



Domestic & Foreign Portfolio Investment Report of Nigerian Exchange Limited

December 2023



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING

SUMMARY OF TRANSACTIONS AS AT 31 DECEMBER 2023¹

Period	Total	Foreign N'Billions	Foreign %	Domestic N'Billions	Domestic %	Foreign Inflow N'Billions	Foreign outflow N'Billions	Domestic Retail N'Billions	Domestic Institutional N'Billions
Jan-23	195.10	24.90	12.76%	170.20	87.24%	9.84	15.06	35.66	134.54
Feb-23	188.91	19.62	10.39%	169.29	89.61%	3.68	15.94	34.79	134.50
Mar-23	146.22	9.19	6.29%	137.03	93.71%	4.60	4.59	52.83	84.20
Apr-23	191.21	8.47	4.43%	182.74	95.57%	3.67	4.80	74.19	108.55
May-23	322.92	37.16	11.51%	285.76	88.49%	27.51	9.65	88.50	197.26
Jun-23	406.75	45.74	11.25%	361.01	88.75%	22.72	23.02	124.52	236.49
Jul-23	702.98	40.54	5.77%	662.44	94.23%	9.45	31.09	229.95	432.49
Aug-23	262.56	37.16	14.15%	225.40	85.85%	13.79	23.37	97.13	128.27
Sep-23	295.80	35.24	11.91%	260.56	88.09%	13.67	21.57	111.75	148.81
Oct-23	220.94	33.36	15.10%	187.58	84.90%	13.62	19.74	86.46	101.12
Nov-23	300.67	71.37	23.74%	229.30	76.26%	34.77	36.60	92.78	136.52
Dec-23	343.90	47.87	13.92%	296.03	86.08%	17.48	30.39	91.61	204.42
2023 YTD ²	3577.96	410.62	11.48%	3167.34	88.52%	174.80	235.82	1120.17	2047.17
2022 YTD ³	2324.27	379.23	16.32%	1945.04	83.68%	195.76	183.47	642.73	1302.31

On a monthly basis, Nigerian Exchange Limited (“NGX”) polls trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI)⁴ flows. As at 31 December 2023, total transactions at the nation’s bourse increased by **14.38% from ₦300.67billion (about \$319.15million) in November⁵ 2023 to ₦343.90billion (about \$382.59million) in December⁶ 2023**. The performance of the current month when compared to the performance in December 2022 (₦140.70billion) revealed that total transactions increased by **144.42%**. In December 2023, the total value of transactions executed by Domestic Investors outperformed transactions executed by Foreign Investors by circa **72%** as shown in figure 1 below.

ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS FOR THE MONTH (DECEMBER '23)

Figure 1: Domestic vs. Foreign Participation

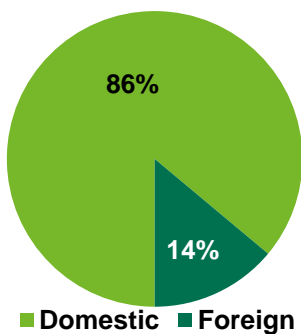


Figure 2: Inflow (N'Bn)

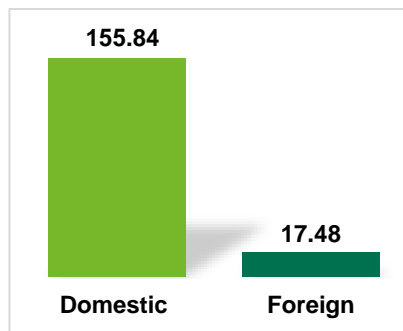
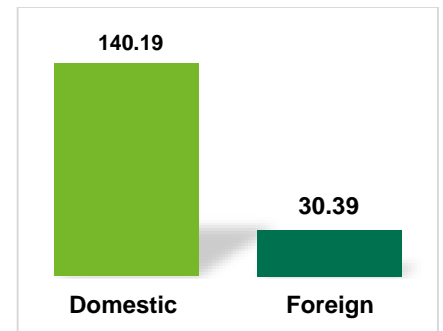


Figure 3: Outflow (N'Bn)



A further analysis of the total transactions executed between the current and prior month (November 2023) revealed that total domestic transactions increased by **29.10%** from ₦229.30billion in November to ₦296.03billion in December 2023. However, total foreign transactions decreased by **32.92% from ₦71.37billion (about \$75.76million) to ₦47.87billion (about \$53.26million)** between November 2023 and December 2023.

¹ Information on the retail and institutional components of the total domestic transactions in December 2023 is based on data obtained from the monthly stockbroking transaction report of 100% of the Active Trading License Holders (TLHs) of Nigerian Exchange Limited (“NGX”).

² 2023 Year to Date (YTD) represents January to December 2023 Transactions.

³ 2022 Year to Date (YTD) represents January to December 2022 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 NGX (Equities only).

⁵ The Exchange rate as at 30 November 2023 was ₦942.12 to \$1 (NAFEM - Nigerian Autonomous Foreign Exchange Market).

⁶ The Exchange rate as at 31 December 2023 was ₦898.89.12 to \$1 (NAFEM - Nigerian Autonomous Foreign Exchange Market).

ANALYSIS OF DOMESTIC TRANSACTIONS

Figure 4 below shows that Institutional Investors outperformed Retail Investors by **38%**. A comparison of domestic transactions in the current and prior month (November 2023) revealed that retail transactions decreased by **1.21%** from ₦92.78billion in November to ₦91.61billion in December 2023. However, the institutional composition of the domestic market increased by **49.74%** from ₦136.52billion in November 2023 to ₦204.42billion in December 2023.

