



Domestic & Foreign Portfolio Investment Report of Nigerian Exchange Limited

October 2021



DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING

SUMMARY OF TRANSACTIONS AS AT 31 OCTOBER 2021¹

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-21	232.46	47.52	20.44%	184.94	79.56%	16.73	30.79	67.44	117.50
Feb-21	215.58	62.07	28.79%	153.51	71.21%	23.02	39.05	53.80	99.71
Mar-21	228.49	40.64	17.79%	187.85	82.21%	20.36	20.28	108.55	79.30
Apr-21	159.93	28.02	17.52%	131.91	82.48%	18.20	9.82	36.50	95.41
May-21	97.19	20.29	20.88%	76.90	79.12%	13.01	7.28	32.94	43.96
Jun-21	100.77	23.42	23.24%	77.35	76.76%	13.92	9.50	36.06	41.29
Jul-21	89.77	15.53	17.30%	74.24	82.70%	7.50	8.03	37.59	36.65
Aug-21	89.42	25.36	28.36%	64.06	71.64%	10.72	14.64	31.89	32.17
Sep-21	118.15	24.35	20.61%	93.80	79.39%	11.93	12.42	31.76	62.04
Oct-21	213.07	42.42	19.91%	170.65	80.09%	20.91	21.51	58.34	112.31
2021 YTD ²	1544.83	329.62	21.34%	1215.21	78.66%	156.30	173.32	494.87	720.34
2020 YTD ³	1581.10	591.97	37.44%	989.12	62.56%	200.59	391.98	451.19	537.93

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 October 2021, total transactions at the nation’s bourse increased by **80.34% from ₦118.15billion (about \$285.81million) in September 2021⁵ to ₦213.07billion (about \$513.31million) in October 2021⁶**. The performance of the current month when compared to the performance in October 2020 (₦244.90billion) revealed that total transactions decreased by **13%**. In October 2021, the total value of transactions executed by Domestic Investors outperformed transactions executed by Foreign Investors by circa **60%** as shown in figure 1 below.

ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS FOR THE MONTH (OCTOBER'21)

Figure 1: Domestic vs. Foreign Participation

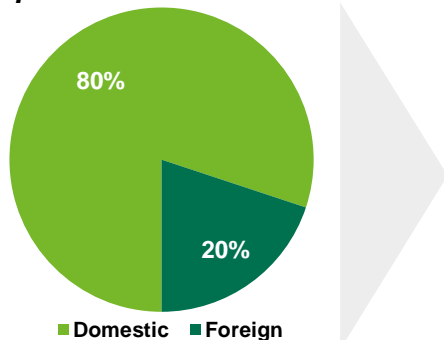


Figure 2: Inflow (N'Bn)

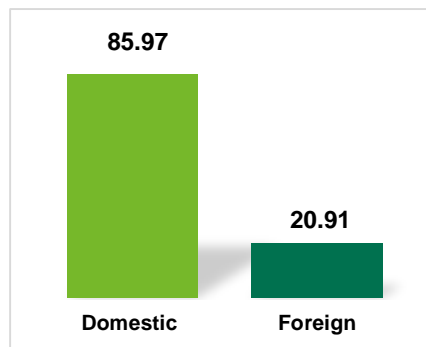
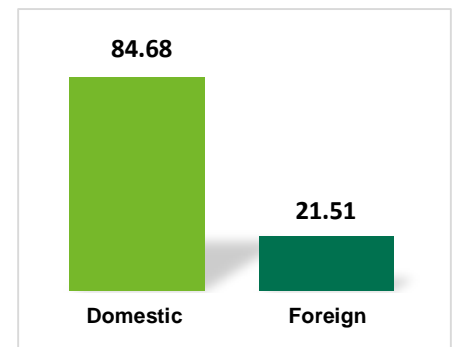


Figure 3: Outflow (N'Bn)



A further analysis of the total transactions executed between the current and prior month (September 2021) revealed that total domestic transactions increased by **81.93%** from ₦93.80billion in September to ₦170.65billion in October 2021. Similarly, total foreign transactions increased by **74.21% from ₦24.35billion (about \$58.91million) to ₦42.42billion (about \$102.21million)** between September 2021 and October 2021.

¹ Information on the retail and institutional components of the total domestic transactions in October 2021 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 2021 Year to Date (YTD) represents January to October 2021 Transactions.

³ 2020 Year to Date (YTD) represents January to October 2020 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 September 2021 was ₦413.38 to \$1 (NAFEX - Nigerian Autonomous Foreign Exchange Rate Fixing).

