

Capital Market Update of Nigerian Exchange Group

2022 First Capital Market Committee (Webinar) Meeting

6 April 2022

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OUTLINE



Report on Market Activities from Nigerian Exchange Limited

Report on Regulatory Activities from NGX Regulation Limited



REPORT ON MARKET ACTIVITIES FROM NIGERIAN EXCHANGE

Presented by

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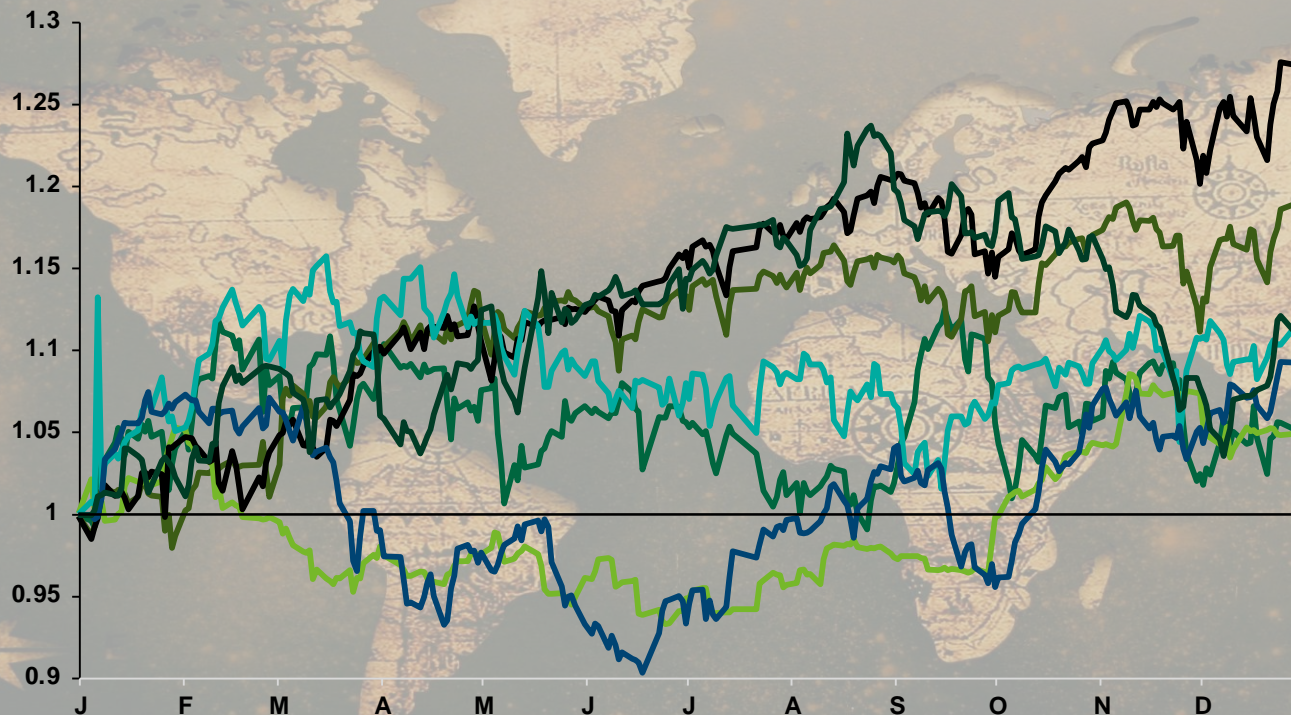
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2021 MARKET RECAP PERFORMANCE



Select Global Index Performance (%)



Source: NGX Research; Investing.com

The Exchange experienced a bullish run in Q4'2021 with the ASI at 42,716.44 points. This was impacted by series of events that occurred during the year; from rising fixed income (FI) yields to global oil price recovery, recurring foreign exchange (FX) concerns, and a rollercoaster comeback of the COVID'19 variants.

However, trading activities reduced significantly in Q4 2021 when compared with the corresponding period Q4 2020. The total volume and value of securities traded decreased by 37.45% and 31.95% respectively.



