Discount Houses Operations, the Money Market and the Nigerian Economy: 
A Preliminary Investigation

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Abstract
This paper investigates the relationships subsisting between the operations of discount houses and the performance indices of the money market and the general economy. The method used involved the estimation of regression models and subsequent analysis of results using conventional statistics. The findings indicate that positive and significant relationships existed between the indicators of discount houses and those of the money market and the macro economy. Thus, the operations of these houses reserve the potentials to boost the performances of the money market and the economy considerably. This calls for policy options that would favor the encouragement of existing houses and licensing of new ones to adequately carter for the needs of the overall economy.

Introduction
It has been underscored that discount houses play very important roles in stimulating investments in the economy and in boosting the general operations of the money market. Not only do they serve as catalyst in the market, they are, on their own, large-scale investors in the money market as well. Their role in facilitating profitable open market operations is worth stressing (CBN, 2004; Ezirim, 2005). Notwithstanding these and other roles performed by discount houses in a typical economy, the Nigerian money market operations are said to be sub-optimal in terms of engineering desired growth in the economy. The observed sub-optimality of the Nigerian money market is blamed, in part, on the poor performance of discount houses and other money market institutions. Discount houses, from the onset of their operations in the country, were expected to cause the Nigerian money market to operate optimally. Since the money market is yet to achieve this objective, can we then say that the discount houses have failed in their expected duties? It is the burden of this study to ravel the true position by x-raying the relationships between relevant variables representing the operations of the money market and those of the discount houses.

Furthermore, the entire activity of the discount houses is expected to directly or indirectly boost aggregate domestic investment, output, and income. The levels of these macro magnitudes, even with the advent of discount houses, have left much to be desired. Does this suggest that these institutions, alongside others, have failed in their critical duty to the economy? The need to investigate the relationship between the
operations of these financial institutions and relevant macro indicators is only rife. It is, therefore, main
purpose of this study to analyze the operational performance of discount houses in a bid to see how they
relate with the general performance of the money market and the macro economy.

Theoretical Framework and Review
Concept and Roles of Discount Houses
Discount houses are recent but novel developments that are meant to further the catalytic processes in
the economic advancement of the less developed countries (LDCs) like Nigeria, especially in the money
market sub-sector. By definition, discount houses are financial institutions devoted to trading in money
market securities in the secondary market. As in Ezirim (2005), discount houses (DHs) were established to
serve as financial intermediaries between the Central Bank of Nigeria (CBN), licensed banks, and other
financial institutions. DHs mobilize funds for investments in securities by providing discounting/rediscounting
Guidelines for discount houses in Nigeria, “a discount house means any person in Nigeria who transacts
a discount house business which in the main consists of trading in and holding of treasury bills,
commercial bills and other securities and whose operations are in the opinion of the CBN those of a
discount house”. Local Banks and other financial institutions including insurance companies, with or
without the participation of international finance institutions acceptable to the CBN, can subscribe to the
shares of a discount house business. However the maximum permissible equity holding for any single
investor in a discount house is 40%.

