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Accounting ratios and share price of quoted consumer goods firms in Nigeria

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Abstract

Purpose: This study examines the impact of accounting ratios on the stock prices of quoted consumer goods firms in Nigeria, providing insights for investors and stakeholders. The research uses financial reports of quoted consumer goods firms in Nigeria from 2013 to 2022, focusing on Dividend Per Share, Earnings Per Share, Returns on Assets, and Current Ratio.

Methodology: An ex-post-facto design was adopted, utilizing secondary data obtained from 15 out of 21 quoted consumer goods firms from NGX over ten years (2013-2022), being a purposeful sampling technique representing 71.43% of the population. Balanced panel data regression analysis and descriptive statistics were employed.

Results and conclusion: The findings show an R-squared value of 0.36, indicating that inflation, interest rates, earnings per share, current ratio, and return on assets account for approximately 36% of the variations in stock prices, while variables outside the model account for 64%.

Implication of findings: The study highlights the importance of considering both internal and external factors when making investment decisions and suggests that investors should look beyond accounting ratios to understand stock price movements.

Keywords: Stock price, Earnings per share, Dividend per share, Return on assets, Inflation rate.

1. Introduction

Investment decisions are global issues, attracting investor decisions (Asteriou & Dimitripoulos, 2009) whereas, researchers have made submissions on different parameters that could influence the stock price of companies which include earnings per share (EPS), dividend per share (DPS), return on assets (ROA), dividend yield ratio (DYR), debt to equity ratio (DER), debt to total assets (DTA), price earnings ratio (PER) and so on (Luckieta et al.,2020; Hunjira et al., 2014). Ratios that were specifically influential determinants of stock price are many (Luckieta et al., 2020). For the reasons stated above, investors have to explore reliable information sources and act accordingly, as return on investment is a key factor for good decision-making. Most often, an investor must conduct a thorough evaluation of the issuer and have confidence that he is receiving accurate information before deciding to participate in the capital market. Without trust, the exchange's trading mechanism cannot be relied upon, no third party can manipulate trade data, and financiers will undoubtedly be unwilling to purchase the securities that the company offers (or trades on the exchange), (Rosikah et al., 2018).

The company's share price is a good measure of its overall strength; if it keeps rising, it means that both the management and the business are performing exceptionally well, (Jeff-Anyeneh et al., 2021). The similar conclusion was reached by Velnampy and Piratheepkanth (2011), who found a strong and positive correlation between share price and dividend per share. Conversely, Musah and Aryeetey (2021) found that dividend per share significantly correlated with share price for companies listed on the Ghana Stock Exchange. On the other hand, Velankar, Chandani Ahuja (2017) concluded that there was no relationship between share price and dividend per share. Second, Ajekwe and Ibiamke (2018) found that while dividends significantly lower company prices, financial statement analysis may forecast stock returns significantly, (Hunjra et al., 2014; Okoro et al., 2020) concluded that accounting ratios and stock

price have a significant link. Egolum and Onyeogubalu (2011) examined the connection between the NSE-listed companies' valuation and their dividend policies. The data indicates that companies listed on the NSE benefited from dividends per share. Kaguri (2013) examined the relationship between dividends per share and firm value for companies listed on the NSE. The results of the analysis showed that while certain associations were significant, others were not, and that there was no significant link across all sectors. (Kamonye, 2012).

In addition, another firm specific ratio is earnings per share, Musah and Aryeetey (2021) had correlation matrix and regression analysis of earnings per share and share price positively correlated at 1% level of significant. The two metrics show a strong relationship between the earnings per share and share price of the listed companies on the Ghanaian stock exchange. At the one percent significance level, both the regression analysis and the correlation matrix revealed statistically significant association. The study's conclusions show that earnings per share was a strong predictor of share price in Kenya, despite Auma (2014) showing a positive but statistically insignificant association between share price and earnings per share. Furthermore, Avdalović (2018) observed that the earnings per share and share price had a slight but positive correlation.

