



**THE Nigerian
STOCK EXCHANGE**

CAPITAL MARKET UPDATE
of The Nigerian Stock Exchange

Presented by

Oscar N. Onyema, OON

CEO, Nigerian Stock Exchange

2020 Capital Market Committee (Webinar) Meeting

20 August 2020



**THE Nigerian
STOCK EXCHANGE**

CONGRATULATES

*The new Director General
of the Securities and Exchange
Commission*

Dr. Lamido Yuguda CFA

*and other Newly Appointed
Executive Commissioners*

Important Developments with Implication on Capital Market Activities

NSE Market Snapshot

COVID-19 and The NSE's Response

Issues for CMC Deliberation

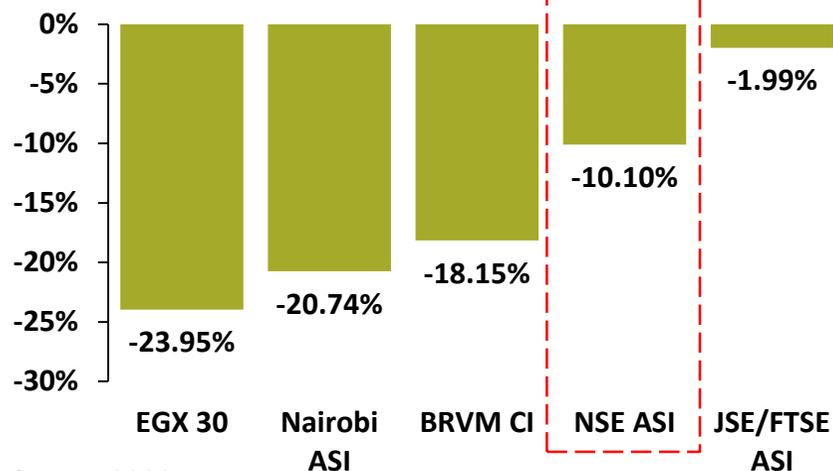


1 MARKET TRENDS

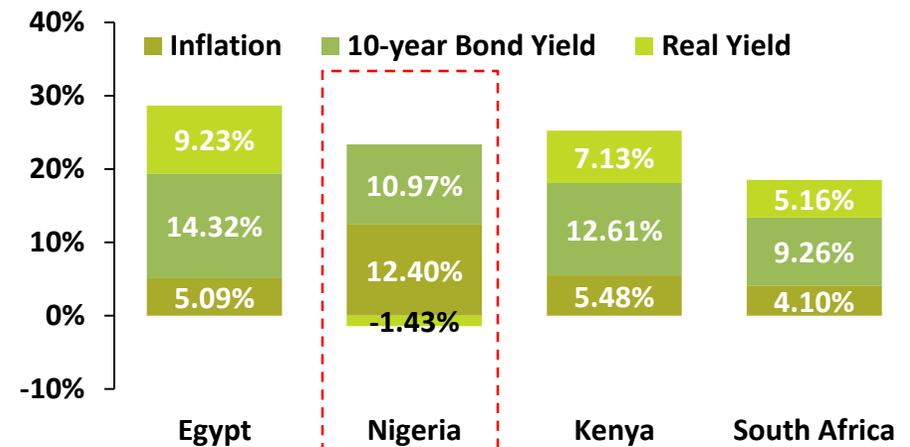
- The Nigerian capital market responded positively to the gradual easing of the nationwide lockdown and resumption of business activities in Q2 2020 as the NSE ASI posted a return of 14.92% for the quarter, albeit, year-to-date returns remain negative at -10.10%.
- In comparison with benchmark indices, the NSE ASI was the second best performing in the review period as the EGX 30, Nairobi ASI, BRVM Composite Index and JSE/FTSE ASI posted year-to-date returns of -23.95%, -20.74%, -18.15%, and -1.99% respectively.
- Rising inflation continued to erode asset value as Nigeria's real yield remained the lowest amongst selected comparators and in the negative territory for the second consecutive quarter.
- There has been a significant reduction in the inflow of foreign portfolio investments, attributable to the instability of the value of naira against the dollar; and adjustment of the exchange rate from N307/\$1 to N360/\$1 in March 2020, and subsequently to N380/\$ in July 2020 by the Central Bank of Nigeria.

