

Domestic & Foreign Portfolio Investment Report of Nigerian Exchange Limited

June 2022

DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING

SUMMARY OF TRANSACTIONS AS AT 30 JUNE 2022¹

Period	Total	Foreign N'Billion	Foreign %	Domestic N'Billion	Domestic %	Foreign Inflow N'Billion	Foreign outflow N'Billion	Domestic Retail N'Billion	Domestic Institutional N'Billion
Jan-22	323.38	41.31	12.77%	282.07	87.23%	18.10	23.21	143.62	138.45
Feb-22	183.56	45.43	24.75%	138.13	75.25%	20.86	24.57	61.39	76.74
Mar-22	185.26	42.17	22.76%	143.09	77.24%	16.37	25.80	60.61	82.48
Apr-22	205.88	27.08	13.15%	178.80	86.85%	15.02	12.06	68.22	110.58
May-22	607.45	45.30	7.46%	562.15	92.54%	25.53	19.77	74.19	487.96
Jun-22	156.52	42.19	26.96%	114.33	73.04%	24.63	17.56	44.11	70.22
2022 YTD ²	1662.05	243.48	14.65%	1418.57	85.35%	120.51	122.97	452.14	966.43
2021 YTD ³	1034.42	221.96	21.46%	812.46	78.54%	105.24	116.72	335.29	477.17

Note the significant decrease in the total value of transactions between May and June 2022.

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 30 June 2022, total transactions at the nation's bourse decreased by **74.23% from ₦607.45billion (about \$1.45billion) in May 2022⁵ to ₦156.52billion (about \$371.53million) in June 2022⁶**. The performance of the current month when compared to the performance in June 2021 (**₦100.77billion**) revealed that total transactions increased by **55.32%**. In June 2022, the total value of transactions executed by Domestic Investors outperformed transactions executed by Foreign Investors by circa **46%** as shown in figure 1 below.

ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS FOR THE MONTH (JUNE'22)

Figure 1: Domestic vs. Foreign Participation

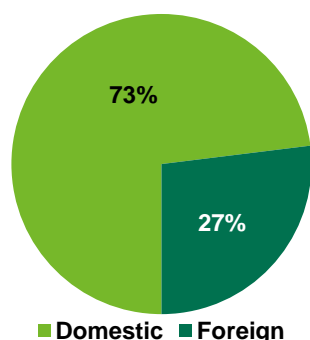


Figure 2: Inflow (N'Bn)

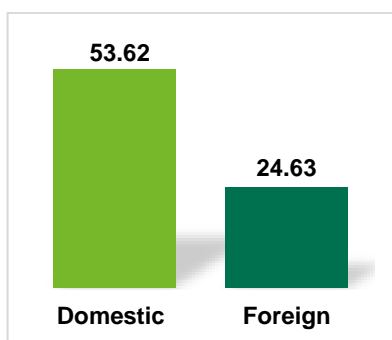
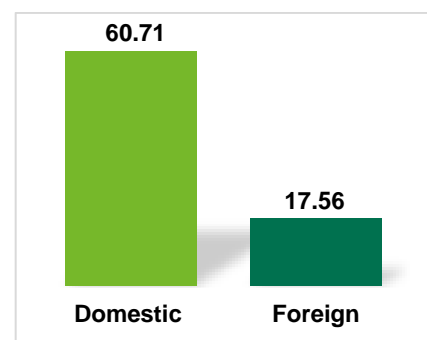


Figure 3: Outflow (N'Bn)



A further analysis of the total transactions executed between the current and prior month (May 2022) revealed that total domestic transactions decreased significantly by **72.16%** from ₦562.15billion in May to ₦114.33billion in June 2022. Similarly, total foreign transactions decreased by **6.87% from ₦45.30billion (about \$108.02million) to ₦42.19billion (about \$100.15million)** between May 2022 and June 2022.

ANALYSIS OF DOMESTIC TRANSACTIONS

Figure 4 below shows that Institutional Investors outperformed Retail Investors by **22%**. A comparison of domestic transactions in the current and prior month (May 2022) revealed that retail transactions

¹ Information on the retail and institutional components of the total domestic transactions in June 2022 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 2022 Year to Date (YTD) represents January to June 2022 Transactions.

³ 2021 Year to Date (YTD) represents January to June 2021 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 31 May 2022 was ₦419.38 to \$1 (NAFEX - Nigerian Autonomous Foreign Exchange Rate Fixing).

⁶ The Exchange rate as at 30 June 2022 was ₦421.29 to \$1 (NAFEX - Nigerian Autonomous Foreign Exchange Rate Fixing).

decreased by **40.54%** from ~~N~~74.19billion in May 2022 to ~~N~~44.11billion in June 2022. Similarly, the institutional composition of the domestic market decreased by **85.61%** from ~~N~~487.96billion in May 2022 to ~~N~~70.22billion in June 2022.