Kakawa Discount House Ltd. (2005) provided a distinct approach to understanding the discount house
phenomenon. To them, a discount house is a specialist financial institution, which intermediates in the
money market by accepting short-term monies for onward investment in short-term financial securities
from commercial, universal, investment and development banks, building societies, other financial
institutions and high net worth individuals. They are credited with playing a vital role in the Nigerian
Monetary System by sitting at the centre of the money market, and offering the safest avenues available
for investment in Nigeria today. They invest mainly in government treasury bills and to a lesser extent in
commercial bills issued by blue chip companies, and accepted by creditworthy bank. Their principal
specialization is in providing primary liquidity in the Nigerian financial sector through the buying and
selling of security in huge volumes for very short period of time. A discount house in Nigeria is a specialist
financial institution that acts as an agent for facilitating the Open Market Operation (OMO) allocations;
and as a market marker in Nigeria money market. Ajie and Ezi (2001) maintained that the establishment
of discount house in Nigeria has been an important development that led to an increased level of activity,
fund flows and growth of the money market.
Establishment and Raison d'être of Discount Houses in Nigeria
Discount Houses were set up by the provisions of Section 28, of the Central Bank of Nigeria (CBN) Decree No.24 of 1991 and sections 61 of Banks and Other Financial Institutions (BOFID) Decree No. 25 of 1991 as amended. Three discount houses commenced operations in 1993 while two others joined between 1995 and 1996. Discount Houses were primarily created in Nigeria to carry out the following functions: (a) Promotion of rapid growth and efficiency in the money market; (b) Acting as an intermediary between the CBN and licensed banks in Open Market Operations (OMO) transactions and other eligible transactions; (c) Facilitating the issuance and sale of short term Government securities, (d) Providing discount/re-discount facilities for Treasury Bills, Government Securities and other eligible financial instruments; (e) Accepting short-term investments on an intermediary basis from banks and wholesale investors; and (f) Providing short term financial accommodation to banks. The CBN injects or withdraws funds from the money market through the Discount Houses, whose operations will enable them serve as a mirror with which the CBN gauges the liquidity position in the market. Discount Houses help banks to adjust their books on a daily basis, resulting in the stimulation of the money market and paving the way for healthy growth, efficiency and professionalism. Following the recent CBN 2004 Guidelines, the functions of a Discount House were expanded to include: (a) Providing portfolio and funds management services, (b) Providing financial and business solutions, and (c) Other functions that may be prescribed by the CBN from time to time (CBN, 2004).

Regulation and Control of Discount Houses in Nigeria
The Central Bank of Nigeria (CBN) and the Securities and Exchange Commission (SEC) regulate and control the activities of the Discount Houses. In a bid to keep Discount Houses secure, the CBN strictly regulates them through daily, weekly, monthly, semi-annual and annual reporting of their statement of affairs while relevant quarterly reports are sent to SEC. This keeps the regulatory agencies continuously informed of the situation prevailing in the Discount Houses on a daily basis (Kakawa, 2005). In terms of prudential requirements, the CBN (2004) required that every discount house shall: (a) transfer to the statutory reserve a minimum of 15 percent of profit after tax if the reserve fund is less than the paid-up capital and a minimum of 10% if the reserve fund is equal to or more than the paid-up capital; (b) maintain capital funds to risk assets ratio of 1:13 and cash asset ratio (CAR) of 10% or as may be prescribed by the CBN from time to time; (c) not exceed a maximum ratio of 50:1 between its total borrowing and capital plus reserves without the prior approval of the CBN; (d) not grant to any bank, facility of more than 75% of its shareholders’ funds unimpaired by losses without the prior approval of the CBN; (e) (i)at all times maintain not less than 60% of total borrowing in government securities; (ii) Any discount house which fails to maintain the 60% of borrowings in government securities is guilty of offence and liable to fine as stipulated in Section 15(4)(b) of BOFIA as amended. (f) shall classify and make provision for its risk assets in line with prudential guidelines for banks; (g) maintain proper books of accounts; (h) every discount house shall display its daily rates or interest in a conspicuous position in all its offices; (i)
changes in the discount house’s top management and Board of Directors shall be subject to the prior approval of CBN; (j) every discount house shall appoint an auditor approved by the CBN whose duties shall be to make to the shareholders a report of their annual balance sheet and profit and loss account. The qualifications, duties, powers and responsibilities of the approved auditors shall conform to the provisions of Section 29 of BOFIA 1991, as amended; and (k) all repurchase transactions (Repos) by discount houses shall be reported on the balance sheet if the securities used are owned by the discount houses with the affected assets remaining in the books of the sellers (discounting houses), while the cash received by them shall be recognized as a liability (CBN, 2004).

Services and Financing of Discount Houses
Discount Houses offer a wide range of financial products to Banks, Non-Bank Financial Institutions and the general public. The main services include: (a) Securities trading which includes buying and selling of: Treasury Bills, Treasury Bonds, Government Bonds, and Commercial Bills; (b) Accepting short-term investments from banks and providing short-term accommodation to banks; (c) Short-term financial intermediation through the acceptance of funds and simultaneous investment of the funds in: Commercial Papers, Bankers Acceptances, Government Securities; (d) Providing personalized wealth management to high net-worth individuals through a network of investment managers, financial consultants and other specialists; (e) Effective portfolio management on both discretionary and non-discretionary basis through the provision of medium to long term investment management services to: Pension funds, Private clients, Employee Schemes, Trustees of family settlements and charities; and (f) Providing Business Solutions in: Financial Arrangement and Management, Mergers and Acquisitions, Privatization, Business Assessment, Business Structuring, and Data Resource and Management (kakawa Discount House Ltd., 2005)