The Sustainable Exchange Championing Africa's Growth



*As at 29 March 2022

**Net Asset Value (NAV) excluded in Market cap

PRODUCTS*



156 Equities
(₦25.24 Tn)

145 Bonds
(₦21.42 Tn)

4 Investment Sch.
(₦22.79 Bn)

12 ETFs
(₦6.84 Bn)

58 Memo Listing
~(1.07Tn)**

LISTINGS*



156
Listed Companies



8 Domestic
companies



1 Foreign & 133
Domestic companies



Growth Board

6 Domestic
Companies

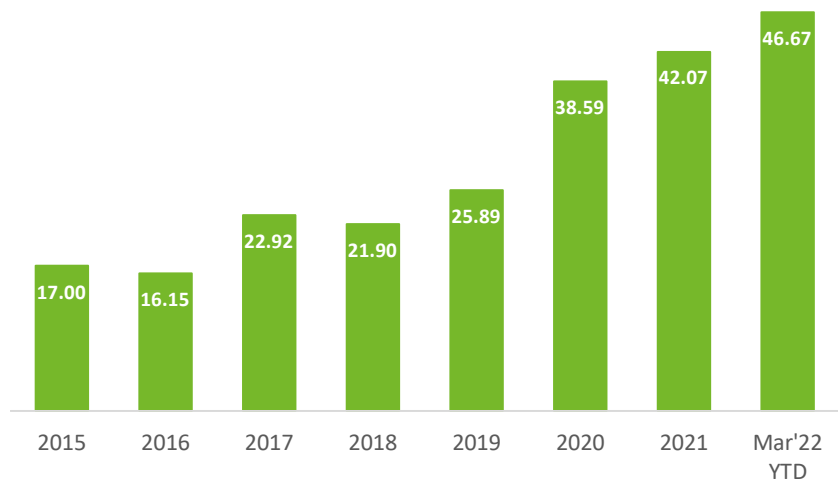
Derivatives Launched

Source: NGX Research

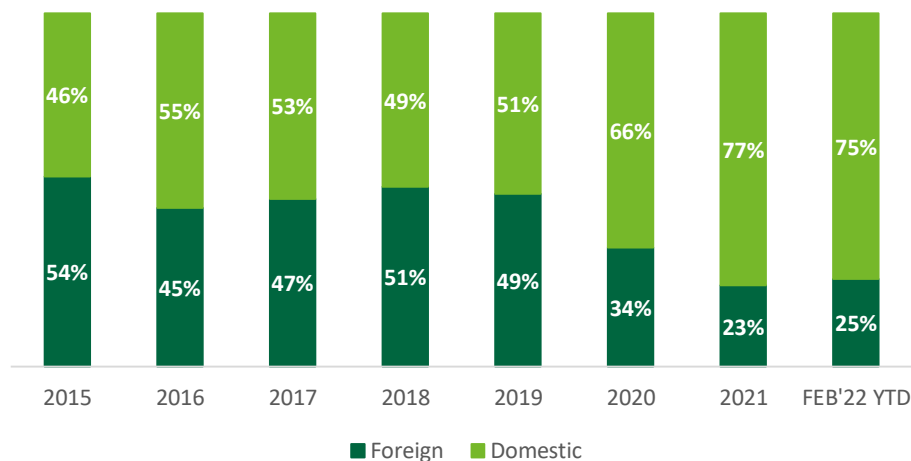
NGX MARKET SNAPSHOT



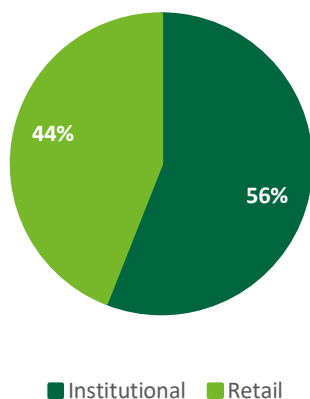
NGX TOTAL MARKET CAPITALIZATION (N'TRILLION)