2 PERFORMANCE OF BENCHMARK INDICES*

STOCK PERFORMANCE OF MAJOR AFRICAN EXCHANGES - YTD



CROSS COUNTRY YIELD COMPARISON – Q2 2020

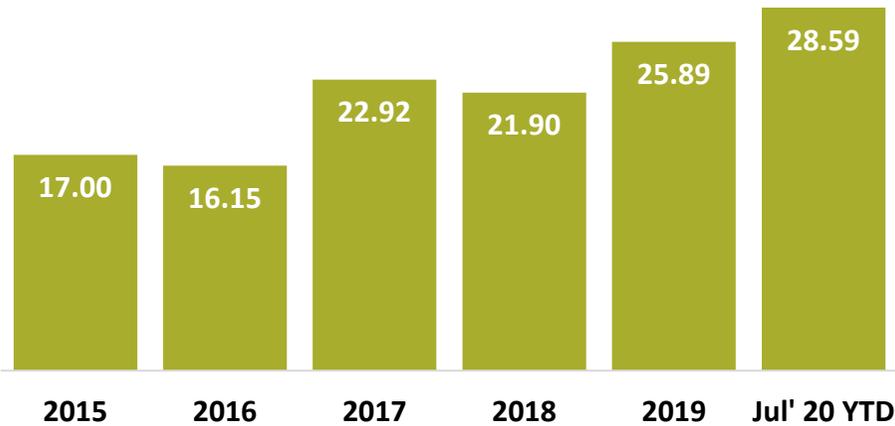


August 2020

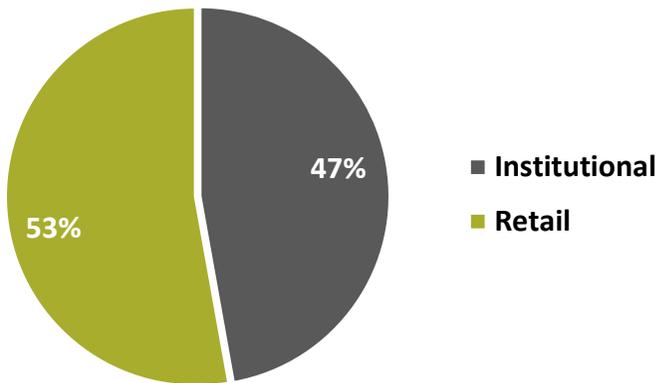
*As at 15 July, 2020. Inflation rates are the most recent figures available from primary source.



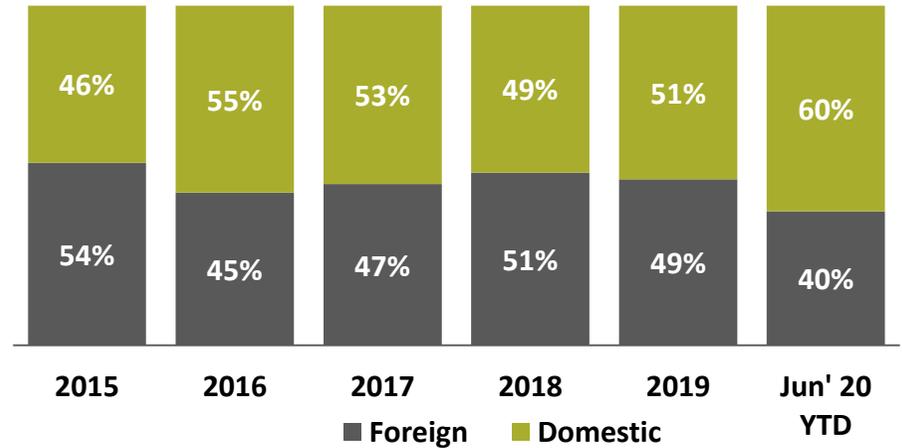
1 NSE TOTAL MARKET CAPITALIZATION (₦'Trn)*



