



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING – April 2016

On a monthly basis, The Nigerian Stock Exchange polls trading figures from major custodians and market operators on their foreign portfolio investment (FPI) flows. The table below shows an analysis of transactions on The Exchange at the end of April 2016.

Table 1: Analysis of Transactions for the Period Ended 30 April 2016¹

All figures are in N' Billion

Period	Total	Foreign	Foreign %	Domestic	Domestic %	Foreign Inflow	Foreign outflow	Domestic Retail	Domestic Institutional
Jan 2016	84.10	43.37	51.57%	40.73	48.43%	17.01	26.36	18.88	21.85
Feb 2016	117.27	42.78	36.48%	74.49	63.52%	10.94	31.84	36.24	38.25
Mar 2016	96.31	34.44	35.76%	61.87	64.24%	15.40	19.04	23.35	38.52
April 2016	66.96	28.28	42.23%	38.68	57.77%	14.52	13.76	20.83	17.85
April 2015 ²	206.86	103.95	50.25%	102.91	49.75%	54.20	49.75	52.06	50.84
2016 YTD	364.64	148.87	40.83%	215.77	59.17%	57.87	91.00	99.30	116.47

Analysis

Note the significant decrease in transactions compared to April 2015.

Domestic vs. Foreign 2016

Total transactions at the nation's bourse decreased by 30.47% from N96.31 billion recorded in March 2016 to N66.96 (about \$0.34 billion) in April 2016. In comparison to the same period in 2015, total transactions decreased by 67.63% from the N206.86 recorded in April 2015.

Domestic investors outperformed foreign investors by 15.54% as total FPI transactions decreased by 17.89% from N34.44 billion in March to N28.28 billion in April 2016.

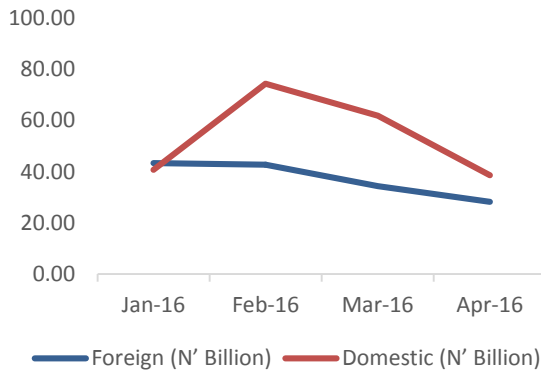
Monthly foreign inflows slightly outpaced outflows which was consistent with the same period in 2015. Foreign outflows decreased by 27.73% from N19.04 billion in March 2016 to N13.76 billion while foreign inflows decreased by 5.71% from N15.40 billion in March 2016 to N14.52 billion in April 2016.

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 2016 and April 2015 transactions are included for comparison to the April 2016 transactions.



**Fig 1: Foreign vs Domestic Trend
January - April, 2016**



**Fig 2: Foreign vs Domestic
Jan/April**

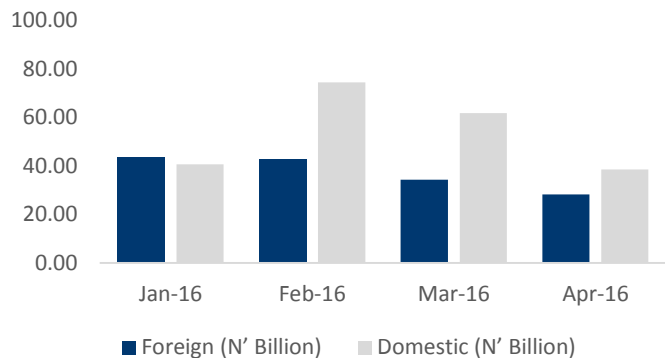


Fig 3: Retail vs. Institutional April 2016³

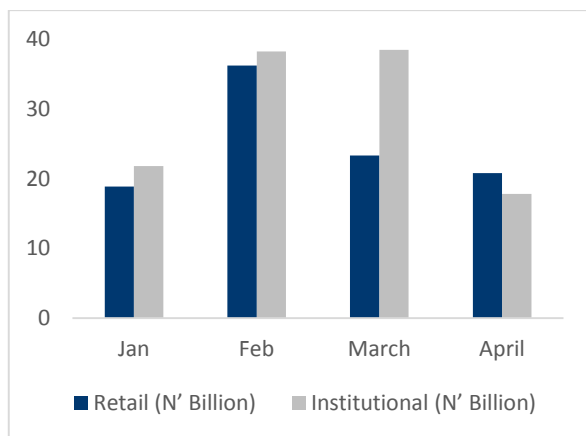


Fig 3 highlights the domestic composition of transactions on The Exchange between January and April 2016. The total domestic transaction decreased by 37.48% from March to April 2016. The institutional composition of the domestic market decreased by 53.66% from N38.52b in March to N17.85b in April whilst the retail composition decreased by 10.79% from N23.35b in March to N20.83b in April 2016. Retail investors marginally outperformed their institutional counterparts for the first time this year.

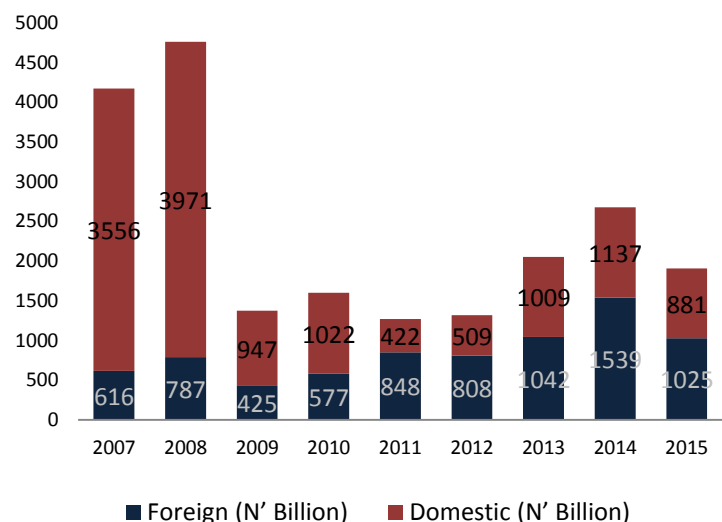
Fig 4 shows significant shift in FPI which outperformed domestic between 2011 and 2012.

In 2013, there was a major rebound in the domestic component which led to an almost equal split in foreign vs. domestic transactions.

This dropped in 2014 where FPI outperformed domestic transactions.

In 2015 FPI dropped compared to 2014. However, it slightly outperformed domestic transactions in the same period.

Foreign Domestic Trend 2007 - 2015



³ Information on the retail and institutional components of the total domestic transactions in April is based on data obtained from about 96% of Active Dealing Members of The Exchange.