



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING – March, 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 March 2015.

Table 1: Analysis of Transactions for the Period Ended 31 March 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%
Mar 2014 ²	166.84	55.13	75.42	130.55	36.29	78.25%	21.75%
2015 ytd	558.23	150.53	185.09	335.62	222.61	60.12%	39.88%

Analysis

Note the Significant decrease in FPI outflows in March compared to February.

Domestic vs. Foreign 2015

Domestic transactions at the nation's bourse which was N50.54 billion at the end of February 2015 increased to N81.46 billion (about \$0.41 billion) at the end of March 2015, up 61.18% from February 2015. Domestic investors conceded about 11.46% of trading to foreign investors as foreign transactions decreased from 72.61% to 55.73% while Domestic transactions increased from 27.39% to 44.27% over the same period.

In comparison to the same period in 2014, total FPI transactions decreased by 21.44%, whilst the total domestic transactions increased by 124.47%. FPI outflows outpaced inflows which was consistent with the same period in 2014. Overall, there was a 10.30% 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 February 2015 and March 2014 transactions are included for comparison to the March 2015 transactions.

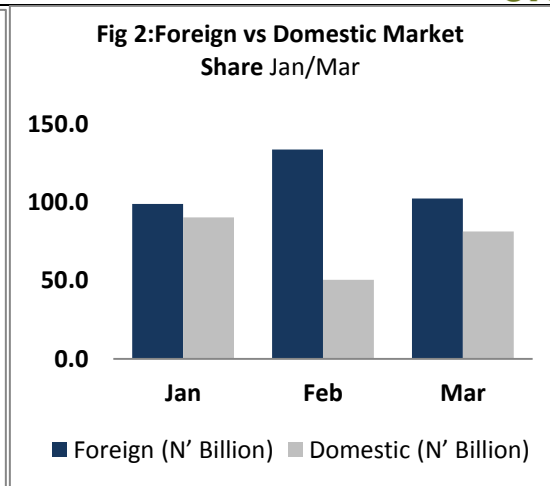
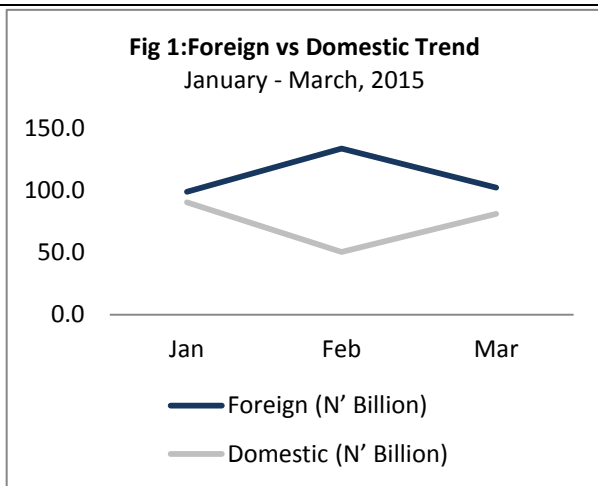
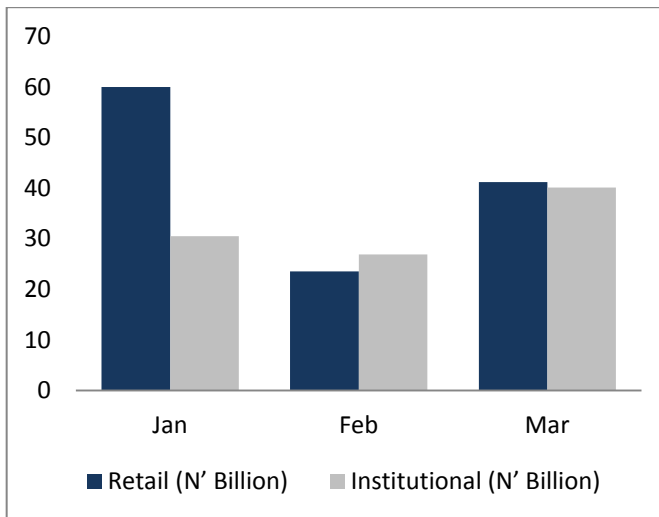
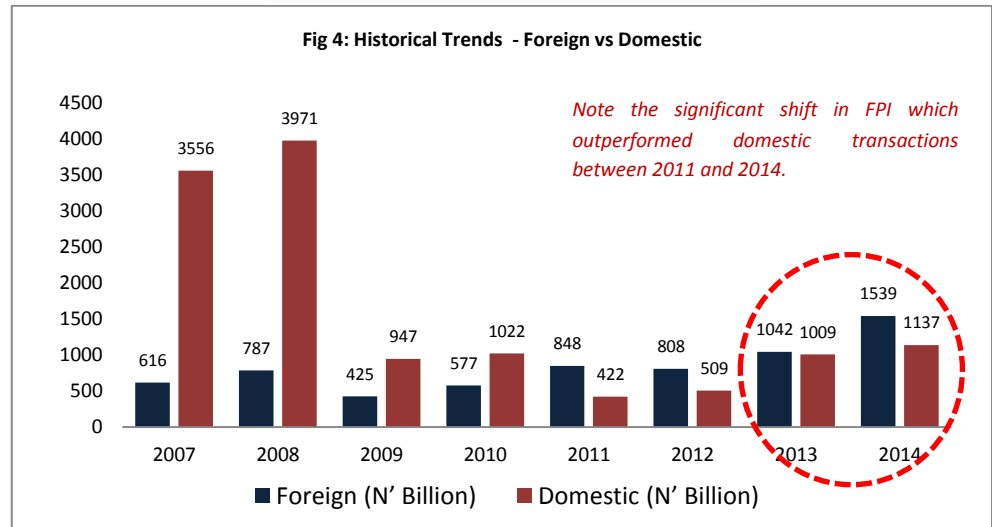


Fig 3: Retail vs. Institutional March 2015³



The graph in Fig 3 highlights the domestic composition of transactions on The Exchange between January and March, 2015. It illustrates that total domestic transactions decreased by 10.10% from January to March 2015. The institutional composition of the domestic market which was about 33.69% at the end of January increased to 49.34% at the end of March, whilst the retail composition decreased from 66.31% to 50.66% 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 March is based on data obtained from about 83% of Active Dealing Members of The Exchange.