However, the results also support the findings of the following researchers: According to Gharaibah et al. (2022), who found a positive and statistically significant relationship between share price and earnings per share; Arshad et al. (2015), return on assets (ROA), the third firm specific variable, which was found to have a positive correlation and regression relationship between the two variables. (Musah & Aryeetey, 2021). According to Rosikah et al. (2018), studied a positive but statistically insignificant association between return on assets and share price, which is consistent with this finding. Current ratios (CRs) have a positive impact on stock prices, whereas current ratios have a significant impact on stock prices, per a study by (Öztürk & Karabulut, 2017). The conclusions derived from some of the investigated literature now call for additional research on the relationship between the share price, earnings per share, current ratio, return on assets, and dividend per share of listed consumer products corporations in Nigeria. For the purpose stated above, the main objective is to determine the effects of accounting ratios and share price of listed consumer goods firms in Nigeria. This research will assist potential investors in determining the accounting ratios that are most likely to affect the stock prices of Nigerian consumer goods companies that are listed. It will validate the previous theories and provide good academic research literature for others who may want to carry out research work on a similar topic. The results of this study will be helpful to the government in developing regulations on the accuracy of accounting data about share price volatility and other topics. In addition, corporate organizations will find this research work useful as a tool for proper interpretations of their financial information especially the independent variables relationship with their stock prices. In other words, corporate bodies could assess their activities and compare them with the expected research work and specified interactions of EPS and share price, DPS and share price, ROA and share price as well as CUR ratio and share price. More importantly, ratios that influence the share price of a corporate organization should be seriously monitored as such will reveal the efficiency of assets used and effectiveness of staffers.

2. Literature review

Conceptually when it comes to investing in shares, investors and market experts typically use financial statement analysis, maximizing profit by a firm means shareholders' wealth maximization as

represented in the financial statement. In addition to being crucial from the perspective of the companies, this will help maximize share price and earnings for shares and improve the company's reputation among investors (Emudainohwo, 2017). A nation's stock exchange plays the biggest role in its economic development. Stock price efficiency is one of the most important research topics in the stock exchange. This is a crucial idea for comprehending the working capital market as well as how well it functions and how it helps a nation's economy grow, (Kuntamal & Magulurila, 2023). Securities are created by a corporation and are initially offered for sale on the primary market. If a firm has never sold securities previously, its first sale on the stock market is known as an initial public offering (IPO) (Rosikah et al., 2018). You can buy stocks on the primary market if a corporation has chosen to float (sell) a fresh tranche of securities or if a new company wants to raise capital by selling shares to the general public (Gharaibah et al., 2022). A share is a unit of investment holding in the capital structure of a company. Subramaniam, & Tharshiga (2013) sees market share price as "the price at which the market assigns to the company's stocks". It is the striking price that sellers and buyers are willing to sell and buy equity instruments at an orderly capital market. Kaguri (2013), calculated market share price calculated by averaging the lowest and highest market prices at the end of the fiscal year within a certain fiscal year.

Theoretically, the underpinning theories for this research work are two related theories which are; market efficiency theory and value investing theory.

Market efficiency theory

Fama (1970), when asset values effectively reflect all pertinent information from the past, present, and future, the market is said to be efficient. It provides unbiased appraisals of underlying values by swiftly and impartially reflecting all relevant information, (Jeff-Anyeneh et al., 2021). There are three possible states of market efficiency: weak, semi-strong, and powerful. Weak form market efficiency assumes that current stock prices fairly represent all historical data, including return rates, trading volume, price history, and information from the market; it suggests that past rates of return cannot be used to predict future share values. Semistrong form market efficiency asserts that current stock prices fairly represent all historical data, including readily available corporate data and historical prices. This suggests that new information is quickly reflected in share prices as it becomes accessible. Once the information is public, investors who make judgments based on fresh knowledge are not likely to achieve above-average profits. According to the strong form, security pricing should consider both public and private information that is currently available. Hence, no one makes earnings that are higher than average in an environment where even playing is prevalent, the strong form is invalidated by convincing proof that insider's profit by trading on information that hasn't yet been factored into prices. Even though a substantial amount of empirical evidence backs the efficient market theory, many people quarry how valid it is, (Rusdiyanto etal et al., 2020). Advocates of the price-ratio theory assert that stocks with a low P/E ratio typically outperform those with a high P/E ratio. In conclusion, the P/E ratio acts as a barometer for the bias present in stock pricing. If it turns out that returns on stocks with low P/E ratios are usually higher than those backed by underlying risks, even after deducting additional search and transaction costs and differential taxes, the financial market hypothesis would be refuted, (Jeff-Anyeneh et al., 2021).