The Sources of funds for discount houses in Nigeria included: (a) Equity - Paid- up Capital and Reserves. (b) Call money and short-term borrowings of not more than three years maturity. (C) Call money placed by banks with discount houses shall form part of the specified liquid assets of the respective banks for the purpose of the liquidity ratio requirement. (d) A discount house that is short of funds may: (i) obtain from the CBN an overnight advance against acceptable collateral. However such an advance shall not exceed 20 percent of the total assets of the discount house and shall not in any event be granted if the discount house has exceeded the borrowing limit as prescribed by CBN; (ii) sell short-term bills and/or other securities to the CBN. The CBN shall provide rediscounting facilities for treasury and other eligible securities; and (iii) enter into Repurchase transactions with the CBN using eligible securities.

The short-term nature of the liabilities of a discount house requires that its assets be substantially liquid. The assets of a discount house shall consist of the following: a) Treasury Bills; b) Treasury Certificates; c) Negotiable Certificates of Deposit (NCDs); d) Bankers’ Acceptances; e) Commercial Papers (eligible); f) Asset-Backed Securities (of not more than three years to maturity); g) Federal Government Development
Stocks (development stocks not exceeding five years); h) Eligible State Bonds (bonds with not more than five years to maturity); i) Promissory Notes issued by State Governments; and j) Any other securities that may from time to time be approved by the CBN.

Discount Houses, Open Market Operations, and the Money Market
Open Market Operations (OMO) is an indirect monetary policy technique that is used to control the level of money supply. It involves the sale/purchases of money market instruments in the open market. In Nigeria, the money market instrument used for OMO auctions is the Treasury Bills. Discount houses are the exclusive agents, in the conduct of OMO in Nigeria. OMO auction are held on a weekly basis. Presently, the notice is put out on Wednesday. Banks and other participants forward their bids to the discount houses on Thursday whilst the results are released the following day, Friday. The Discount House submits bids from authorized dealers, including its needs for OMO instruments, to the Central bank and facilitates the payments and settlement of the transactions.

The money market is a wholesale market for low risk, highly liquid, short-term debt instruments. Short-term refers to a tenor of less than one year. In Nigeria, the instruments traded in the main are Treasury Bills, Bankers Acceptances and Commercial Paper. The heart of activity in the money market occurs in the dealing rooms of discount houses and banks. Each day, billion of Naira is traded between operators in the money markets (CBN, 2004; Kakawa, 2005).

Performance of Discount Houses in Nigeria
Since inception, the discount houses have especially increased the level of activity in the secondary market for government securities. This is apparent from the volume of treasury bills currently held by banks. This increased from N5,181.0 million in 1992 to N38,286.8 million in 1994. This is very remarkable when we consider that the treasury bills issued by the CBN had shown a downward slide from N81152.1 million in 1992 to N30633.2 million in 1994 and N20247.7 million in 1996. As at 2002, there were 5 discount houses operating in Nigeria. Relative to their performance in 2001, they recorded significant growth in 2002. The total assets of the 5 operating Houses amounted to N57.3 billion at December 2002 and N67.3B as at the end of 2004 (See Table 1 below). Total funds available amounted to N28.7 billion compared with N9.7 billion in 2001. The funds were sourced mainly from money-at-call (N13.9 billion), other amounts owed to bank and non-bank customers (N11.7 billion), accretion to capital and reserves (N1.6 billion), and reduction in cash and balances with banks (N1.5 billion).
Table 1: Selected Indicators of Discount Houses, Money Market and Nigerian Economy

