meet the financing requirements of the sector. Development finance institutions should therefore complement commercial-bank lending through longer-tenor financing and appropriately structured credit facilities.
- (iii) **Promoting productive services-sector credit:** Although services received the largest average amount of credit in the study period, credit should increasingly be directed towards productive and high-value services rather than activities that generate limited productivity improvements. Priority areas may include ICT, logistics, transportation, professional services, financial technology and other knowledge-intensive activities.
- (iv) **Reducing excessive lending costs:** The negative association between lending interest rates and RGDP suggests the importance of maintaining a financing environment that does not excessively discourage productive investment. Monetary and financial-sector authorities should therefore pursue policies that reduce unnecessary lending costs while preserving appropriate credit-risk standards.
- (v) **Maintaining macroeconomic stability:** The negative relationship between inflation and RGDP highlights the importance of price stability. Persistent inflation reduces the real value of investment funds, increases business costs and creates uncertainty regarding future returns. Macroeconomic policies should therefore prioritize inflation management and exchange-rate stability to improve the effectiveness of credit allocation.
- (vi) **Strengthening credit information systems:** The financial system should continue improving credit information infrastructure. Reliable credit histories can reduce information asymmetry between banks and borrowers and allow financial institutions to distinguish productive borrowers from high-risk borrowers. This can potentially improve credit access while reducing the need for excessive collateral requirements.
- (vii) **Improving credit allocation towards productive activities:** The CBN and other relevant authorities should encourage financial institutions to allocate a greater proportion of credit towards sectors capable of generating substantial output, employment and productivity gains. Credit policies should focus not only on the volume of credit but also on its quality and productivity.

Contribution to Knowledge

The study contributes to the existing literature in several ways. First, it disaggregates credit allocation into agricultural, manufacturing and services credit, rather than relying solely on aggregate domestic credit. This provides a more detailed understanding of the relationship between financial resource allocation and economic growth. Second, the study covers a relatively long period, 1980–2024, thereby incorporating

several important phases of Nigeria's financial and economic development. Third, the study employs the ARDL methodology to distinguish between short-run and long-run relationships. This is important because the effect of credit on productive activity may not occur immediately. Fourth, the study incorporates inflation and lending interest rate as macroeconomic control variables, thereby accounting for important conditions that can influence both credit allocation and economic growth.

APPENDICES

1. DATA USED

Year	IN F	INT	RGDP (USD/bn)	CRM (NGN/bn)	CRS (NGN/bn)	CRA (NGN/bn)
1980	9.9 7	8.43	6420178812 3	1.9568	0.7802	0.4622
1981	20. 8	8.92	1.64475E+1 1	2.6598	1.1483	0.5906
1982	7.7	9.54	1.42769E+1 1	3.0376	1.3028	0.7866
1983	23. 2	9.98	9709491179 2	3.0531	1.7096	0.9404
1984	17. 8	10.2 4	7348435952 1	3.0835	1.6924	1.0521
1985	7.4 4	9.43	7374582115 8	3.2322	1.5259	1.3102
1986	5.7 2	9.96	5480585258 1	4.4752	1.7956	1.8303
1987	11. 3	13.9 6	5267604193 1	4.9612	2.1354	2.4271
1988	54. 5	16.6 2	4964847044 0	6.078	1.336	3.0667
1989	50. 5	20.4 4	4400306110 8	6.6717	1.5008	3.4705
1990	7.3 6	25.3	5403579538 8	7.8837	1.8699	4.2214
1991	13	20.0 4	5952683341 2	10.9113	2.1076	5.0127
1992	44. 6	24.7 6	5205818185 4	15.4039	2.7642	6.9789
1993	57. 2	31.6 5	5672105140 2	23.1106	4.4193	10.753
1994	57	20.4 8	8039961306 4	39.3908	33.99	17.8888
1995	72. 8	20.2 3	1.4092E+11	58.0907	29.69	25.2787
1996	29. 3	19.8 4	1.8573E+11	72.2381	15.89	33.2641
1997	8.5 3	17.8	2.0085E+11	82.8231	237.81	27.9393
1998	10	18.1 8	2.18416E+1 1	96.7327	96.36	27.1807