Value investing theory

The concepts of Graham and Dodd (1934) are the foundation of value investing theory. Purchasing stocks whose shares seem cheap based on some of their fundamentals is the goal. These securities may trade

below multiples of earnings, sales, or book value. The cornerstone of value investing is buying companies below their intrinsic value, which is the discounted worth of all future payouts. Since the 1970s, this method has undergone major modification. Driving notion that undervalued fundamentals will drive the stock price is the foundation of a certain investment strategy. It is typical for stocks to be sold at low multiples of sales (price to sales), profits (prices to earnings), cash flow (price to cash flow), and book value (price to book value). Investment techniques centered on purchasing companies with low multiples yield comparatively better yearly returns over the long run. These studies show time and time again that value investing is effective and typically beats market averages in the long run. Companies, which are defined as having a high P/E ratio, have lower average yearly returns than equities with low P/E ratios. According to Etim, et al. (2022), an investor might put this idea into practice by purchasing a collection of equities with the lowest P/E ratios. Over longer time horizons, market-beating results are theoretically possible since ultimately the market will realize that these stocks are cheap, and as more investors realize this, the stock price will rise. (Offia, et al., 2022).

Empirical review

This section offers a comprehensive analysis of the connections between different financial ratios and stock prices in various markets and industries, highlighting both recurring patterns and notable variations. The studies emphasize how sector-specific factors influence stock prices. According to Yudianto et al. (2025), who concentrate on businesses in the energy sector, stock prices are positively impacted by ROA and EPS but negatively by DER and NPM. On the other hand, Juanda et al. (2025) investigated PT. Unilever Indonesia Tbk discovered no appreciable impact of ROA, CR, and DER on stock prices, indicating that outside market forces might predominate in particular industries.

Numerous studies have shown that profitability ratios like ROA, ROE, and NPM have a major impact on stock prices. According to Puspitasari et al. (2025), these ratios had an impact on stock prices in LQ45 companies, along with EPS and P/E ratios. Poejianto and Kurniawati (2025) concurred that profitability ratios are important, but they pointed out that stock prices for food and beverage companies were not substantially impacted by liquidity, solvency, or activity ratios.

On the other hand, there are significant differences in the results, especially when it comes to the influence of various ratios. Liquidity ratios, for instance, yielded inconsistent results, whereas the profitability ratio was significant in multiple instances. In contrast to Poejianto and Kurniawati (2025), who found no discernible influence from liquidity ratios at all, Sunaryo (2021) reported a slight positive correlation between CR, DER, and stock prices.

The impact of individual financial ratios on stock prices can be obscured by outside variables like macroeconomic conditions and market sentiment, as noted by Juanda et al. (2025). This is a significant point because it shows that although financial ratios provide insightful information about a company's performance, outside factors also have a significant impact on stock value.

The relationship between accounting ratios and stock price has also been the subject of conflicting reports from numerous other researchers. Using the Prais-Winsten panel technique, Kuntamal and Magulurila (2023) discovered significant relationships between valuation ratios and share prices in Indian manufacturing companies, while observing a weaker relationship between leverage and dividend distribution. Using multiple linear regression analysis, Choiriyah et al. (2021) examined banking companies listed on the Indonesian stock exchange. Their results showed that return on equity (ROE), return on assets (ROA), earnings per share (EPS), operational profit margin (OPM), and net profit margin

(NPM) all had a significant impact on stock prices. Nevertheless, there were no discernible changes in stock prices in response to ROA, NPM, or OPM.

In their study of the Ghana Stock Exchange, Musah and Aryeetey (2021) found a positive correlation between share prices and distinctive company attributes such as size. On the other hand, financial ratios like dividend per share (DPS) and EPS demonstrated positive correlations with share prices, but debt-to asset, ROE, and ROA did not show statistically significant relationships with share prices. The efficiency of the profitability ratios model in forecasting shareholder wealth in non-financial companies listed on the Nairobi Stock Exchange was investigated by Tom et al. (2019). Their correlational study revealed that ROA, NPM, and ROE had no discernible influence on shareholders' choices, highlighting the model's shortcomings.