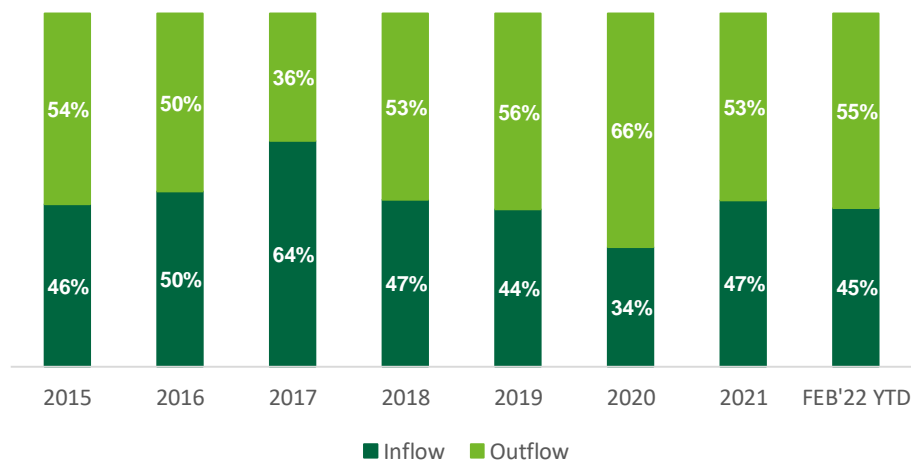
EQUITY VALUE TRADED: DOMESTIC VS FOREIGN



DOMESTIC INVESTOR ACTIVITY: FEB'22 YTD



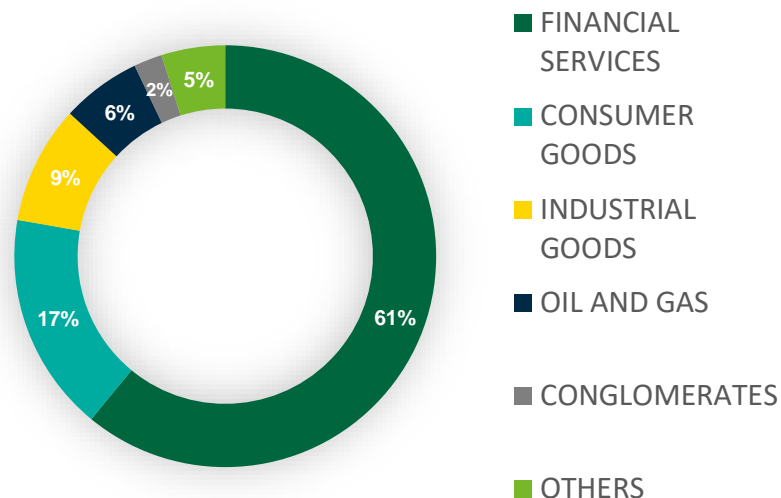
TOTAL FOREIGN PORTFOLIO FLOW (EQUITY)



