

2021 CAPITAL MARKET COMMITTEE (WEBINAR) MEETING

**UP DATE ON THE ACTIVITIES OF THE
BANK**

PRESENTED BY ABUBAKAR M. OMAR

**2021 SECOND CAPITAL MARKET
COMMITTEE (CMC) (WEBINAR)
MEETING AUGUST 12TH 2021**

**FEDERAL MORTGAGE BANK OF NIGERIA
UPDATE ON THE ACTIVITIES OF THE BANK**

BEING PRESENTATION BY:

ABUBAKAR M. OMAR

**2021 SECOND CAPITAL MARKET COMMITTEE
(CMC) MEETING HELD ON AUGUST, 2021**

RECENT DEVELOPMENTS FROM LAST CMC MEETING

AS ITS ROUTINE ACTIVITIES, THE BANK IS STILL HOLDING MEETINGS WITH THE DEBT MANAGEMENT OFFICE (DMO) AND COORDINATING THE ACTIVITIES OF THE MORTGAGE LOAN ORIGINATORS AS IT CONCERN THE RESIDUAL RUNNING MORTGAGES AND UNDERLYING ASSETS RELATED TO THE ₦100 BILLION FMBN MORTGAGE BACKED BOND, WITH THE INTENT TO RECOVERING ALL OUTSTANDING OF THE FGN EXPOSURES ON THE TRANSACTION.

RECENT DEVELOPMENTS FROM LAST CMC MEETING

- THE ABOVE IS TO SERVE AS PRELUDE OF FMBN'S RE-ENTRY INTO THE CAPITAL MARKET FOR THE PURPOSE OF FLOATING A SUKUK BOND TO FINANCE ITS BUSINESS OPERATIONS PARTICULARLY AS IT RELATES TO ENSURING FINANCIAL INCLUSIVENESS BY PROVIDING NON-INTEREST WINDOW FOR PARTICIPANTS IN THE NATIONAL HOUSING FUND SCHEME AND OTHER CLIENTS.
- THE NEED FOR FMBN AS THE FOREMOST SECONDARY MORTGAGE INSTITUTION IN THE COUNTRY TO FURTHER PROVIDE AND PROMOTE VIABLE AND ENABLING BUSINESS ENVIRONMENT FOR THE PRIMARY MORTGAGE BANKS

FACTORS RESPONSIBLE FOR THE DEVELOPMENT

- TO ENABLE THE BANK CONSIDER OPTIONS FOR ITS CAPITALISATION THROUGH THE CAPITAL MARKET.
- TO ENABLE THE BANK TO INCREASE ITS LIQUIDITY POSITION FOR MORTGAGE REFINANCING THROUGH THE CAPITAL MARKET.
- OUR RESOLVE TO FLOAT A NON INTEREST FINANCE OPTION (SUKUK FUNDS) IN COLLABORATION WITH ONE 17/LOTUS CAPITAL OR ANY OTHER ISSUING HOUSE AS OUR LEAD ISSUING HOUSE.

CHALLENGES/NEXT STEP

- NON-PERFORMING MORTGAGES/RELATED TO THE FMBN ₦100 BILLION MORTGAGE BACKED BOND AND NON REMITTANCE OF REPAYMENTS BY THE MORTGAGE LOAN ORIGINATORS (MLOs) TO THE MASTER COLLECTION ACCOUNT.
- LINGERING ISSUES WITH THE DEBT MANAGEMENT OFFICE WITH RESPECT TO THE FMBN ₦100 BILLION MORTGAGE BACKED BOND

ISSUES FOR CMC DELIBRATION[

- SECURITIES & EXCHANGE COMMISSION TO COME INTO THE MATTER TO ENABLE THE BANK TO CONCLUDE ON THE BOND ISSUE THAT WERE LINGERING WITH THE DEBT MANAGEMENT OFFICE (DMO)
- CONSIDERATION OF FLOATING A SUKUK NON INTEREST BOND