Abazu and Oniora (2023) focused on Nigerian consumer goods companies, assessing stock price volatility against various financial metrics, including EPS and dividend payout ratios. Their analysis indicated that other independent variables contributed more significantly to stock price volatility, with only DPS showing an insignificant correlation. Offia et al. (2022) investigated Nigerian healthcare companies and found a positive association between DPS and stock prices, while ROE and EPS did not show a favorable association. Aigienohuwa and Ezejiofor (2022) conducted a four-year study on the effects of COVID-19 on industrial goods companies in Nigeria. After COVID-19, they found a significant positive correlation between EPS and market value. Lastly, Etukafia and Peters (2022) investigated which accounting ratios affect the stock prices of industrial and retail goods in Nigeria. While Jeff-Anyeneh et al. (2021) found that operating cash flow positively influenced stock prices for retail firms, despite negative impacts from sales growth ratios and EPS, their mixed-method analysis showed that these ratios had a significant impact on stock prices.

The combined results of these studies highlight how crucial it is to comprehend the financial indicators that impact stock prices, while simultaneously recognizing the drawbacks of relying solely on these ratios because of the impact of outside variables. The synthesis shows that although profitability measures are typically good indicators of stock performance, the effects of other ratios can differ greatly depending on the industry and state of the market. The disparate outcomes highlight how intricate market dynamics are, indicating that a more thorough understanding of stock valuation requires a multifaceted analytical approach. The study, therefore, provides the following hypotheses.

H1: Dividend per share does not significantly affect the stock price of quoted consumer goods firms in Nigeria.
H2: Earnings per share does not have a significant influence on the stock price of quoted consumer goods firms in Nigeria.
H3: Return on assets has no significant effect on the stock price of consumer goods firms in Nigeria.
H4: Current ratio does not significantly affect the stock price of consumer goods firms in Nigeria.

3. Methodology

This study employed an ex post facto research design. Ex-post facto research proves that a variable has a cause-and-effect relationship, (Saheed & Victor; Abdurasheed et. al., 2025). It looks for potential causative factors by examining historical events or data that have previously been collected to ascertain the contributing elements that are connected to particular occurrences, situations, events, or behaviors. As of October 27, 2023, there were twenty-one (21) consumer product businesses listed on the Nigerian Stock Exchange Market, according to this research study's analysis. A suitable sample size will be

selected from the entire population, which is represented by the figure. For data collection, a sample size of fifteen (15) listed companies is purposively selected from the twenty-one-study population. It is believed that by choosing over seventy-one percent (71.43%) of the population through a purposeful sampling technique that is companies that have the complete and relevant financial reports for the extraction of useful data for the period of 2013 to 2022 and are listed on the stock exchange log will be selected. Secondary sources supplied the data needed for this investigation. They comprise the average stock price at the beginning and end of the years selected for the study from the Nigeria Exchange Group's Official Daily List, as well as the publicly accessible annual reports and financial statements of the selected businesses for accounting data. Below is the model for the study.

$$SP_{it} = \beta_0 + \beta_1 DPS_{it} + \beta_2 EPS_{it} + \beta_3 ROA_{it} + \beta_4 CUR_{it} + \beta_5 INF_{it} + \beta_6 INT_{it} + \mu_{it} \quad \ldots\ldots 1$$

Where: SP = Stock price measured monthly data of stock prices Pi and stock returns Ri for each company. DPS = Dividend per share at year t. EPS= Earnings per share at year t. ROA= Return on assets at year t. CUR= Current ratio at year t**.**

Table 1: Measurement of variables

Variable	Measurement	Sources
Dividend per share	Divide the total dividend paid by the total number of outstanding common shares.	(Musah & Aryeetey, 2021).
Earnings per share	Profit after tax minus dividends divided by the number of ordinary shares outstanding	(Subramaniam & Murugesu, 2013).
Return on Assets	The ratio of profit before taxes to total assets	(Choiriyah, Fatimah, Agustina, & Ulfa, 2021).
Current Ratio	Current Assets for the year over current liabilities for the year	(Öztürk & Karabulut, 2017; Abdulrahman & Bala, 2025).
Share price	The share prices at the end of every year were obtained from the NGX	(Kamonye, 2012).
INF	INF represents inflation and is measured as presented by the CBN inflation rate at the end of the year	(Egbunike, & Okerekeoti, 2018).
INT	The interest rate, or INT, denotes the CBN's annual monetary policy rate.	(Musah & Aryeetey, 2021).

Source: Authors' Compilation (2025).