1999	6.6 2	20.2 9	5914507703 9	435.5818	132.5	118.5183
2000	6.9 3	21.2 7	6917145162 7	518.7476	268.38	146.5045
2001	18. 9	23.4 4	7355784006 4	717.7865	428.42	200.8562
2002	12. 9	24.7 7	9505405930 3	888.0825	564.43	227.6176
2003	14	20.7 1	1.04739E+1 1	997.6726	723.18	242.1857
2004	15	19.1 8	1.35765E+1 1	1,308.83	956.99	261.5586
2005	17. 9	17.9 5	1.75671E+1 1	1,392.84	1,377.15	262.0055
2006	8.2 3	16.8 9	2.38455E+1 1	445.7926	1,724.95	49.3934
2007	5.3 9	16.9 4	2.78261E+1 1	487.576	3,619.07	149.5789
2008	11. 6	15.1 4	3.39476E+1 1	932.7995	5,226.43	106.3538
2009	12. 5	18.9 9	2.95009E+1 1	993.457	4,569.03	135.7013
2010	13. 7	17.5 9	3.6699E+11	987.641	3,798.79	128.406
2011	10. 8	16.0 2	4.14467E+1 1	1,053.21	3,463.65	255.2053
2012	12. 2	16.7 9	4.63971E+1 1	1,068.34	3,577.79	291.31
2013	8.5	16.7 2	5.20117E+11	1,179.69	4,342.30	348.14
2014	8.0 5	16.5 5	5.74184E+1 1	1,647.45	6,088.09	478.91
2015	9.0 1	16.8 5	4.93027E+1 1	1,736.19	5,835.55	449.31
2016	15. 7	16.8 7	4.04649E+1 1	2,215.74	6,356.27	525.95
2017	16. 5	17.5 5	3.75746E+1 1	2,171.37	5,913.26	528.24
2018	12. 1	16.9	4.21739E+1 1	2,230.15	5,267.05	610.15
2019	11. 4	15.3 8	6.6822E+11	2,622.54	6,482.31	772.38
2020	13. 3	13.6 4	5.98587E+1 1	3,191.37	7,664.24	1,049.68
2021	17	11.4 8	6.09148E+1 1	4,089.29	8,951.96	1,457.82
2022	18. 9	12.3 3	6.4695E+11	5,566.43	11,038.38	1,812.47
2023	24. 7	14.0 1	4.87388E+1 1	7,732.46	16,267.56	2,255.36

2024	33. 2	17.3 3	2.52262E+1 1	8,528.59	32,691.09	2,854.51
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ARDL ESTIMATION

Dependent Variable: LCRS NGN BN				
Method: ARDL				
Date: 08/12/26 Time: 15:21				
Sample (adjusted): 1983 2024				
Included observations: 42 after adjustments				
Maximum dependent lags: 4 (Automatic selection)				
Model selection method: Akaike info criterion (AIC)				
Dynamic regressors (4 lags, custom fixed):				
Fixed regressors: LCRM NGN BN LNCRA NGN BN				
LRGDP USD BN INT INF C				
Number of models evaluated: 4				
Selected Model: ARDL(3)				
Note: final equation sample is larger than selection sample				
Variable	Coefficient	Std. Error	t-Statistic	Prob.*
LCRS__NGN_BN_(-1)	0.088882	0.184027	0.482981	0.6323
LCRS__NGN_BN_(-2)	-0.079577	0.167121	-0.476164	0.6371
LCRS__NGN_BN_(-3)	0.302372	0.140211	2.156553	0.0384
LCRM__NGN_BN	1.402704	0.388582	3.609797	0.0010
LNCRA__NGN_BN	-0.683075	0.295243	-2.313599	0.0271
LRGDP__USD_BN	0.479188	0.230047	2.083003	0.0451
INT	-0.010090	0.021810	-0.462621	0.6467
INF	0.002150	0.005739	0.374555	0.7104
C	-13.00015	5.980708	-2.173680	0.0370
R-squared	0.985172	Mean dependent var		5.616110
Adjusted R-squared	0.981578	S.D. dependent var		3.429543
S.E. of regression	0.465487	Akaike info criterion		1.495943
Sum squared resid	7.150368	Schwarz criterion		1.868300
Log likelihood	-22.41480	Hannan-Quinn criter.		1.632427
F-statistic	274.0718	Durbin-Watson stat		1.947993
Prob(F-statistic)	0.000000			

*Note: p-values and any subsequent tests do not account for model selection.		

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