

Tabel 6: Panel Cointegration Test

Test Statistics	Eqn (1) With Time Dummy	Eqn (1) Without Time Dummy	Eqn (2) With Time Dummy	Eqn (2) Without Time Dummy
Panel v-statistics	-0.94	-0.25	-0.79	0.20
Panel rho-statistics	1.58	1.03	1.12	0.50
Panel pp-statistics	-1.69*	-1.76*	-1.24	-1.68*
Panel Adf-statistics	-3.30*	-3.38*	-2.08*	-1.74*
Group rho-statistics	2.24	1.76	1.74	1.19
Group pp-statistics	-1.19	-1.29#	-1.08	-1.65*
Group Adf-statistics	-3.25*	-3.82*	-2.82*	-2.42*

Notes: the critical values for the panel unit root test at the 1%, 5% and 10% levels of significance are -2.326, -1.645 and -1.282 respectively. * denotes significance at the 5% level and # significance at the 10% level.

Table 7: Determinants of FDI: Panel Cointegration Results

Variables	Panel Cointegration Results		OLS Pooled Regression	
	Equation 1	Equation 2	Equation 1	Equation 2
Constant	1.91 (1.01)	0.88 (0.44)	6.71* (13.78)	1.71 (1.14)
Log GDP	0.517* (3.12)	0.59* (3.57)	0.13** (2.10)	0.52* (4.03)
GDP growth	0.012 (1.02)	0.002 (0.20)	0.003 (0.74)	0.002 (0.22)
Infrastructure index	0.001* (2.97)	0.006*** (1.84)	0.001* (10.27)	0.007* (2.50)
Inflation	0.004 (1.27)	0.003 (1.21)	-	0.004 (0.16)
Trade	0.009* (2.85)	0.010* (3.12)	-	0.009* (3.47)
Labor growth	0.191** (2.02)	0.220** (2.25)	-	0.21* (2.65)
Commercial bank	-0.008** (-2.33)		-	-
R ²	0.72	0.69	0.68	0.71
No. of observations	116	116	116	116

Note: * significant at 1%, ** significant at 5% and *** significant at 10%.