Figure 4: Retail vs. Institutional

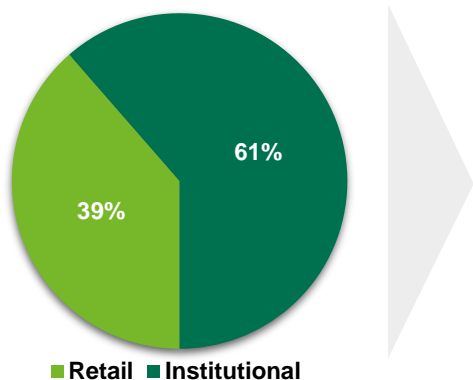


Figure 5: Inflow (N'Bn)



Figure 6: Outflow (N'Bn)



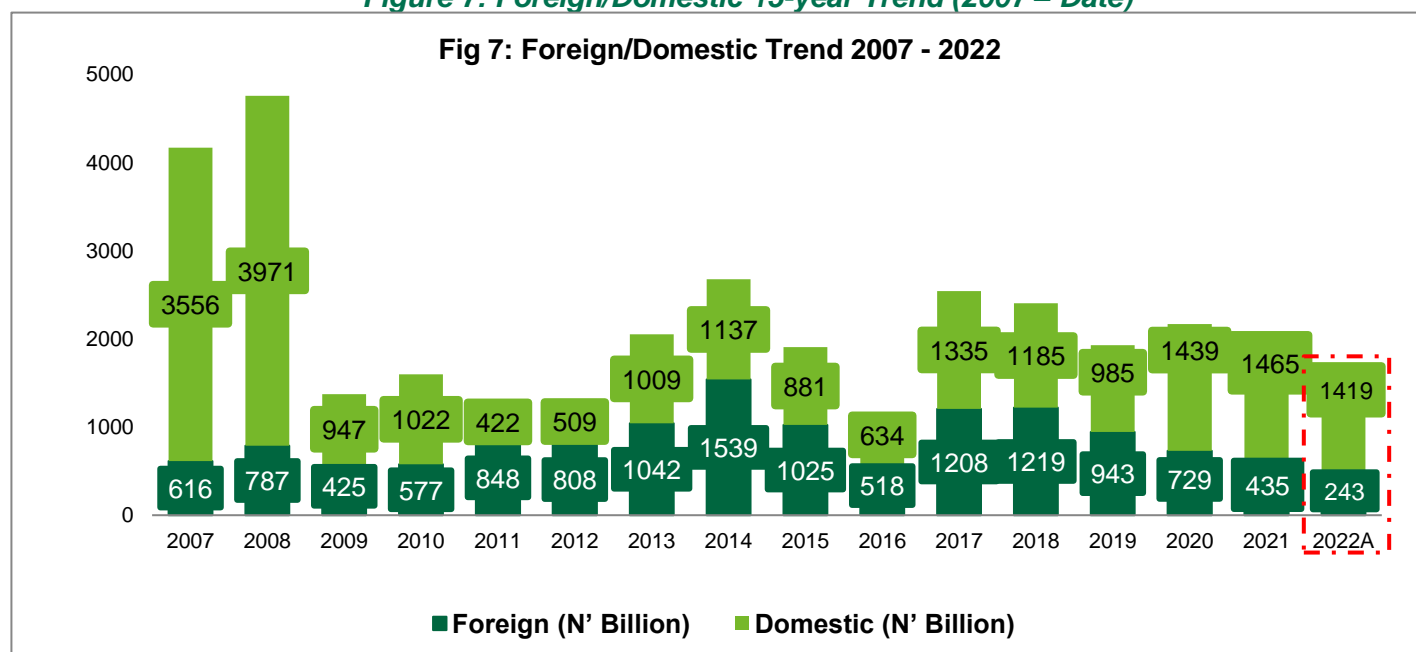
HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

The data in figure 7 below highlights the performance of the market over the last decade. Over a fifteen (15) year period, domestic transactions decreased by **58.80%** from ~~N~~3.556t in 2007 to ~~N~~1.465t in 2021 whilst foreign transactions also decreased by **29.38%** from ~~N~~616bn to ~~N~~435bn over the same period.

Total domestic transactions accounted for about 77% of the total transactions carried out in 2021, whilst foreign transactions accounted for about 23% of the total transactions in the same period.

The transaction data for 2022 shows that total domestic transactions are circa ~~N~~1.419trillion, whilst total foreign transactions are circa ~~N~~243.48billion.

Figure 7: Foreign/Domestic 15-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.

Terms of Use

All information/data contained in this "Domestic and Foreign Portfolio Investment Report, (hereinafter referred to as "Report") - including text, graphics, links or other items are provided as is and as available and may not be accurate or up to date; the Report is intended to provide general information regarding the domestic and foreign investment portfolio in Nigerian Exchange Limited ("NGX"), and is not intended to provide investment or other professional advice. The content of this Report is subject to change at any time without notice. Whilst reasonable care has been taken in preparing this Report and ensuring that its contents are accurate and reliable, NGX does not, whether expressly, tacitly or implicitly, represent, warrant or in any other way, guarantee the availability, truth, accuracy, completeness, timeliness or adequacy and non-infringement of intellectual property rights of the information and data contained in this Report or reliability of any external links or any of the content, materials. Information and data contained in them. No responsibility or liability is accepted by NGX for actions taken as a result of information provided in this Report.

The information and contents in this Report are the property of NGX; recipients of this Report are required to treat the information contained herein as sensitive, such information may not be reproduced, modified, transmitted or redistributed without prior written consent from NGX. This applies to both individual use of the information/data and the aggregate use of the information/ data contained in this Report.

NGX shall not be held liable for improper or incorrect use of information/data contained in this Report. NGX reserves the right to prosecute any person, group of persons, company, entity, etc., who without a written authorization from NGX, reproduces, modifies, transmits and/or redistributes the information and data accessed in this Report.

NGX accepts no liability resulting directly or indirectly from the disclosure of this Report to any third party and/or the reliance of any third party on the contents of the Report, either in whole or in part. For authorized circulation, the document may only be circulated as a PDF to eliminate unauthorized changes. Please report any unauthorized use, misuse or plagiarism to NGX at: contactcenter@ngxgroup.com.

NGX expressly DISCLAIMS liability for errors, omissions, defects, interruptions or otherwise contained in this Report. NGX does not verify any information/data provided by third parties and DISCLAIMS any obligation to do so.

Copyright © 2022 [Nigerian Exchange Limited]. All Rights Reserved.