



**THE Nigerian  
STOCK EXCHANGE**

# The Nigerian Stock Exchange's Domestic & Foreign Portfolio Investment Report

October 2019



**DOMESTIC & FOREIGN PORTFOLIO PARTICIPATION IN EQUITY TRADING**

**SUMMARY OF TRANSACTIONS AS AT 31 OCTOBER 2019<sup>1</sup>**

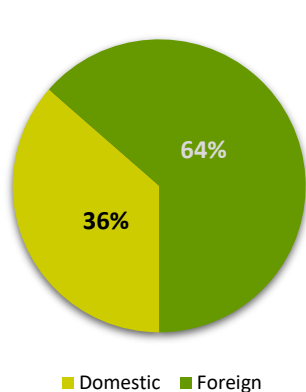
| Period                | Total   | Foreign | Foreign % | Domestic | Domestic % | Foreign Inflow | Foreign outflow | Domestic Retail | Domestic Institutional |
|-----------------------|---------|---------|-----------|----------|------------|----------------|-----------------|-----------------|------------------------|
| Jan-19                | 122.08  | 66.85   | 54.74%    | 55.23    | 45.26%     | 27.81          | 39.04           | 29.65           | 25.58                  |
| Feb-19                | 188.08  | 98.94   | 52.61%    | 89.14    | 47.39%     | 43.93          | 55.01           | 41.01           | 48.13                  |
| Mar-19                | 110.11  | 56.09   | 50.94%    | 54.02    | 49.06%     | 25.89          | 30.20           | 27.44           | 26.58                  |
| Apr-19                | 148.91  | 76.92   | 51.66%    | 71.99    | 48.34%     | 35.14          | 41.78           | 29.26           | 42.73                  |
| May-19                | 221.13  | 77.25   | 34.94%    | 143.87   | 65.06%     | 37.90          | 39.35           | 47.23           | 96.64                  |
| June-19               | 297.25  | 96.74   | 32.55%    | 200.51   | 67.45%     | 44.30          | 52.44           | 155.12          | 45.38                  |
| July-19               | 113.47  | 57.78   | 50.92%    | 55.69    | 49.08%     | 28.38          | 29.40           | 25.44           | 30.25                  |
| Aug-19                | 121.99  | 63.90   | 52.38%    | 58.09    | 47.62%     | 34.92          | 28.98           | 23.92           | 34.17                  |
| Sept-19               | 141.45  | 94.45   | 66.77%    | 47.00    | 33.23%     | 47.73          | 46.72           | 23.36           | 23.64                  |
| Oct-19                | 163.16  | 103.73  | 63.58%    | 59.43    | 36.42%     | 37.85          | 65.88           | 18.23           | 41.20                  |
| 2019 YTD <sup>2</sup> | 1627.63 | 792.64  | 50.87%    | 834.94   | 49.13%     | 363.9          | 428.8           | 420.64          | 414.3                  |
| 2018 YTD <sup>3</sup> | 2128.82 | 1074.67 | 50.48%    | 1054.15  | 49.52%     | 518.51         | 556.17          | 462.54          | 591.62                 |

Note the increase in the total value of foreign transactions between July and October 2019

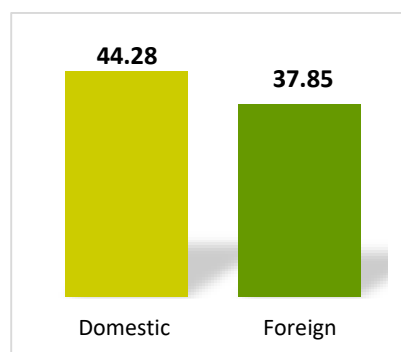
On a monthly basis, The Nigerian Stock Exchange polls trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI)<sup>4</sup> flows. As at 31 October 2019, total transactions at the nation's bourse increased by **15.35% from ₦141.45 billion (about \$461.50 million) in September 2019<sup>5</sup> to ₦163.16 billion (about \$532.35 million) in October 2019**. The performance of the current month when compared to the performance in the same period (October 2018) of the prior year revealed that total transactions increased by **34.34%**. In October 2019, the total value of transactions executed by foreign investors outperformed transactions executed by domestic investors by **28%** as shown in figure 1 below.

**ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS FOR THE MONTH (OCTOBER'19)**

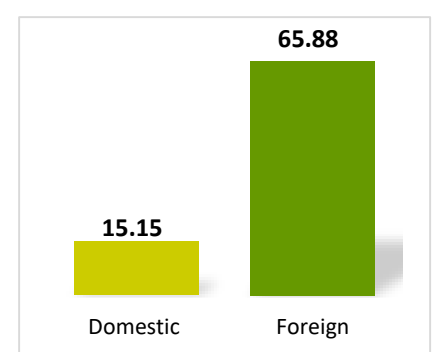
**Figure 1: Domestic vs. Foreign Participation**



**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 2019) revealed that total domestic transactions increased by **26.45%** from ~~₦47.00~~ billion in September to ~~₦59.43~~

<sup>1</sup> Information on the retail and institutional components of total domestic transactions in October 2019 is based on data obtained from the monthly stockbroking transaction report of about **99%** of the Active Dealing Members of The Exchange.