4. Results and discussion

The tests were presented under the Descriptive statistics, the Correlation and variance analysis, the regression result and panel unit root tests. The results were ideally presented and properly analyzed as stated below.

Table 2: Descriptive statistics

Statistics	SP	CBNINF	DCTINT	DPS	EPS	CUR	ROA
Mean	13.569	13.100	13.031	3.080	3.759	1.012	0.102
Median	13.900	13.250	12.675	0.400	0.805	1.016	0.057
Maximum	21.250	16.500	18.850	68.197	61.774	2.452	6.188
Minimum	6.050	11.000	8.050	0.000	-5.740	0.005	-2.354
Std. Dev.	5.520	1.583	3.665	10.065	11.033	0.533	0.634
Skewness	-0.086	0.580	0.064	4.784	3.891	0.289	6.365
Kurtosis	1.639	2.736	1.619	26.840	17.730	3.188	63.754
Obs	150	150	150	150	150	150	150

Source: Authors' Compilation (2025).

From the table 2, above, the average value for the share price for the period 2013 to 2022 was N13.57 kobo. The mean value of INF resulted to 13.1% for the period under consideration. Additionally, INT rate mean was 13.03 % for the period, while DPS average value was 3.08 naira. EPS average value was 3.80 naira for the period concerned and CUR average value was 1.01 ratio. ROA had 0.10 ratio mean for the period under consideration. Also, from the table1 above, SP had median of 13 naira and 90 kobo values while INF had 13 naira and 25 kobo median result for the period. INT had 12.68 percentage rate as the periodic median outcome. DPS had 40 kobo median value while EPS median value was 81 kobo respectively.

For the period under consideration CUR had a median value of #1.02 for every #1 debt while ROA had 6 kobo return on assets as median value for the data under the period of consideration. Furthermore, maximum value of the variability for SP was 21 naira and 25 kobo while that of INF value rate percent was 16.5%. INT rate was 18.5% maximum and DPS maximally resulted in 68 naira and 20 kobo. Maximum EPS for the period was 61 naira and 77 kobo. Under this research work period, CUR has 2.45 maximum value which means the highest of 2 naira and 45 kobo of current assets is available to settle every one-naira current liability for the period under consideration.

Finally, ROA had 6.19 value which is the highest return on assets for the quoted consumer goods firms for the period reviewed. Conversely, minimum SP for the period was 6 naira and 5 kobo while the lowest INF rate for the period was 11 percent and INT lowest rate was 8.05 %. The lowest DPS value was 0.00 naira and the lowest EPS for the periods was -5.74. This indicated that loss of 5 naira and 74 kobo was the worst earnings per share recorded for the period under consideration. The minimum CUR for the period was 0.0050 which indicated one kobo of current assets to every one naira of current liability while the minimum ROA for the period was -2.35. It implies that the lowest return on assets for the periods under consideration was loss of 2 naira and 35 kobo being the worst performance for the research work period.

In addition, standard deviation of SP was 5.52 which is nearly half of the means of the same variable. Hence, the value of the data, that is, share price is moderately dispersed while that of INF is closely clustered. INT rate S.D. was 3.67, being far lower than its mean of 13.03. The S. D. for DPS was 10.06 compared to 3.08 mean value. The dispersion is moderately wide while the S. D. of EPS was 11 naira and 3 kobo compared to the mean of 3 naira and 76 kobo. This is also a wide variability of data. For CUR,

S.D. was 0.53 while that of ROA was 0.63 for the period in consideration. Skewness statistics showed that the SP data for the period were negatively skewed while INF was positively skewed, INT variable was also positively skewed as well as DPS. EPS, CUR and ROA were also positively skewed. Kurtosis statistics for SP has 1.64 value, this means a low outlier, light tailedness and ununiform distribution. INF in its own case has 2,7 rate outcome and shall be ranked high tailedness, low outlier and ununiform distribution as well as INT rate kurtosis value while DPS, EPS and ROA have high outlier, heavy tailedness and laplace distribution, whereas CUR has 3.2 kurtosis value, which is high outlier, heavy tailedness and Laplace distribution. The probability of SP was 0.003, which means the probability is below 1% of occurrence while INF probability was 0.12 chance of occurrence.