⁶ The Exchange rate as at 31 October 2021 was ₦415.10 to \$1 (NAFEX - Nigerian Autonomous Foreign Exchange Rate Fixing).

ANALYSIS OF DOMESTIC TRANSACTIONS

Figure 4 below shows that Institutional Investors outperformed Retail Investors by **32%**. A comparison of domestic transactions in the current and prior month (September 2021) revealed that retail transactions increased by **83.69%** from ₦31.76billion in September 2021 to ₦58.34billion in October 2021. Similarly, the institutional composition of the domestic market increased by **81.03%** from ₦62.04billion in September 2021 to ₦112.31billion in October 2021.

Figure 4: Retail vs. Institutional

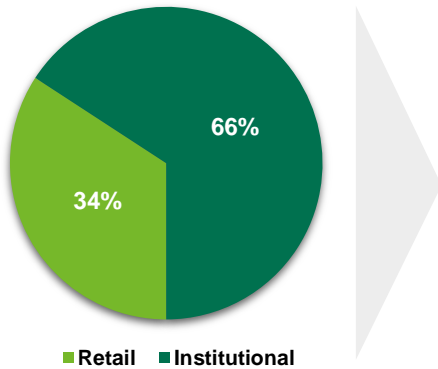


Figure 5: Inflow (N'Bn)



Figure 6: Outflow (N'Bn)



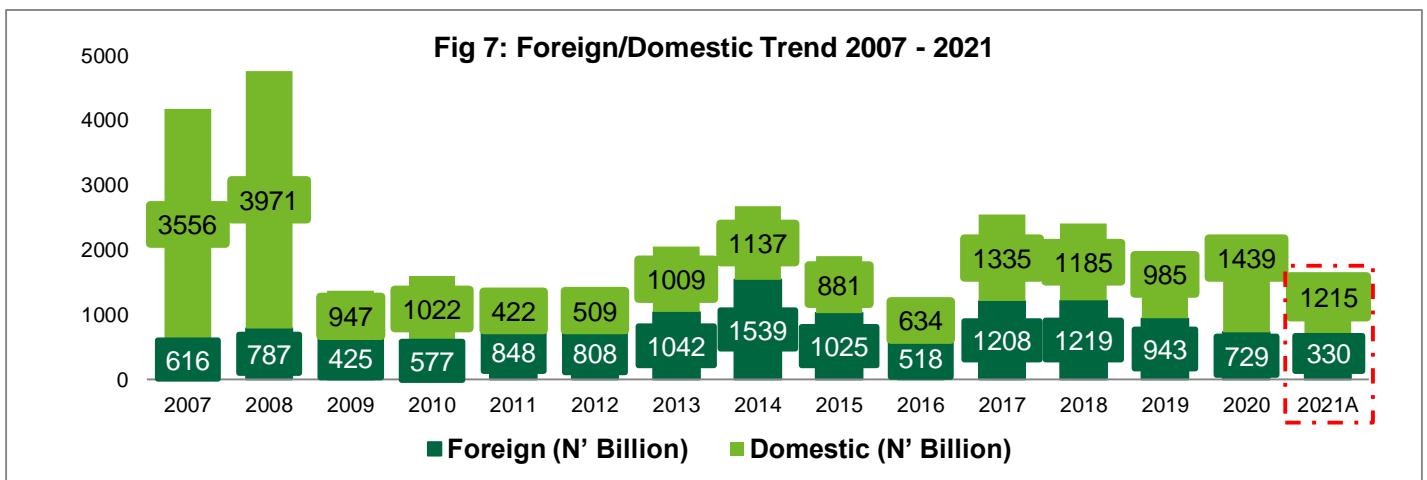
HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

The data in figure 7 below highlights the performance of the market over the last decade. Over a fourteen (14) year period, domestic transactions decreased by **59.54%** from ₦3.556t in 2007 to ₦1.439t in 2020 whilst foreign transactions increased by **18.45%** from ₦616bn to ₦729bn over the same period.

Total domestic transactions accounted for about 74% of the total transactions carried out in 2020, whilst foreign transactions accounted for about 26% of the total transactions in the same period.

The transaction data for 2021 shows that total foreign transactions are circa ₦329.62billion, whilst total domestic transactions are circa ₦1.215t.

Figure 7: Foreign/Domestic 14-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, 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 © 2021 [Nigerian Exchange Limited]. All Rights Reserved.