<table>
<thead>
<tr>
<th>Year</th>
<th>Discount Houses Shareholders’ Funds (DHSF) N’M</th>
<th>Discount Houses Assets (DHASS) N’M</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>436.0</td>
<td>4,461.8</td>
</tr>
<tr>
<td>1994</td>
<td>565.7</td>
<td>9,583.2</td>
</tr>
<tr>
<td>1995</td>
<td>865.6</td>
<td>3,431.9</td>
</tr>
<tr>
<td>1996</td>
<td>1251.7</td>
<td>1,178.4</td>
</tr>
<tr>
<td>1997</td>
<td>1430.5</td>
<td>6,996.1</td>
</tr>
<tr>
<td>1998</td>
<td>1710.3</td>
<td>7,842.6</td>
</tr>
<tr>
<td>1999</td>
<td>2136.5</td>
<td>15,049.6</td>
</tr>
<tr>
<td>2000</td>
<td>3730.7</td>
<td>30,260.8</td>
</tr>
<tr>
<td>2001</td>
<td>4948.6</td>
<td>32,353.7</td>
</tr>
<tr>
<td>2002</td>
<td>6511.0</td>
<td>57,282.9</td>
</tr>
<tr>
<td>2003</td>
<td>7679.0</td>
<td>52,731.2</td>
</tr>
<tr>
<td>2004</td>
<td>9924.5</td>
<td>67,346.2</td>
</tr>
</tbody>
</table>

Source: CBN Annual Reports, various years.

The funds were largely utilized for investments in government securities (N19.7 billion), settlement of claims to banks (N2.4 billion), and acquisition of other assets (N2.4 billion) among other uses (CBN, 2002: 42, 43). The Central Bank (2004a) reported that the level of activities of discount houses recorded relatively improved performance in 2004 relative to what obtained in 2003. The total assets/liabilities rose from N52.7 billion in 2003 to N67.3 billion in 2004, representing an increase of N14.6 billion or 27.7 per cent, while the total funds sourced amounted to N22.6 million, compared with N15.4 billion in the preceding year (See Table 1). The funds were sourced mainly from non-bank customers (N8.1 billion), reduction on claims by banks (N5.7 billion), and an increase in reserves (N2.2 billion). The funds were utilized mainly in the purchase of Federal Government securities of less than 91-days maturity (N16.2 billion). Discount houses’ investment in Federal Government securities of less than 91 days maturity amounted to N38.1 billion at end-December 2004, representing 80.1 percent of their total deposits liabilities. This was 20.1 percentage points higher than the prescribed minimum of 60.0 per cent for fiscal 2004 (CBN, 2004a). These show how important the impact of the discount houses has largely been felt in the level of activity and nature of holding of government debts instruments.

Research Methodology

Design of the study and Data: The study investigates the effect of the operational Performance of the discount houses on the Nigerian economy. The method employed included the estimation and analysis of regression models. For the purpose of this study, the research design used was the investigative research method which is mainly biased to inferential statistical analysis (Baridam, 2005). This study was intended to cover the entire discount houses operating in Nigeria. Accordingly, time series annual data
covering the period of 1993 through 2004 were obtained and analyzed. The Annual Report and Statement of Account of the CBN for various years constituted the sources of the time series data for the estimations.

Operational Measure of the Variables: The dependent variables in this study are the operational performance indices of the money market and the entire economy, namely the total value of operations of the money market and the real GDP respectively. The independent variables are the operational performance indices of the discount houses, namely the discount houses shareholders’ fund (DHSF) and discount houses assets (DHAS).

Data Analysis Techniques: Besides the desk research method which informs an extensive review of the theoretical underpinnings related to this topic, the study involved the estimation of conventional regression models as earlier mentioned which assisted in analyzing the data. The ordinary least square (OLS) technique was also adopted using the SPSS software for the estimation of the variables. The t- and F- tests were used to test for significance of the results obtained.

Hypotheses, Estimation Results, and Analysis
Two hypotheses were formulated to the intent of finding the nature and magnitude of relationship existing between discount houses operations, on one part, and the money market operations and the general economic activity of the country, on the other. The resultant linear regression models were estimated and analyzed below.

Relation between Discount Houses’ and Money Market Operations
The first hypothesis states that: there is no significant relationship between the country’s money market operational performance and the operations of discount houses in the country. As expected the regression statistics were calculated using the SPSS computer software programme. The indicator of the money market, namely money operations from 1993 through 2004 were regressed against the indicator of discount houses, namely, the total capital injections (shareholders fund – DHSF) of discount houses on one part, and total assets of discount houses (DHAS) on the other. This procedure yields two sub-hypotheses: one relating money market operations (MMOP) with discount houses shareholders’ fund (DHSF) and the other linking MMOP with discount houses assets (DHAS). The results of the computations are summarized on Table 2 which depicts the regression results of relations between the above variables.