Correlation analysis

Table 3: Correlation Analysis and Variance Inflation Tests

	SP	INF	INT	DPS	EPS	CUR	ROA	VIF
SP	1							
INF	0.16	1						1.44
INT	0.58	0.54	1					1.42
DPS	0.02	-0.02	-0.03	1				4.65
EPS	0.06	0.04	0.02	0.88	1			4.67
CUR	0.08	0.04	0.00	-0.05	0.01	1		1.02
ROA	0.02	-0.08	0.00	0.06	0.10	-0.02	1	1.02

Source: Authors' Computation (2025).

From Table 3, Share Price (SP) and Inflation (INF) are positively lowly correlated, while Interest (INT) and SP are moderately and positively correlated. Dividend per Share (DPS) and SP are positively and very slightly correlated. Earnings per Share (EPS) and SP are positively and lowly correlated. Current Ratio (CUR) and SP are mildly and positively related, while Returns on Asset (ROA) and SP are very slightly and positively correlated. Also, INT and INF are positively and moderately related. DPS and INF are lowly and negatively related. EPS and INF are positively and mildly related. CUR and INF are positively and lowly correlated. ROA and INF are negatively and mildly related. Also, DPS and INT are negatively and mildly related. EPS and INT are low and positively correlated. CUR and INT are not correlated as well as ROA and INT. Additionally, EPS and DPS are positively and highly related. CUR and DPS are negatively and lowly related. ROA and DPS are positively and mildly related, while CUR and EPS are positively and very lowly related. Finally, ROA and CUR are negatively and lowly correlated.

Table 4: Hausman test results

Test Summary	Chi-sq statistic	Chi-sq d.f	Prob.
Cross-section random	6.460	5	0.091

Source: Authors' computation (2025).

Based on the null hypothesis, the Hausman test results (Table 4) show that the fixed effect outcomes are preferable. We reject the random effect specification and accept the fixed effect outcome because the

null hypothesis may be rejected at the 10% level of significance with a Chi Sq. of 6.460 and a p-value of 0.091.

Table 5: Regression Results

SP	Pooled OLS	Random Effect	Fixed Effect
C	1.984 (9.30)***	1.984 (39.32)***	1.870 (22.25)***
EPS	0.002 (1.20)	0.002 (3.45)***	0.0135 (2.90)**
CUR	0.085 (1.63)	0.085 (1.80)***	0.224 (2.75)**
ROA	-0.0115 (0.004)	-0.0115* (-1.65)	-0.0227 (-3.43)***
INF	-0.0473 (-2.96)***	-0.0473 (-39.55)***	-0.053 (-13.80)***
INT	0.0807 (12.12)***	0.081 (60.73)***	0.0813 (20.24)***
R^2	0.33	0.33	0.36
F-stat (or Wald X^2)	31.57***	5766.20***	181.31***

Source: Authors' Computation (2025).
Keys: *** p<1%, ** p< 5%, * **p<** 10%, ( ) t- or z-statistic in parentheses.

Table 5 presents the estimates of panel data regression models used to assess how accounting ratios affect the stock prices of consumer product businesses in Nigeria. Even though the Hausman test results supported the GLS-fixed effects, the study included the Pooled Ordinary Least Squares, GLS-fixed, and Random Effect models for comparability and robustness tests. As a result, the study's primary focus is on the fixed effect model's estimates. The coefficient of determination, or R-squared, provides statistical insight into the model's goodness of fitness. Based on our findings, variables outside the model explained 64% of the systematic changes in stock prices (SP), as indicated by the R-squared value of 0.36. Variables like return on assets (ROA), profits per share (EPS), current ratio (CUR), inflation (INF), and interest rates (INT) were responsible for about 36% of the variances. Profits per share and stock prices have a positive correlation, with a β1 (EPS) coefficient of 0.0135. This correlation appears to be significant, according to the 2.90 t-statistics. Given that the computed p-value is less than 5%, the null hypothesis—that EPS has no discernible impact on stock prices—can be rejected at a 5% level of significance. Importantly from an economic perspective, the large positive correlation shows that, on average, a 1% rise in EPS corresponds to a 0.0135% increase in stock prices.

