

Stock market anomalies in South Africa and its neighbouring countries

Abstract

This study adopted the alternative approach called closure test principle which is proposed by Alt et al. (2011) to examine the stock market anomalies in South Africa and its Neighbouring Countries. Overall, Egypt is the only country that has a strong Monday effect. On the other hand, weak Monday effect is found in Mauritius, Nigeria and Tunisia stock markets. When the time-varying volatility in the market returns is taken into account by the EGARCH -M model, strong Monday volatility is found in Egypt while Kenya and Nigeria is found to have weak Monday volatility.