

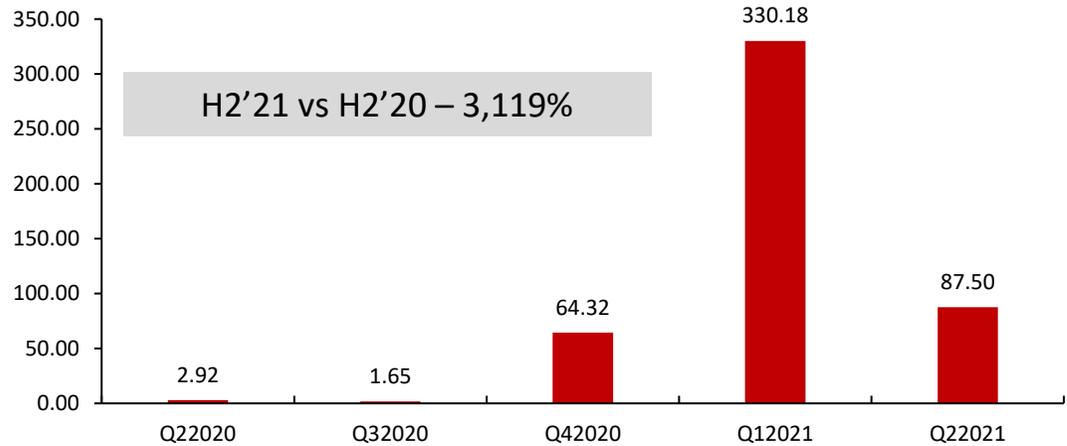


Q2 2021 Capital Market Committee Meeting

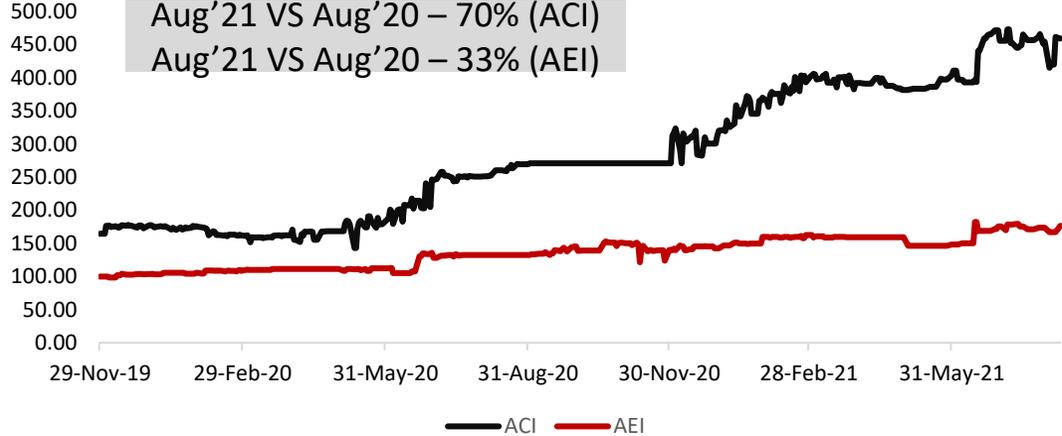
Ayodeji Balogun – Chief Executive Officer

Increased transaction activities on the exchange

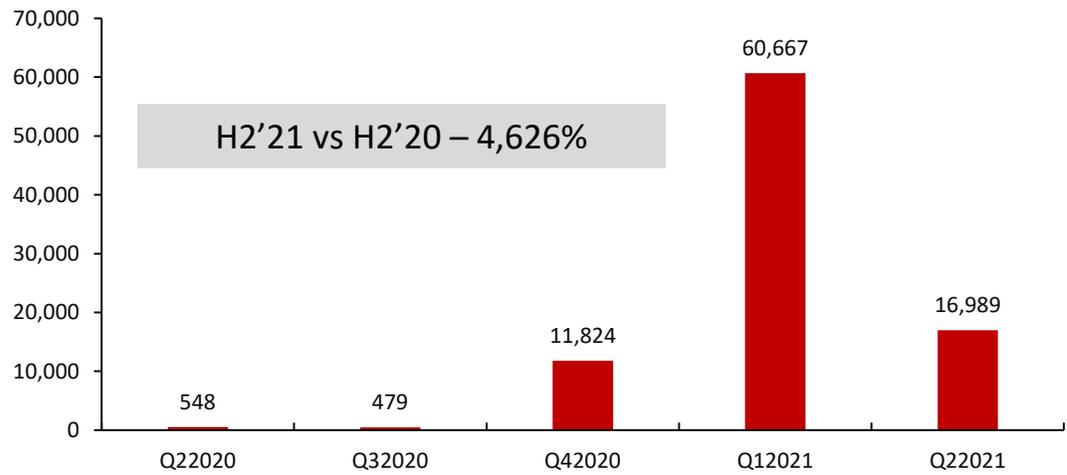
Aggregate Volumes traded (MT'000)



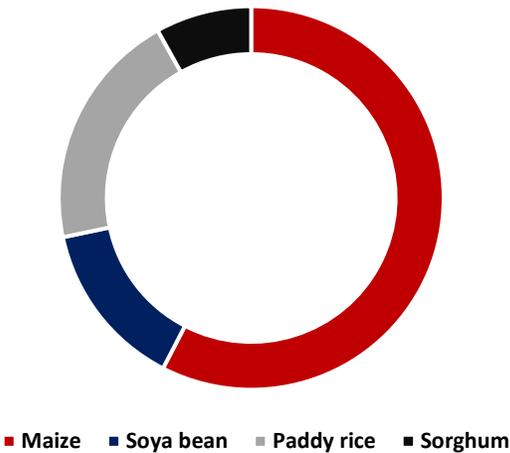
ACI_AEI Trend (Nov'19 - Date)



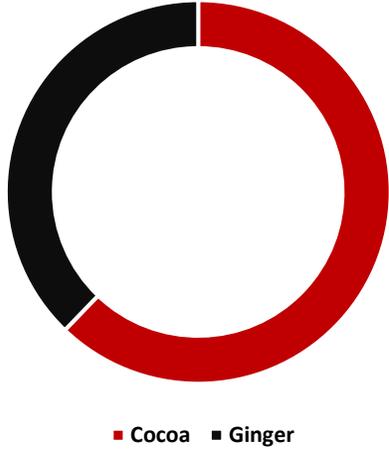
Aggregate value of transactions (NGN'mn)



ACI Composition



AEI Composition





Spot and OTC
Contracts Summary



Spot and OTC Contracts
Per Commodity



88%



7%



2%



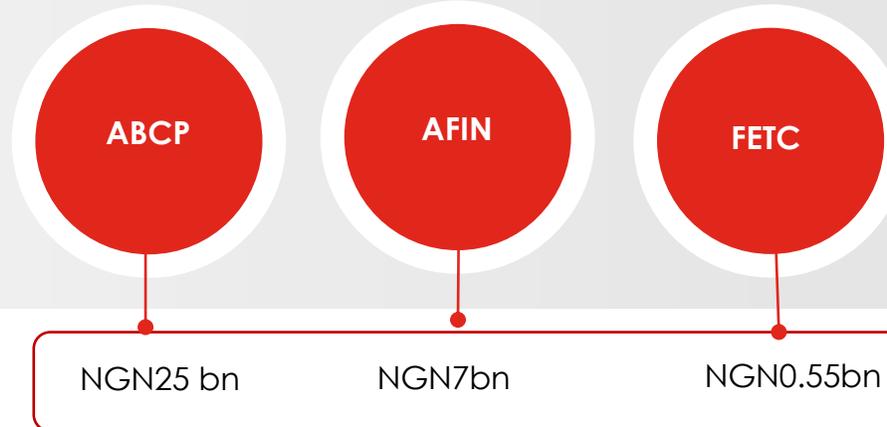
1%



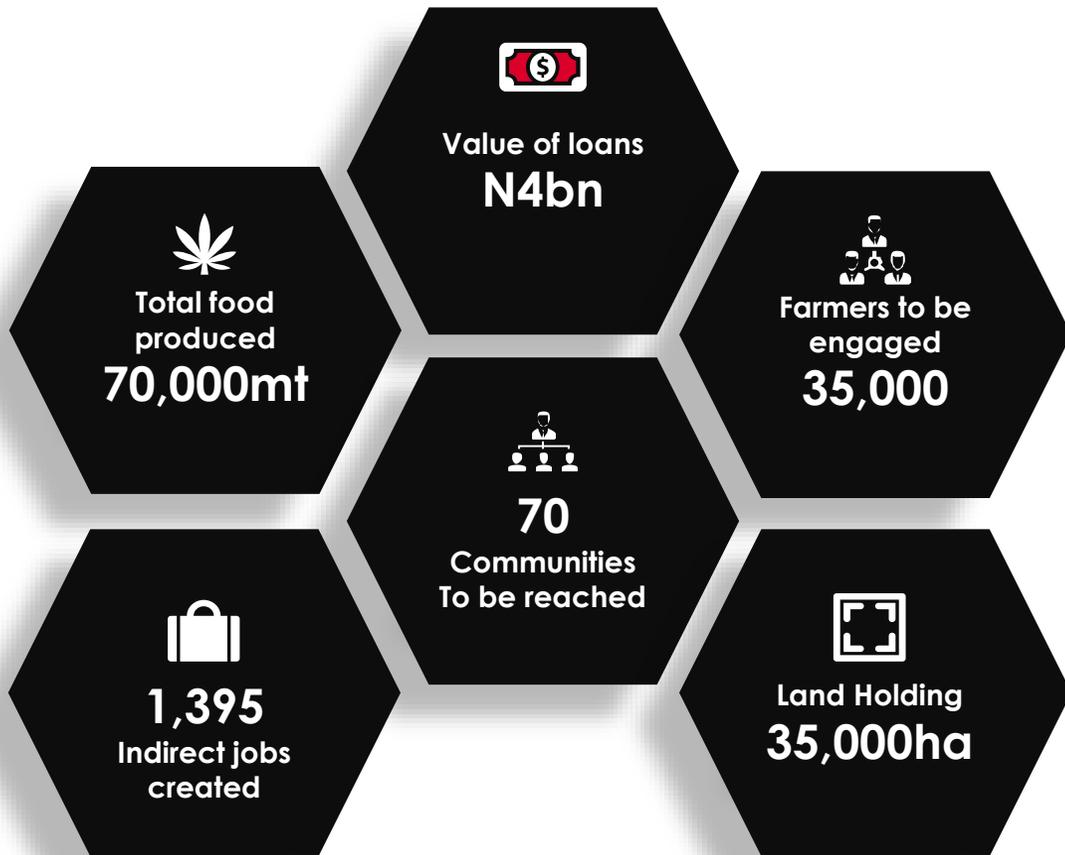
Fixed Income
Linked Instruments

	Spot	OTC
Number of Deals	6,293	4,416
Contract Counts	52,177	191,027,308
Value	11,648,174,874	84,757,874,958

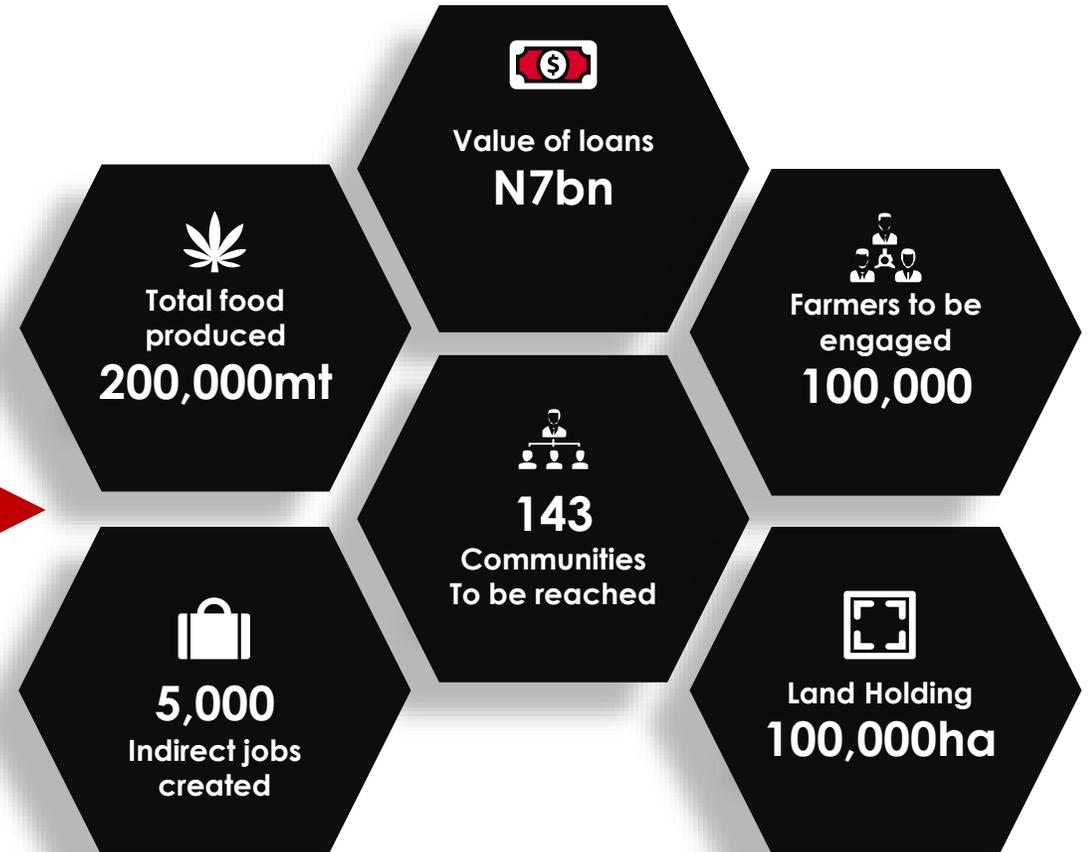
Financial Products listed on COMX



Input loans activities over the years



2020

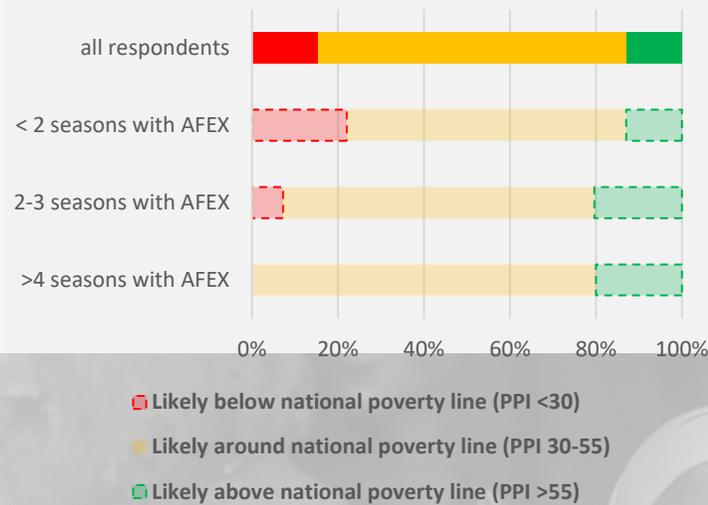


2021

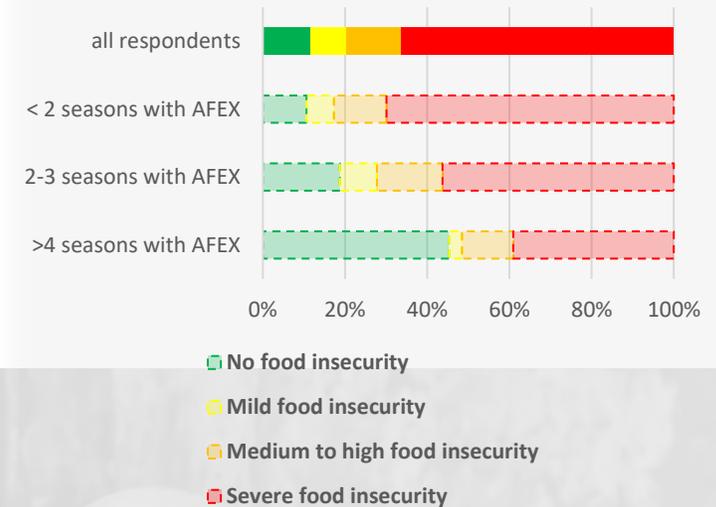
Impact: reduced poverty and hunger

❖ We observe a tentative indication that a long term relationship between AFEX and farmers does have an impact on poverty and hunger.

Poverty likelihood and length of relation with AFEX (indicative)



Food insecurity in 2020 and length of relation with AFEX (indicative)



Exchange Initiatives

AFEX quest to help players hedge against risk – Derivatives as a tool

Objectives



- Unlock additional sources of finance in agric sector
- Assessment of commodities market and business environment validation
- Develop products and services; risk management strategies

Steps Taken



- As a partner of the Nigeria Agribusiness Investment Activity (the Activity), we requested support in procuring the services of capital market product development experts
- AFEX recruited two external consultants
- The consultants are almost concluding their research and a number of findings are emerging.

Findings



- Government has not regulated the price of commodities for over 7 years by setting the price, but it has influenced the trading ranges by controlling exports and imports
- By developing a liquid commodity derivatives exchange the value to financiers to use these instruments to offset their price risk should improve access to financing commodities across all stakeholders in the value chain
- Production of agricultural commodities creates a wonderful opportunity for a more structured and developed derivatives marketplace
- There are sufficient market participants on both the buy and sell side of the market to support a vibrant and dynamic derivatives exchange

Timeline of Derivatives Implementation



Completed



In-Progress



Upcoming

AFEX unlocking capital and deepening capital market



Market Development Efforts

AFEX

**BEST
SMALL
BUSINESS**



**GOOD FOOD
FOR ALL**



Deepening understanding of the commodities market - Trainings and engagements



Securitisation and Operational Imperatives

Beneficiaries

- Commodities market ecosystem (July 2021)



How to make money trading commodities

Beneficiaries

- The public (July 2021)



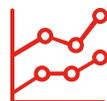
Products and Structures: Trading Commodities Smartly

Beneficiaries

- Fund Manager Association of Nigeria (June 2021)



MoU with AFAP (African Fertiliser and Agribusiness Partnership) (April 2021)



Funding Food Deficit: United Nations Food Systems Summit

Beneficiaries

- Public (August 2021)



Transforming Food Systems: The Youth Innovation Dialogue

Beneficiaries

- The public (August 2021)

Strong and Growing Relationships With CMOs & Financial Institutions

Sankore

AFRINVEST

GTBank

piggyvest

Lotus Capital
HALAL INVESTMENTS

ZEDCREST
CAPITAL LIMITED

GREENWICH
TRUST LIMITED

WCM
WCM Capital Limited

Sterling Bank

FBNQuest
Asset Management

Mainstreet Bank
CAPITAL LIMITED

VETIVA
CAPITAL MANAGEMENT

LeadCapital Plc

FUND MANAGERS
ASSOCIATION OF NIGERIA

ARM
INVESTMENT MANAGERS

fscd
HOLDING COMPANY LTD

marble
CAPITAL

**Thank
You**

AFEX