Similarly, the β2 (CUR) coefficient of 0.224 suggests that there is a positive correlation between stock prices and the current ratio. The t-statistic (2.75) establishes the importance of the relationship. The null hypothesis—that the current ratio has no appreciable effect on stock prices— can be rejected at the 5% level of significance based on the computed p-value, which is less than 5%. This suggests that, assuming

no other changes, the marginal impact of a 1% increase in the current ratio (liquidity ratio) is an increase in stock prices of 0.224%. Conversely, going by the β_3 coefficient of -0.0227, the relationship between stock prices and return on assets (ROA) is negative. With a t-statistic of -3.43, the null hypothesis that ROA does not significantly affect stock prices can be rejected at a 1% significance level. This implies that holding all else constant, the stock price is dipping with return on assets at a decreasing rate of 0.0227%.

Furthermore, a negative correlation is shown by the INF coefficient ($\beta4$ = -0.053) between the macroeconomic variable of stock prices and the inflation rate. The null hypothesis—that the rate of inflation does not affect stock prices—can be categorically rejected with a large t-statistic of 13.80 at the 1% level of significance. This indicates that a 1% increase in the rate of inflation would lead to a 0.053% decline in stock values, holding all other factors constant.

The results of another macroeconomic factor controlled for in the regression model further reveal that interest rate and stock prices are directly associated with a coefficient (β_5) of 0.0813. The statistical importance of the relationship is strongly affirmed by a sizable t-statistic of 20.24. Hence, the null hypothesis that the interest rate has no discernible influence on stock prices can be sturdily rejected at a 1% level of significance. The marginal effect of this relationship is that stock prices increase with an increasing interest rate at a proportion of 0.0813%, assuming all other variables are held fixed. The overall significance of the model calculated to investigate the effect of accounting ratios on stock prices is shown by an F-statistic of 181.31. The corresponding p-value is less than 1%, which indicates a strong rejection of the null hypothesis that profits per share, current ratio (liquidity ratio), return on assets, inflation rate, and interest are all simultaneously equal to zero at a 1% level of significance. Thus, it can be concluded that accounting ratios have a major influence on stock prices in Nigerian consumer products companies that are listed.

The study's analysis of the variables affecting the share prices of publicly traded consumer goods companies in Nigeria has produced a number of noteworthy findings that call for important discussion. In line with the findings of Musah and Aryeetey (2021), the analysis's results show a positive and strong correlation between earnings per share and share price. Furthermore, there is a positive correlation between return on assets and share price; however, according to Luckieta et al. (2020) findings indicated a slight negative correlation. Additionally, this study and the research conducted by Öztürk and Karabulut (2017) reported a positive correlation between the current ratio and share price, suggesting that the current ratio influences stock prices to some extent. In Sunaryo (2021), the current ratio was insignificant and not correlated, which is in contrast with this research work. Inflation was correlated significantly with share price here, while Öztürk and Karabulut's (2017) research findings correlated with this outcome.

5. Conclusion

The study examined the variables influencing the share prices of publicly traded consumer products companies in Nigeria. Fifteen (15) companies were selected for the study from among all consumer products firms listed on the Nigeria Exchange Group (NGX) based on their existence over the research work period (2013-2022) and the accessibility of their financial statements. In order to evaluate the factors influencing the share price decisions of the sampled listed businesses, the study established four hypotheses, dropping one. The data came from the annual report and were analyzed using panel data

and the ordinary least squares (OLS) regression technique. The dependent variable measured in this study is the share price (SP). ROA, CUR, and EPS are the study's independent variables. The results of the analysis showed that earnings per share, current ratio and interest rate have a significant positive association with share price. Nonetheless, the findings showed that return on assets and inflation rate are inversely and significantly related to stock price of consumer goods companies in Nigeria.

From the experimentation above, consumer goods firms through their managements should ensure effective dividend policy that will attract investors as good returns on investments. Also, management should target higher returns on assets as a good sign of activity efficiency by reducing wastages through operational efficiency. Lastly, current ratio should be well monitored by the quoted firm's managers to reduce collection periods to lower the receivables balances and increase payment period reasonably for solvency purposes. Based on the findings of the study, it is recommended that further research work select manufacturing companies and most recent data to test the relationship between Earnings per Share and Share Price or test unquoted companies independent of the two variables. On the relationship of Current Assets and Share Price, Further study mat employ selection of communication service provider firms to test whether current ratio can predict the share price of such sector and lastly, Return on Assets may further be tested with the share price of quoted aviation companies in Nigeria to test the predictability effects as a guide for decision making for both existing and potential investors in Nigeria.

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