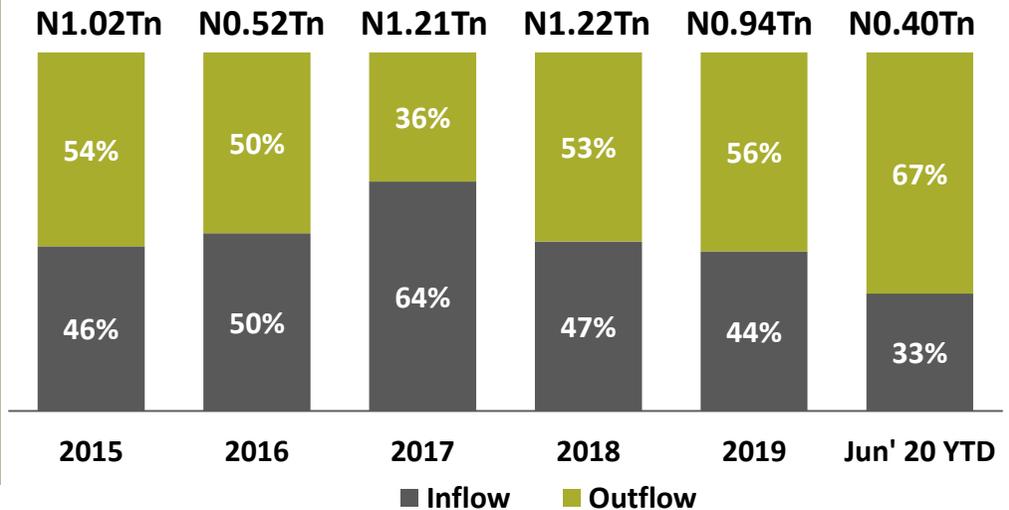
3 DOMESTIC INVESTOR ACTIVITY: Jun' 2020 YTD



2 EQUITY VALUE TRADED: DOMESTIC VS. FOREIGN



4 TOTAL FOREIGN PORTFOLIO FLOW (EQUITY)





- **Transition to Remote Business Operations:** In response to the ongoing COVID-19 pandemic, The NSE - as part of our Crisis Management and Business Continuity Plan - activated a remote working plan for employees excluding essential staff on March 24, 2020; while the Dealing Members were completely migrated to remote trading effective March 25, 2020, following the temporary closure of the trading floors as The NSE. The NSE has developed an internal dashboard that tracks the pandemic, and will guide our resumption protocols.
- **Regulatory Palliatives:** To attenuate the impact of the pandemic on its stakeholders, The NSE, with the approval of the Securities and Exchange Commission (SEC), granted various regulatory palliatives to the Dealing Members, including but not limited to the extension of timelines for filing financial returns, completion of other regulatory reports, and settlement of financial obligations.
- **Mask for All Campaign:** To support the Federal and State Governments in Nigeria, and demonstrate corporate citizenship, The NSE launched a masks wearing movement anchored on donations by corporate organisations, with a goal of providing 400 million face masks to Nigerians, especially the low-income households. The NSE kicked off the campaign with a N40 million donation aimed at donating over 100 thousand face masks and educating Nigerians about COVID-19 prevention and control. More information on this initiative can be accessed via: www.masksforallng.com.
- **Capital Market Support Committee for COVID-19 (CMSCC):** In furtherance of the concerted efforts being made by the Capital Market to support the fight against the COVID-19 pandemic, The NSE donated an ambulance and N27.5 million in cash to redeem its pledge of N60 million to the CMSCC.



- **Funding of the Investments and Securities Tribunal**



- **Report on the Capital Market Pilot Program for Fee Reduction**



- **Companies and Allied Matters Act, 2020**



- **Deduction and Remittance of Taxes**



- **Cyber Security Threats and Fraud Prevention**



- **Business Continuity**

The Presenter is not responsible or liable for Third Party Information as contained herein.

For authorized circulation, the document may only be circulated as a PDF to eliminate unauthorized changes to information contained herein.

For more information on this presentation, please contact Oscar N. Onyema, OON, Chief Executive Officer at oonyema@nse.com.ng; or Tinuade Awe, Executive Director, Regulation at tawe@nse.com.ng.



THANK YOU

Visit our website today!

www.nse.com.ng

“A truly user-friendly experience”

NEW & IMPROVED WEBSITE

- Featuring Intuitive navigation
- Enhanced view of listed securities
- Detailed quotes and charting
- Site-wide search
- Mobile access
- Easy-to-find information
- Social media integration
- Improved site load-time
- Enhanced content