In each case, the MMOP remained the dependent or explained variable, while the DHSF and DHAS were the independent variables. As shown by the Table, for the MMOP-DHSF relation, the observed coefficient of regression was 0.995, while the same statistic was observed as 0.978 for the MMOP-DHAS relation.
This suggested that the degree of association between the money market performance and the discount houses’ operations was very high, being at least 97%. The observed high degree of relationship was confirmed by each of the coefficient of determination ($r^2$) of 0.991 and 0.957 respectively. The results of the $r^2$ showed that at least 95.7% of the variations in money market operations can be attributed to the effects of discount houses’ operation, when the explanatory variable was DHAS.

### Table 2: Regression Results Showing Relationship between Discount Houses and Money Market Operations

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>DHSF</th>
<th>DHAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficient of Regression (R)</td>
<td>.995</td>
<td>.978</td>
</tr>
<tr>
<td>Coefficient of Determination ($r^2$)</td>
<td>.991</td>
<td>.957</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>.990</td>
<td>.952</td>
</tr>
<tr>
<td>F-Ratio</td>
<td>1050.12</td>
<td>220.522</td>
</tr>
<tr>
<td>Significance Level of F</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Regression Coefficient (beta)</td>
<td>.995</td>
<td>.978</td>
</tr>
<tr>
<td>t-Statistics</td>
<td>32.406</td>
<td>14.85</td>
</tr>
<tr>
<td>Significance level of t</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

* Dependent variable is MMOP. Source: Computer Printout (SPSS)

The level of explained variation when the explanatory variable was DHSF was 99.1%. The range of the degree of explained variation attributable to the models, thus, was between 95% and 99%. After adjusting for the effects of small sample size (number of observations) and number of independent variable (which remained constant however in each case implying that only sample size was adjusted), the adjusted coefficient of determination, $r^2$, were 0.99 for DHSF and 0.952 for DHAS. By implications after the necessary adjustments, the proportion of explained variation remained at between 95% and 99%.

The F-ratios of 1050.12 for DHSF variable and 220.522 for DHAS variable are all significant at 1% level or less ($P = .000$ in each case). This implies that the relationships between MMOP and DHSF and DHMS are statistically significant at the conventional levels. The relative effects of each independent variable as denoted by the t-statistics are equally computed to be statistically significant as expected (t = 32.406 for DHSF and t=14.85 for DHAS; $P=.000$ in each case) at 1% level of significance. Given these, we cannot accept a null hypothesis of no significant relationship between operations of the money market and those of the discount houses. Thus, there is a statistically significant relationship between discount houses operations and money market performance in Nigeria. Discount houses operating in Nigeria affect the Nigerian money market both positively and significantly.

### Relationship between Aggregate Economic Performance and Discount Houses Operations

The second hypothesis attempts to know whether or not the general economy has been significantly impacted by the discount houses’ operations in the country. This hypothesis stated in the null is as
follows: There is no significant relationship between the aggregate economic performance represented by the GDP and the operations of discount houses in Nigeria.

Table 3: Regression Results Showing Relationship between Discount Houses’ Operations and Real DGP

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>DHSF</th>
<th>DHAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficient of Regression (R)</td>
<td>.971</td>
<td>.947</td>
</tr>
<tr>
<td>Coefficient of Determination (r^2)</td>
<td>.943</td>
<td>.898</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>.937</td>
<td>.887</td>
</tr>
<tr>
<td>F-Ratio</td>
<td>163.97</td>
<td>87.705</td>
</tr>
<tr>
<td>Significance Level of F</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Regression Coefficient (beta)</td>
<td>.971</td>
<td>.947</td>
</tr>
<tr>
<td>t-Statistics</td>
<td>12.805</td>
<td>9.365</td>
</tr>
<tr>
<td>Significance level of t</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

* Dependent variable is real GDP. Source: Computer Printout (SPSS)

The regression statistics were calculated using the SPSS computer software program. The indicator of the economy namely Real GDP from 1993 through 2004 were regressed against the indicators of discount houses, namely, the total capital injections (shareholders fund – DHSF) of discount houses on one part, and total assets of discount houses (DHAS) on the other. This procedure yielded two sub-hypotheses: one relating Real GDP (RGDP) with discount houses shareholders funds (DHSF) and the other linking RGDP with discount houses assets (DHAS). The results of the computations are summarized on Table 3 which depicts the regression results of relations between the above variables.

