

How Stock Market Liquidity Impact Economic Growth in South Africa

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ABSTRACT A stock market is a financial establishment, which promotes competence in capital formation and allocation. It also enables the government and industries to finance new projects as well as growing and modernizing commercial or industrial concerns through raising long-term capital.The paper will examine the impact of stock market on economic growth in South Africa. Researchers employed the ordinary least squares regression (OLS) using the time series data from 1995-2010, together with Augumented Dickey Fuller (ADF) for testing stationary. The paper concludes that stock market liquidity impact growth in South Africa.