

NIGERIA COMMODITY EXCHANGE (NCX)

PRESENTATION AT THE 2021 FIRST CAPITAL MARKET COMMITTEE WEBINAR MEETING

Thursday, April 8, 2021

BY

ZAHEERA BABA-ARI

MD/CEO

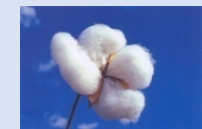
IMPORTANT DEVELOPMENTS WITH IMPLICATION ON CAPITAL MARKET ACTIVITIES FROM THE LAST CMC MEETING

1. Leasing and Renovation of Nine Warehouses

Nine additional warehouses were leased and renovated to provide necessary infrastructure for storage and trading on NCX. Warehouse receipts will be issued at these warehouses when it becomes operational in the country.

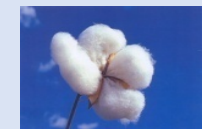
2. Central Bank of Nigeria (CBN) intervention in NCX

- CBN realized the critical role the NCX would play in driving the successful implementation of its intervention programmes in the agricultural sector and got the approval from Mr. President to go ahead with the repositioning.
- Engagement with CBN on the repositioning has begun.



FACTORS RESPONSIBLE FOR THE DEVELOPMENT

- Numerous engagements with CBN which culminated in CBN getting approval to reposition the Exchange in order for it to occupy its pride of place.
- Poor returns on investments to Nigerian farmers as they operate in the buyers' market.



CHALLENGES/STEPS TAKEN

- **Inadequate funding and absence of relevant infrastructure and policy support.**
- **Several engagements with the relevant authorities to promote trading on the Exchange.**



ISSUE FOR CMC DELIBRATION

- **Exposure of Grades and Standards to value chain actors. When this is resolved, it will further promote liquidity on the Exchanges**

