



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING – April, 2015

On a monthly basis, The Nigerian Stock Exchange polls trading figures from major custodians and market operators on their foreign portfolio investments (FPI). The table below shows an analysis of transactions on The Exchange at the end of April 2015.

Table 1: Analysis of Transactions for the Period Ended 30 April 2015¹

| Period | Total Transactions N' Billion | Total Foreign Inflow N' Billion | Total Foreign outflow N' Billion | Total Foreign transactions N' Billion | Total Domestic transactions N' Billion | Foreign % | Domestic % |
|-----------------------|-------------------------------|---------------------------------|----------------------------------|---------------------------------------|--|-----------|------------|
| Jan 2015 | 189.72 | 48.03 | 51.08 | 99.11 | 90.61 | 52.24% | 47.76% |
| Feb 2015 | 184.49 | 52.35 | 81.60 | 133.95 | 50.54 | 72.61% | 27.39% |
| Mar 2015 | 184.02 | 50.15 | 52.41 | 102.56 | 81.46 | 55.73% | 44.27% |
| Apr 2015 | 206.86 | 54.20 | 49.75 | 103.95 | 102.91 | 50.25% | 49.75% |
| Apr 2014 ² | 190.70 | 68.35 | 54.62 | 122.97 | 67.73 | 64.48% | 35.52% |
| 2015 ytd | 765.09 | 204.73 | 234.84 | 439.57 | 325.52 | 57.45% | 42.55% |

Analysis

Note the Significant increase in Total Domestic Transactions in April compared to March.

Domestic vs. Foreign 2015

Domestic participation at the nation's bourse increased to N102.91 billion (about \$0.52 billion) in April 2015, up 26.33% from March 2015. Domestic investors conceded about 0.5% of trading to foreign investors as the percentage of foreign transactions decreased from 55.73% to 50.25% while Domestic transactions increased from 44.27% to 49.75% over the same period.

Total transactions increased by 12.41% from N184.02 billion in March to N206.86 billion in April and foreign portfolio investors' inflows accounted for 26.20% of total transactions while the outflows accounted for 24.05% of the total transactions in April 2015.

In comparison to the same period in 2014, total FPI transactions decreased by 15.47%, whilst the total domestic transactions increased by 51.94%. FPI inflows outpaced outflows which was consistent with the same period in 2014. Overall, there was an 8.47% increase in total transactions in comparison to the same period in 2014.

¹ 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).

² The March 2015 and April 2014 transactions are included for comparison to the April 2015 transactions.