In each case, the RGDP was treated as the dependent or explained variable, while the DHSF and DHAS were the independent variables. As shown by the Table, for the RGDP-DHSF relation, the observed coefficient of regression was 0.971, while the same statistic was observed as 0.947 for the RGDP-DHAS relation. This suggested that the degree of association between the aggregate economic performance and the discount houses’ operations was very relatively high, being at least 94%. The observed high degree of relationship was confirmed by each of the coefficient of determination (r^2) of 0.943 and 0.898 respectively. The results of the r^2 showed that at least 89% of the variations in aggregate economic activities can be attributed to the effects of discount houses’ operations, when the explanatory variable was DHAS. The level of explained variation when the explanatory variable was DHSF was 93.7%. The range of the degree of explained variation attributable by the models thus was between 89% and 94%.
After adjusting for the effects of small sample size (number of observations) and number of independent variable (which remained constant however in each case implying that only sample size was adjusted), the adjusted coefficient of determination, \( r^2 \), were .937 for DHSF and .887 for DHAS. By implications after the necessary adjustments, the proportion of explained variation remained at between 88% and 93%. The F-ratios of 163.97 for DHSF variable and 87.7 for DHAS variable are all significant at 1% level or less (\( P = .000 \) in each case). This implies that the relationships between RGDP and DHSF and DHAS are statistically significant at the conventional levels. The relative effects of each independent variable as denoted by the t-statistics are equally computed to be statistically significant as expected (\( t = 12.8 \) for DHSF and \( t = 9.4 \) for DHAS; \( P = .000 \) in each case) at 1% level of significance. Given these, we cannot accept a null hypothesis of no significant relationship between aggregate economic activities of Nigeria and operations of the discount houses. Thus, there is a statistically significant relationship between discount houses operations and economic performance of Nigeria. Discount houses operating in Nigeria affect the Nigerian economy both positively and significantly.

**Concluding Remarks**

It was thus the main purpose of this study to analyze the operational performance of discount houses in a bid to see how they relate with the general performances of the money market and with the macro economy. Put simply, the study investigated the effects of the operational Performance of the discount houses on the Nigerian money market and the economy. The method employed included the estimation and analysis of regression models. The results indicated that: there is a statistically significant relationship between discount houses operations and money market performance in Nigeria. Discount houses operating in Nigeria affect the Nigerian money market both positively and significantly. Furthermore, there is a statistically significant relationship between discount houses operations and economic performance of Nigeria. Discount houses operating in Nigeria affect the Nigerian economy both positively and significantly. The results suggest that the establishment of discount houses has been shown to be one of the potent measures that have tremendous potentials to strengthen and cause real growth to the money market and the economy.

In keeping with the above, the Government and the Central Bank should endeavor to license more discount houses since their operations are beneficial to the country. The five discount houses currently operating are too few to satisfy the requirements of a vast country like Nigeria. The operational Houses and the authorities should also endeavor to awake the consciousness of the investing and the business public to proper usage of the facilities and services provided by discount houses. Candid awareness should be provided and information made available to the investor public to know which discount house is performing better and good for patronage. The management of the operating discount house should endeavor to improve in their service offerings to their customers especially in the area of making their discount charges to be reasonably competitive. This could also improve the clientele level of the
operating discount houses in the economy. It is important that discount houses’ management, investors and government critically analyze and understand the effect of under-utilization of services or facilities provided by discount houses.

It is the humbly suggestion of the authors that further empirical works be carried out on the identified relationships using more powerful and sophisticated tools and larger number of observations such as in the cases of monthly and quarterly data. Comparisons between the Nigerian experiment and the experiences of other developing countries should also be made. These would assist the general understanding of the unique roles of discount houses in the less developed countries.
References:


