

# **2021 CAPITAL MARKET COMMITTEE (WEBINAR) MEETING**

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

**PRESENTED BY ABUBAKAR M. OMAR**

**2021 THIRD CAPITAL MARKET  
COMMITTEE (CMC) (WEBINAR)  
MEETING NOVEMBER 11, 2021**

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

**BEING PRESENTATION BY:**

**ABUBAKAR M. OMAR**

**(DEPUTY GENERAL MANAGER)**

**GROUP HEAD, TREASURY SERVICES & CAPITAL MARKET**

**2021 THIRD CAPITAL MARKET COMMITTEE**  
**(CMC) MEETING HELD ON NOVEMBER, 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 RUNING MORTGAGES AND UNDERLYING ASSETS RELATED TO THE ₦100 BILLION FMBN MORTGAGE BACKED BOND, WITH THE INTENT TO RECOVERING ALL OUTSTANDING MORTGAGE REPAYMENTS ON THE TRANSACTION FOR THE FGN PURSE.

# **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 CAN NOT BE OVER EMPHASIZED

# FACTORS RESPONSIBLE FOR THE DEVELOPMENT

- TO ENABLE THE BANK TO CLOSE THE CHAPTER OF THE SOFGH FMBN N100 BILLION MORTGAGE BACKED BOND INITIATED IN 2007 WITH THE LAST BATCHED OF THE UNDERLYING ASSETS TO BE REDEEMED IN 2027.
- 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 COMPETENT EXPERIENCED ISSUING HOUSES FOR THE PURPOSE OF FINANCIAL INCLUSION OF THE GENERALITY OF NIGERIANS.

# 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 DELIBERATION[

- SECURITIES & EXCHANGE COMMISSION TO COME INTO THE MATTER TO ENABLE THE BANK TO CONCLUDE ON THE BOND ISSUES LINGERING WITH THE MORTGAGE LOANS ORIGINATORS (MLOs) IN THE INTEREST OF THE CAPITAL MARKET SYSTEM.
- CONSIDERATION OF FLOATING A SUKUK NON-INTEREST BOND FOR THE PURPOSE OF FINANCIAL INCLUSION.

THANK YOU.