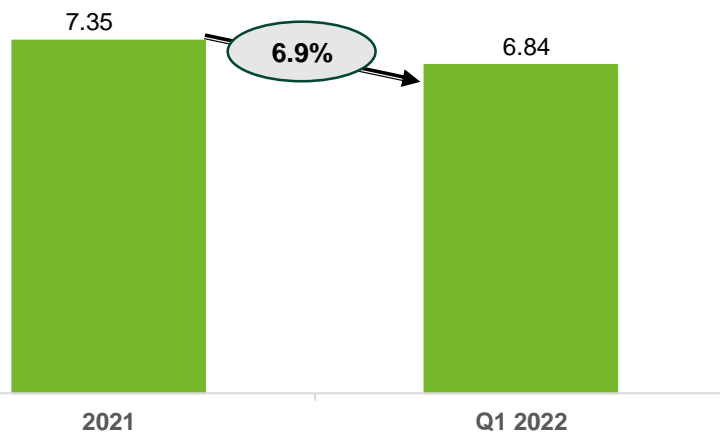
Source: NGX Research



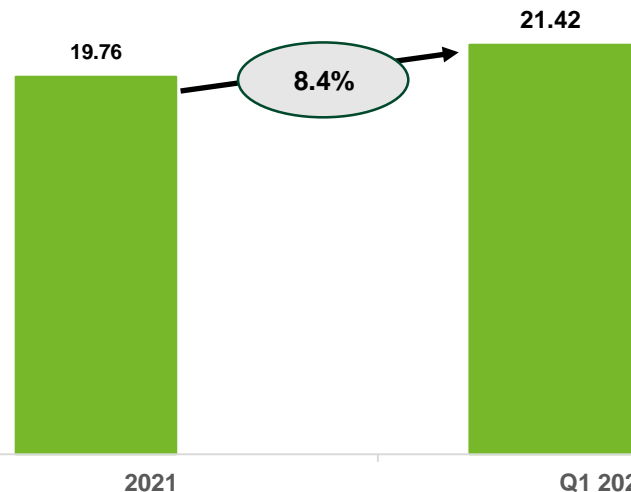
MARKET TURNOVER BY INDUSTRY



ETF MARKET CAPITALIZATION (N'BILLION)



FIXED INCOME MARKET CAPITALIZATION (N'TRILLION)



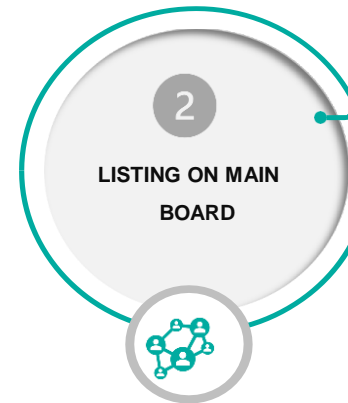
- NGX fixed income market capitalization has risen marginally by 9.3% to N21.42Tn as at Q1 2022 from N19.76Tn as at the end of 2021.
- NGX ETF market capitalization fell by -6.9% to N6.84Bn, driven by New gold ETF redemptions and FX controls hampering the creation of new units.

Source: NGX Research

2022 YTD ACHIEVEMENTS



NGX signed a 2 year Memorandum of Understanding (MoU) with MTNN to further promote financial literacy and enhance retail participation in the Nigerian capital market.



BUA Foods listing on the Main Board of Nigerian Exchange Limited on Jan 5, 2022

REPORT ON REGULATORY ACTIVITIES FROM NGX REGULATION LIMITED

Presented by

Tinuade Awe
Chief Executive Officer
NGX Regulation Limited

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KEY REGULATORY DEVELOPMENTS



Issuers Engagement

To wrap up 2021, NGX RegCo held an annual year end Issuers' engagement forum themed "*Corporate Disclosures: Beyond Numbers*".

At the forum, NGX RegCo hosted a panel of internationally acclaimed professionals in the fields of sustainable finance, sustainability reporting and integrated reporting to facilitate conversations and provide their unique perspectives around reporting in the new disclosure regime.



Risk-Based Supervision (RBS) Examination Cycle

In 2021, NGX RegCo conducted and issued RBS reports to forty-six (46) Trading License Holders (TLHs).

In preparation for the 2022 RBS examination cycle, Self-Assessment Forms were deployed to TLHs on 14 February 2022.



Implementation of New Rules and Amendments

The following NGX Rules have become effective:

- Amendments to Rules Relating to Board Meetings and General Meetings Of Issuers (*effective 4 January 2022*);
- Rules on Placing of Caution on Accounts (*effective 25 February 2022*); and
- Revised Fees on Fixed Income Primary Issuance on The Exchange – Non-exclusive (Dual) Listing (*effective 10 March 2022*).



