



**THE Nigerian
STOCK EXCHANGE**

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

May 2019



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING

SUMMARY OF TRANSACTIONS AS AT 31 MAY 2019¹

Period	Total	Foreign	Foreign %	Domestic	Domestic %	Foreign Inflow	Foreign outflow	Domestic Retail	Domestic Institutional
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%	41.78	35.14	29.26	42.73
May -19	221.13	77.25	34.94%	143.87	65.06%	37.90	39.35	47.23	96.64
2019 YTD ²	790.31	376.05	48.98%	414.25	51.02%	177.32	198.74	174.59	239.66
2018 YTD ³	1409.47	697.30	49.47%	712.17	50.53%	150.04	178.66	115.78	270.51

Note the increase in total transactions between April and May 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 May 2019, total transactions at the nation’s bourse increased by **48.49% from ₦148.91 billion (about \$485.9 million)⁵ recorded in April 2019 to ₦221.13 billion (about \$713.7 million) in May 2019.** However, the performance of the current month when compared to the performance in the same period (May 2018) of the prior year revealed that total transactions reduced by **30.52%**. In May 2019, the total value of transactions executed by domestic investors significantly outperformed transactions executed by foreign investors by **30.00%** as shown in figure 1 below.

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

Figure 1: Domestic vs. Foreign Participation

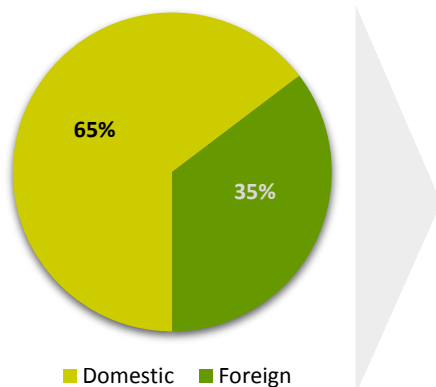


Figure 2: Inflow (N'Bn)

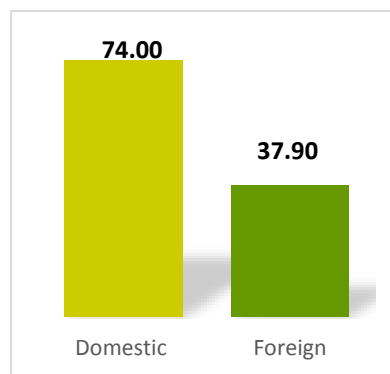
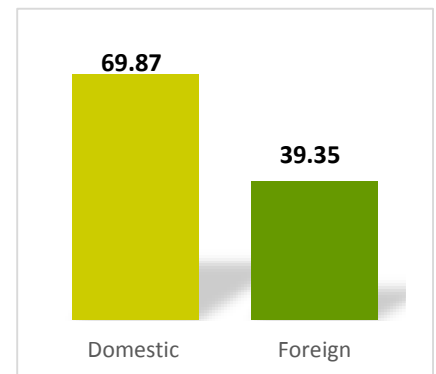


Figure 3: Outflow (N'Bn)



A further analysis of the total transactions executed between the current and prior month (April 2019) revealed that total domestic transactions increased by **99.83%** from ₦71.99 billion in April 2019 to ₦143.87 billion in May 2019. In contrast, total foreign transactions increased marginally by **0.43% from ₦76.92 billion (about \$251.0 million) to ₦77.25 billion (about \$252.1 million)** between April and May 2019.

¹ Information on the retail and institutional components of total domestic transactions in May 2019 is based on data obtained from the monthly stockbroking transaction report of about **97%** of the Active Dealing Members of The Exchange.

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

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

⁴ Methodology - 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).

⁵ The Exchange rate as at 30 May 2019 was **₦306.45 to \$1.**

ANALYSIS OF DOMESTIC TRANSACTIONS

The value of domestic transactions executed by institutional investors’ outperformed retail investors by **34.00%** as illustrated in figure 4 below. A comparison of domestic transactions in the current and prior month (April 2019) revealed that retail transactions increased by **61.41%** from ₦29.26 billion in April 2019 to ₦47.23 billion in May 2019. However, the institutional composition of the domestic market increased significantly by **126.14%** from ₦42.73 billion in April 2019 to ₦96.64 billion in May 2019.

