

Editorial

A hearty welcome to the sixth issue of **Amity Journal of Finance**. As the financial landscape continues to evolve, research in the field should keep pace with the changes and develop a responsible and prudent financial behavior at personal and organizational levels to achieve greater financial stability. AJF endeavours to provide an international platform to academicians, research scholars and practitioners from across the world to contribute their scholarly research and to lead in advancement of financial concepts for the benefit of academia, business and the society at large.

The first study examines the impact of microfinance banks on poverty alleviation in Nigeria, and the implications of such findings for a period of 26 years (1992 to 2017). It is the common notion across globe that Microfinance banks occupy strategic position in the alleviation of poverty in a country. However, the study reveals that microfinance banks have no significant role in the alleviation of poverty in Nigeria. Consequently the study recommends that the government should formulate policies so that better part of banks' deposits is set aside to help the poor and marginal population of Nigeria for poverty alleviation.

The second literature analyzes the role of institutional quality in equity foreign portfolio inflow in Sri Lanka. Institutional quality does not impact on foreign portfolio inflows in long run while a significant impact is established in short run. It shows a positive impact towards inflows verifying that improvement in institutional quality attracts more foreign investors due to low risk, investors' confidence and assurance. Stock market development positively influences portfolio inflows which means that stock market development attracts more foreign portfolio inflows to the country in the long run. The next study pursued the argument that the inflows of the foreign capital are useful for achieving long term development of the stock market in developing countries. Inflows of foreign capital tend to generate unpredictable and typical influences on short term capital market development in Nigeria, although it gives room for long run development of the market. It strongly indicates that a veritable difference exists between short run and long run effects of foreign capital inflows to Nigerian Stock Market. Hence policy makers must develop policy directions to suit the time horizon of capital flows.

The fourth study examined the balance sheet structure of ten central banks in Africa for the 15-year period 2000-2014. The objectives were to determine what their former practices have actually been and whether the combinations of their assets and liabilities at present are useful for their tasks over the longer term. It is apparent that most of the banks have not concentrated substantially on monetary policy alone but are largely responsible for other things. Furthermore, the 2008-2009 global financial crisis resulted in high volatility of monetary policy practices among central banks in Africa. It is that most of the central banks may not be able to adjust quickly if another global financial crisis breaks out. This next paper empirically assesses crude oil price shocks on the Nigeria foreign reserves. The study assessed the causality effect between crude oil price shocks and the Nigerian foreign reserves as a measure for economic activities. Data were obtained from the World Bank data base and Organisation of Petroleum Exporting Countries data base for a period of 1993 to 2017. The study ascertained that the depletion in the foreign reserves as a measure for the current economic degradation in Nigeria were not caused by the shocks in crude oil prices but was induced by other factors such as wrong policies implementation and recommends that the Nigeria government should enact policy on the standard and limit on foreign travels and adequately regulate activities in the parallel market. The sixth paper sets out to evaluate the effect of foreign capital on the performance of the Nigerian Stock market. The study shows that boosting foreign capital inflow has varied

effects on the stock market depending on the section considered. It is, therefore, recommended that policy should be more forward-looking in addressing inflows of capital into the stock market since the responses of the market take time to be manifested in Nigeria. Thus, policy makers must develop policy directions to suit the time horizon of capital to suit various sectors of the economy.

The last is a viewpoint on the imperative need for speed in any segment and finance being no exception. The markets has taken leaps and bounds on adding speed to the concepts. However, to run the full potentials we need super infrastructure, super support system and a well-controlled regulatory environment. What is not convincing is the concentration of trade in the hands of few institutions and high net worth investors. If a market practice is expected to have constructive outcomes, it should be widely accepted and not restricted to few hands. The regulators and exchanges have a regulatory and moral responsibility to penetrate the concept to the vast spectrum of traders.

We are indebted to many for their cooperation in the publication of the journal. Apart from the one who never fails, a few deserve to be mentioned: the International Editorial Advisory Board, Editorial Board and Editorial Review Board for their constant guidance and the authors who have shown immense faith and contributed their research papers to Amity Journal of Finance.

We invite feedbacks, and suggestions from our readers to help improve the quality and content of the journal.

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Editor-in-Chief