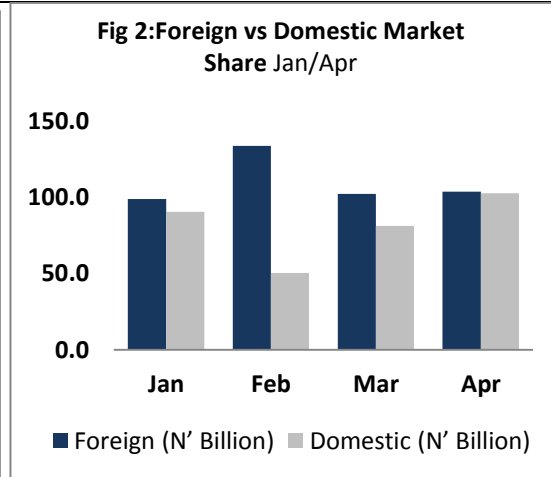
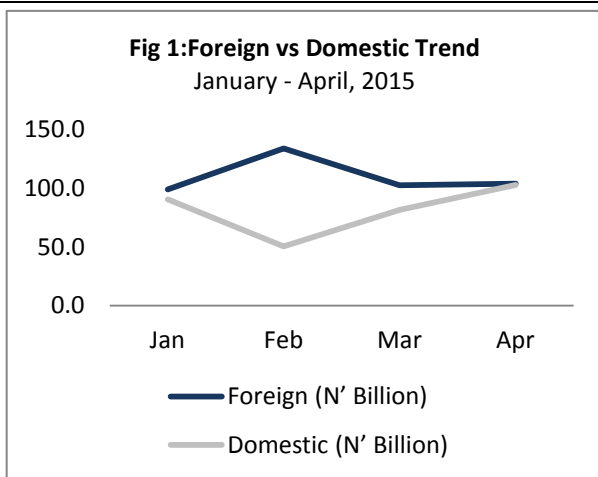
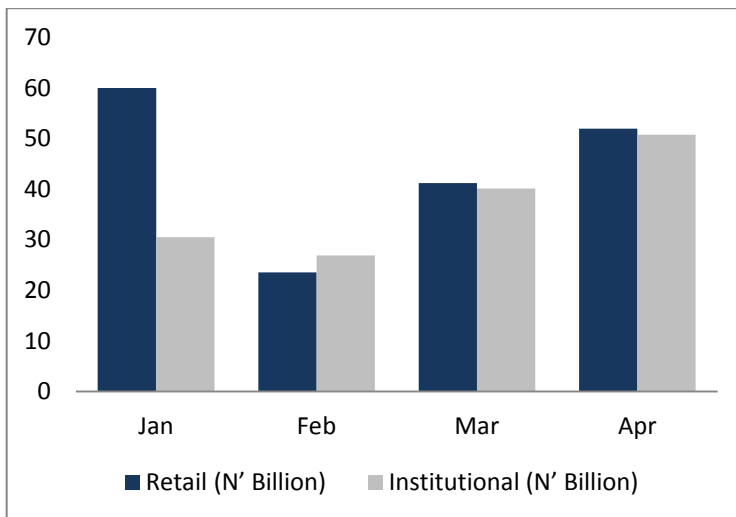
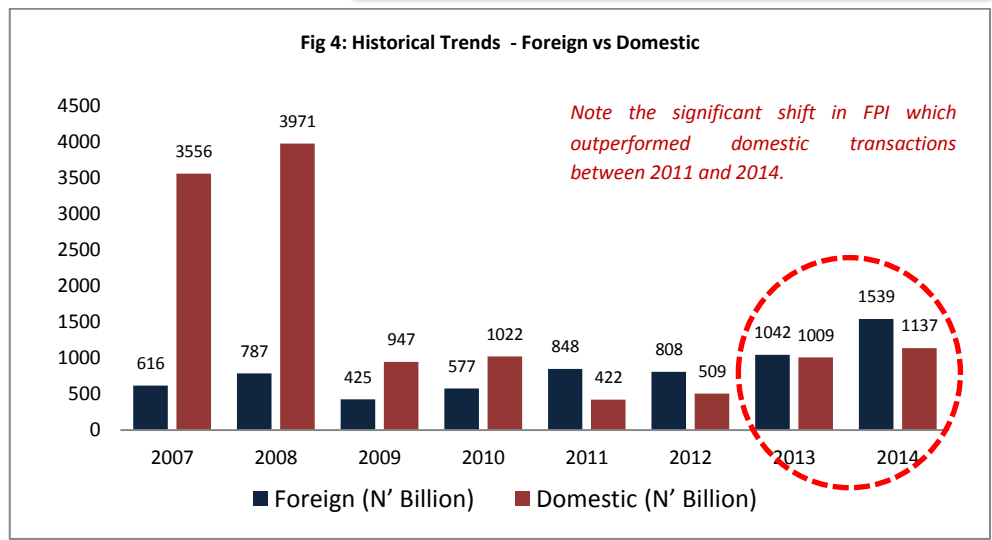


Fig 3: Retail vs. Institutional April 2015³



The graph in Fig 3 highlights the domestic composition of transactions on The Exchange between January and April, 2015. It illustrates that total domestic transactions increased by 13.56% from January to April 2015. The institutional composition of the domestic market which was about 33.69% at the end of January increased to 49.41% at the end of April, whilst the retail composition decreased from 66.31% to 50.59% in the same period.

Total FPI transactions of N616bn which accounted for 14.8% of total transactions in 2007 increased over the years to N1,539bn representing 57.5% of total transactions in 2014 (An increase of 42.7% over the 7 year period). Domestic transactions on the other hand started at N3,556bn representing 85.2% in 2007, but decreased significantly to N1,137bn representing 42.5% of total transactions in 2014 (A sharp decline of 42.7% in the 7



³ Information on the retail and institutional components of the total domestic transactions in April is based on data obtained from about 97% of Active Dealing Members of The Exchange.