Figure 4: Retail vs. Institutional

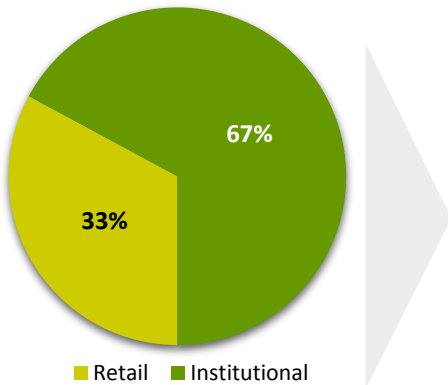


Figure 5: Inflow (N’Bn)

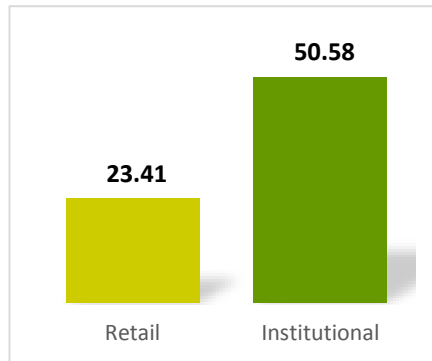
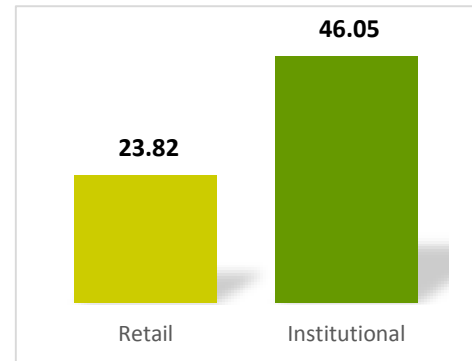


Figure 6: Outflow (N’Bn)

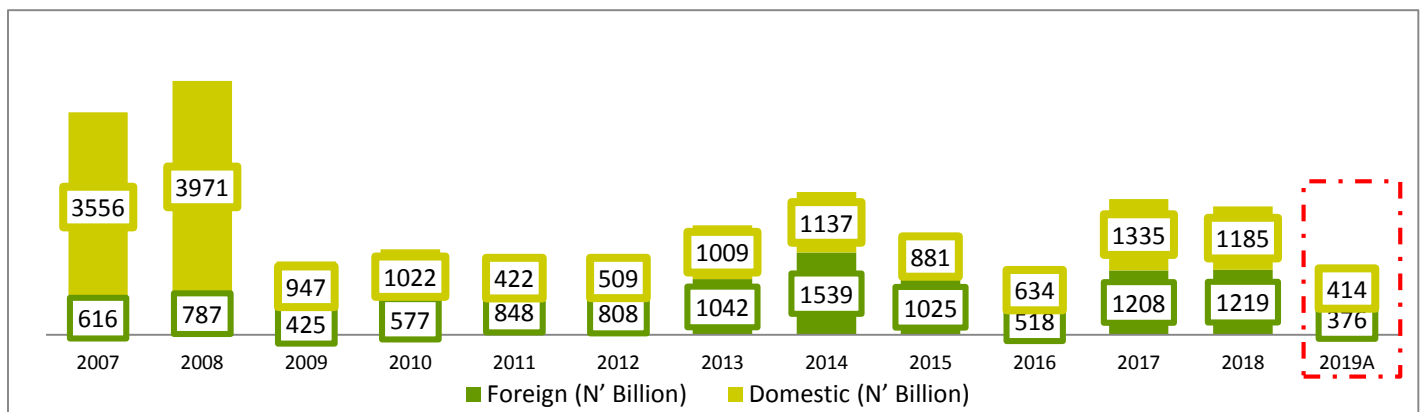


The data in figure 7 below, highlights the performance of the market over the last decade. Foreign transactions which stood at ₦1.539t in 2014 declined to ₦1.219t in 2018. Over the twelve (12) year period, domestic transactions decreased by **66.68%** from ₦3.556t in 2007 to ₦1.185t in 2018.

Total foreign transactions accounted for about 51% of the total transactions carried out in 2018, whilst domestic 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 ₦376.05 billion whilst total domestic transactions YTD is about ₦414 billion.

Figure 7: Foreign/Domestic 12 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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