Figure 4: Retail vs. Institutional

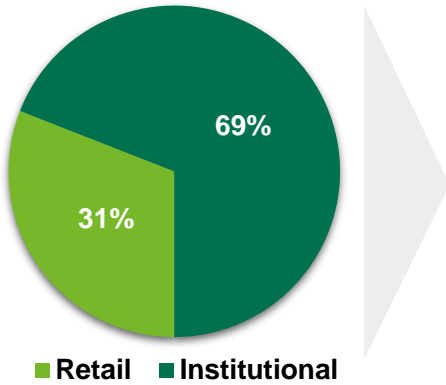


Figure 5: Inflow (N'Bn)

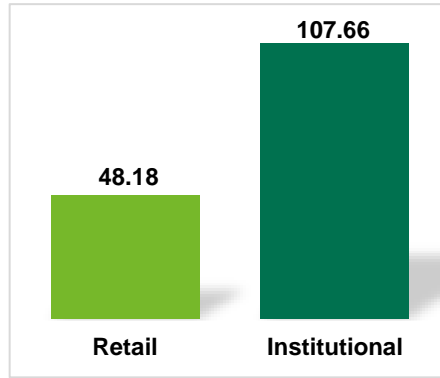
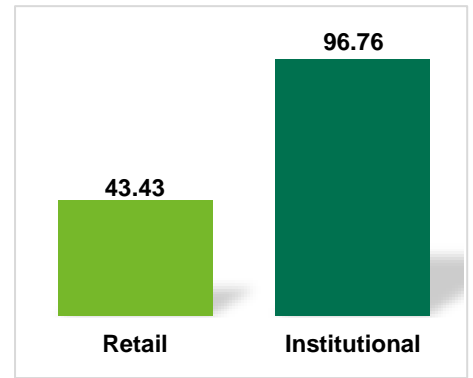


Figure 6: Outflow (N'Bn)



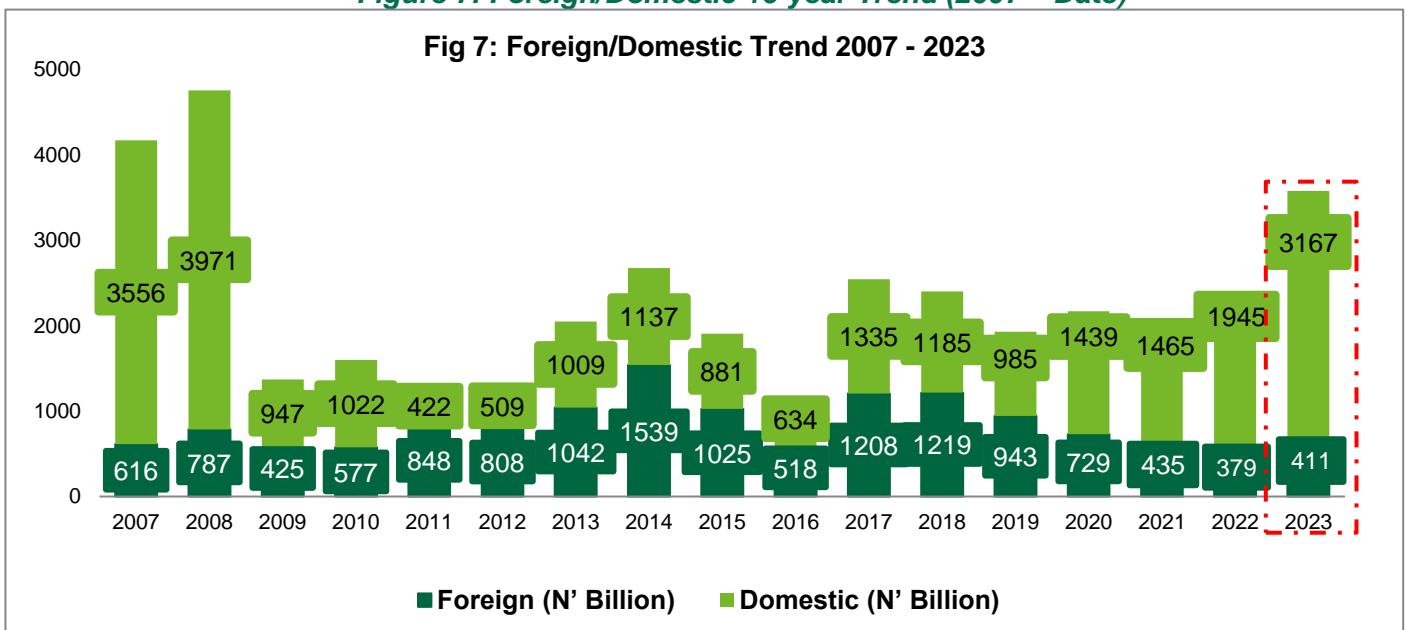
HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

The data in figure 7 below highlights the performance of the market over the last decade. Over a sixteen (16) year period, domestic transactions decreased by **10.94%** from ₦3.556trillion in 2007 to ₦3.167trillion in 2023 whilst foreign transactions also decreased by **33.28%** from ₦616billion to ₦411billion over the same period.

Total domestic transactions accounted for about 89% of the total transactions carried out in 2023, whilst foreign transactions accounted for about 11% of the total transactions in the same period.

The transaction data for 2023 shows that total domestic transactions are circa ₦3.167trillion, whilst total foreign transactions are circa ₦410.62billion.

Figure 7: Foreign/Domestic 16-year Trend (2007 – Date)





About The Domestic and Foreign Portfolio Investment Report of Nigerian Exchange Limited

The Domestic and Foreign Portfolio Investment Report is prepared on a monthly basis by NGX Regulation Limited, 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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