



**THE Nigerian
STOCK EXCHANGE**

The Nigerian Stock Exchange's Domestic & Foreign Portfolio Investment Report

December 2019



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING

SUMMARY OF TRANSACTIONS AS AT 31 DECEMBER 2019¹

Period	Total	Foreign ₦'Billion	Foreign %	Domestic ₦'Billion	Domestic %	Foreign Inflow ₦'Billion	Foreign outflow ₦'Billion	Domestic Retail ₦'Billion	Domestic Institutional ₦'Billion
Jan-19	122.08	66.85	54.74%	55.23	45.26%	27.81	39.04	29.65	25.58
Feb-19	188.08	98.94	52.61%	89.14	47.39%	43.93	55.01	41.01	48.13
Mar-19	110.11	56.09	50.94%	54.02	49.06%	25.89	30.20	27.44	26.58
Apr-19	148.91	76.92	51.66%	71.99	48.34%	35.14	41.78	29.26	42.73
May-19	221.13	77.25	34.94%	143.87	65.06%	37.90	39.35	47.23	96.64
June-19	297.25	96.74	32.55%	200.51	67.45%	44.30	52.44	155.12	45.38
July-19	113.47	57.78	50.92%	55.69	49.08%	28.38	29.40	25.44	30.25
Aug-19	121.99	63.90	52.38%	58.09	47.62%	34.92	28.98	23.92	34.17
Sept-19	141.45	94.45	66.77%	47.00	33.23%	47.73	46.72	23.36	23.64
Oct-19	163.16	103.73	63.58%	59.43	36.42%	37.85	65.88	18.23	41.20
Nov-19	172.52	86.76	50.29%	85.76	49.71%	33.59	53.17	32.21	53.55
Dec-19	127.94	63.14	49.35%	64.80	50.65%	21.69	41.45	24.47	40.32
2019 YTD ²	1928.09	942.55	48.88%	985.53	51.11%	419.13	523.42	477.34	508.17
2018 YTD ³	2404.4	1219.1	50.70%	1185.3	49.30%	576.45	642.65	524.63	660.67

Note the decrease in the total value of foreign transactions between October and December 2019

On a monthly basis, The Nigerian Stock Exchange polls trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI)⁴ flows. As at 31 December 2019, total transactions at the nation's bourse decreased by **25.84% from ₦172.52 billion (about \$562.89million) in November 2019⁵ to ₦127.94 billion (about \$417.41 million) in December 2019**. The performance of the current month when compared to the performance in the same period (December 2018) of the prior year revealed that total transactions increased by **1.65%**. In December 2019, the total value of transactions executed by Domestic investors outperformed transactions executed by Foreign investors marginally by **2%** as shown in figure 1 below.

ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS FOR THE MONTH (DECEMBER'19)

Figure 1: Domestic vs. Foreign Participation

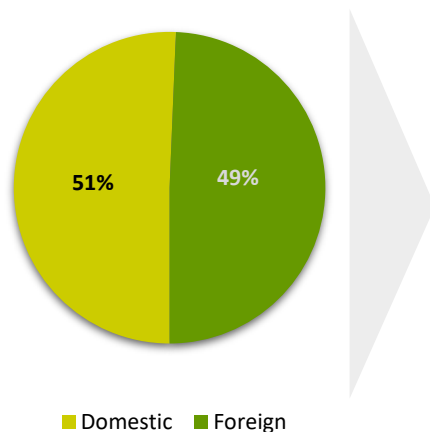


Figure 2: Inflow (N'Bn)

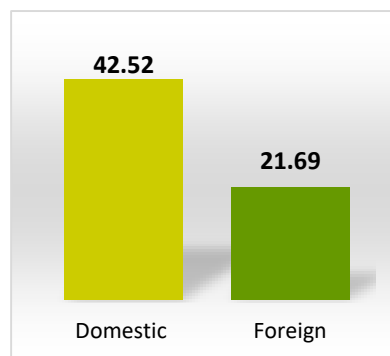
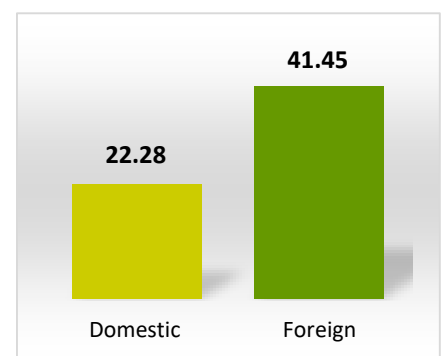


Figure 3: Outflow (N'Bn)



¹ Information on the retail and institutional components of total domestic transactions in December 2019 is based on data obtained from the monthly stockbroking transaction report of about 99% of the Active Dealing Members of The Exchange.

²2019 Year to Date (YTD) represents January to December 2019 Transactions.

³2018 Year to Date (YTD) represents January to December 2018 Transactions.

⁴Methodology - The FPI outflow includes sales transactions or liquidation of portfolio investments through the stock market, whilst the FPI inflow includes purchase transactions on the Nigerian Stock Exchange (Equities only).

⁵The Exchange rate (Central) as at 31 December 2019 was **₦306.5 to \$1**.



A further analysis of the total transactions executed between the current and prior month (November 2019) revealed that total domestic transactions decreased by **24.44%** from ₦85.76 billion in November to ₦64.80 billion in December 2019. Similarly, total foreign transactions decreased by **27.22% from ₦86.76 billion (about \$283.1million) to ₦63.14 billion (about \$206 million)** between November and December 2019.