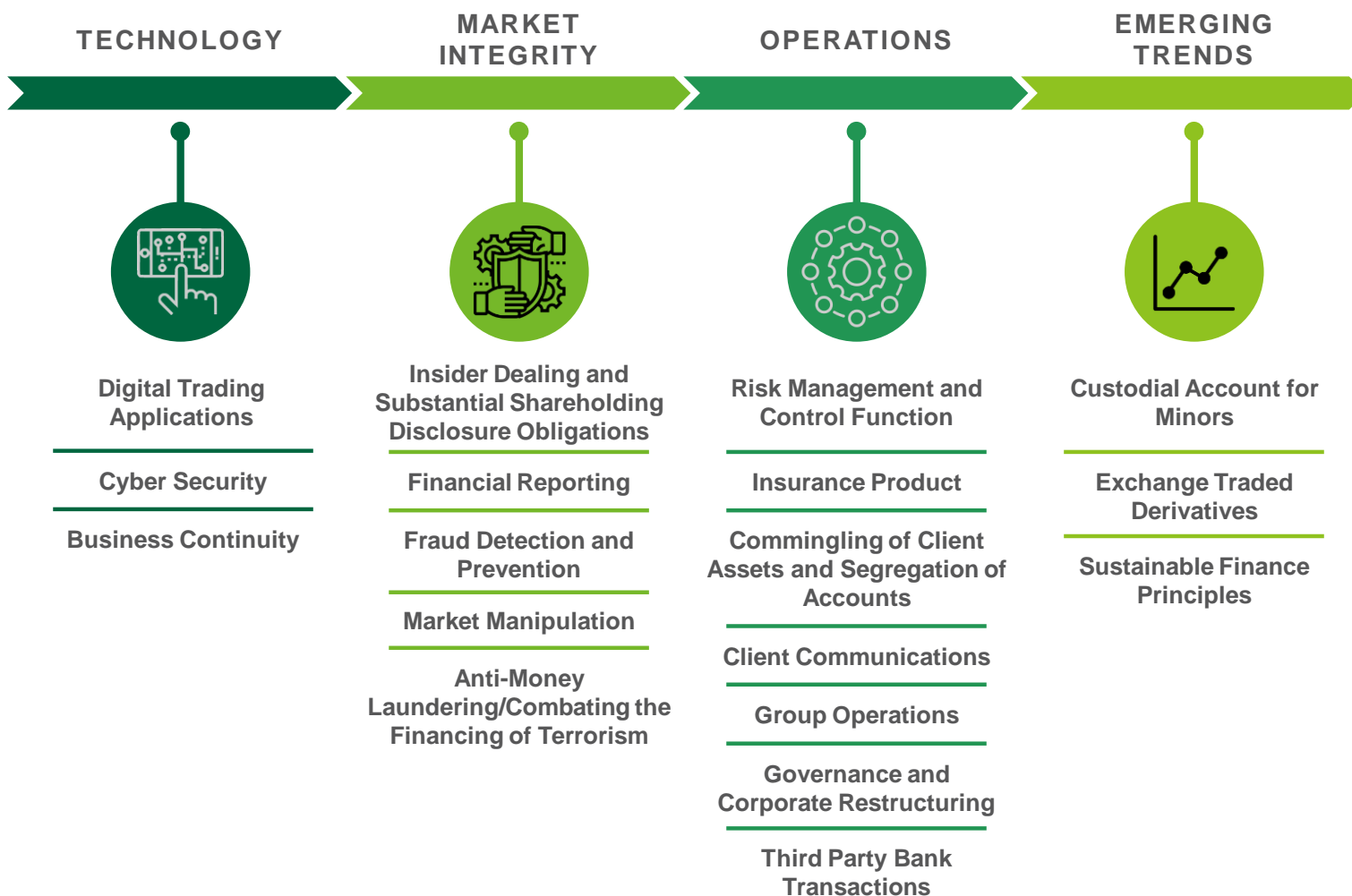
Derivatives Market

Ahead of the launch of NGX's Derivatives Market, the regulatory approval process has been completed for the first Derivatives Market Trading Member.

In this regard, CardinalStone Securities Limited was licensed on 25 March 2022 as the first Derivatives Market Trading Member in NGX's Derivatives Market.



2022 Supervision Priorities *For Trading License Holders*



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For more information on this presentation, please contact Tinuade Awe, CEO, NGX Regulation Limited at tawe@ngxgroup.com; or Temi Popoola CFA, CEO, Nigerian Exchange Limited at tpopoola@ngxgroup.com.

THANK YOU