ANALYSIS OF DOMESTIC TRANSACTIONS

The value of domestic transactions executed by Institutional investors outperformed Retail investors by **24%** as illustrated in figure 4 below. A comparison of domestic transactions in the current and prior month (November 2019) revealed that retail transactions decreased by **24.03%** from ₦32.21 billion in November 2019 to ₦24.47 billion in December 2019. Similarly, the institutional composition of the domestic market decreased by **24.71%** from ₦53.55 billion in November 2019 to ₦40.32 billion in December 2019.

Figure 4: Retail vs. Institutional

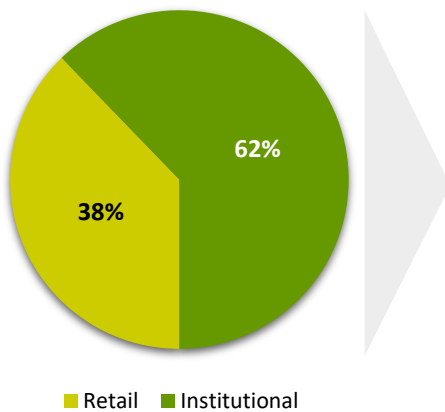


Figure 5: Inflow (N'Bn)

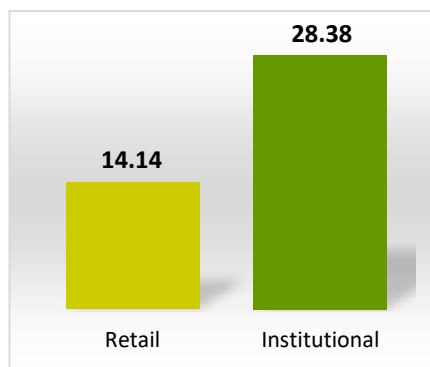
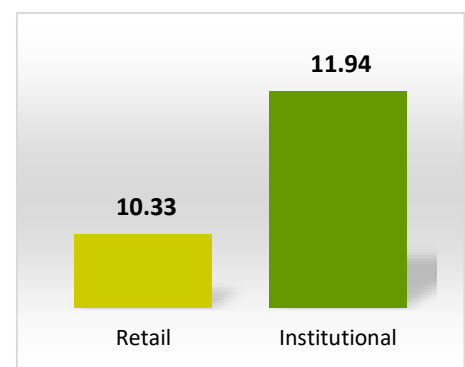


Figure 6: Outflow (N'Bn)



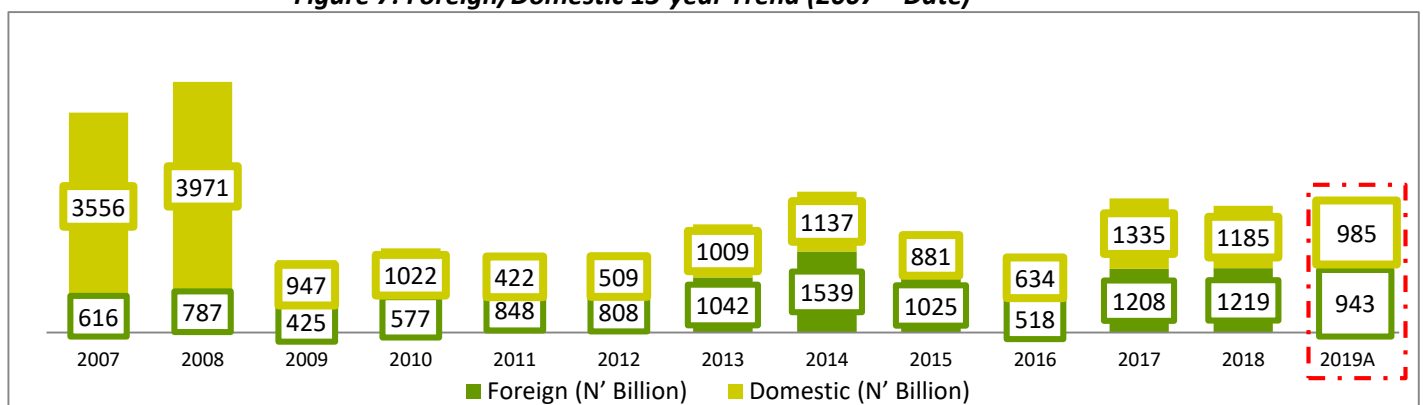
HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

The data in figure 7 below, highlights the performance of the market over the last decade. Over a thirteen (13) year period, domestic transactions decreased by **72.30%** from ₦3.556t in 2007 to ₦985bn in 2019 whilst foreign transactions increased by **53.08%** from ₦616bn to ₦943bn over the same period.

Total domestic transactions accounted for about 51% of the total transactions carried out in 2019, whilst foreign transactions accounted for about 49% of the total transactions in the same period.

The actual performance referenced 2019A (2019 Actual) shows that total foreign transactions carried out year till date (YTD) is about ₦942.55 billion whilst total domestic transactions YTD is about ₦985.53 billion.

Figure 7: Foreign/Domestic 13-year Trend (2007 – Date)





THE Nigerian STOCK EXCHANGE

About The Nigerian Stock Exchange's Domestic and Foreign Portfolio Investment Report

The Nigerian Stock Exchange's Domestic and Foreign Portfolio Investment Report is prepared on a monthly basis, with trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI) flows. These transactions are carried out by Domestic and Foreign investors. The Domestic investors are further categorized into Retail and Institutional investors.

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