<sup>2</sup>2019 Year to Date (YTD) represents January to October 2019 Transactions.

<sup>3</sup>2018 Year to Date (YTD) represents January to October 2018 Transactions.

<sup>4</sup>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).

<sup>5</sup>The Exchange rate (Central) as at 31 October 2019 was **₦306.5 to \$1**.

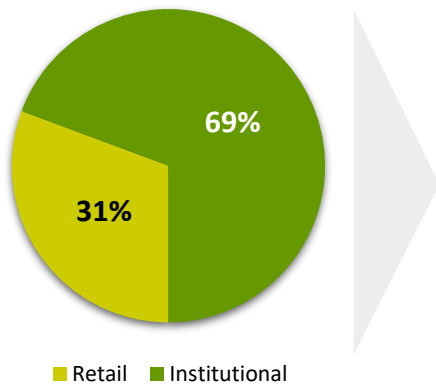


billion in October 2019. Similarly, total foreign transactions increased by **9.83% from ₦94.45 billion (about \$308.2million) to ₦103.73 billion (about \$338.4million)** between September and October 2019.

### ANALYSIS OF DOMESTIC TRANSACTIONS

The value of domestic transactions executed by Institutional investors outperformed retail investors by **38%** as illustrated in figure 4 below. A comparison of domestic transactions in the current and prior month (September 2019) revealed that retail transactions decreased by **21.96%** from ₦23.36 billion in September 2019 to ₦18.23 billion in October 2019. However, the institutional composition of the domestic market increased significantly by **74.28%** from ₦23.64 billion in September 2019 to ₦41.20 billion in October 2019.

**Figure 4: Retail vs. Institutional**



**Figure 5: Inflow (N'Bn)**



**Figure 6: Outflow (N'Bn)**



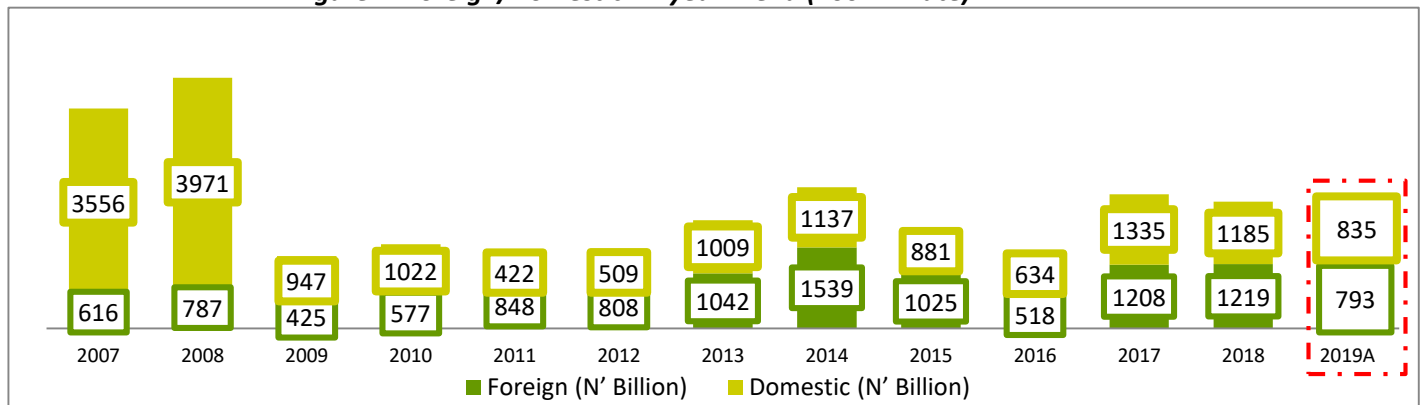
### HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

The data in figure 7 below, highlights the performance of the market over the last decade. Over a twelve (12) year period, domestic transactions decreased by **66.68%** from ₦3.556t in 2007 to ₦1.185t in 2018 whilst foreign transactions increased by **97.88%** from ₦616bn to ₦1.219t over the same period.

Total foreign transactions accounted for about 51% of the total transactions carried out in 2018, whilst domestic transactions accounted for about 49% of the total transactions in the same period.

The actual performance referenced 2019A (2019 Actual) shows that total foreign transactions carried out year till date (YTD) is about ₦792.64 billion whilst total domestic transactions YTD is about ₦834.94 billion.

**Figure 7: Foreign/Domestic 12-year Trend (2007 – Date)**





# THE Nigerian STOCK EXCHANGE

## About The Nigerian Stock Exchange's Domestic and Foreign Portfolio Investment Report

*The Nigerian Stock Exchange's 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 "The Nigerian Stock Exchange's ("The Exchange") 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 The Exchange, 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, The Exchange 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 The Exchange for actions taken as a result of information provided in this Report.

The information and contents in this Report are the property of The Exchange; 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 The Exchange. This applies to both individual use of the information/data and the aggregate use of the information/ data contained in this Report. The Exchange shall not be held liable for improper or incorrect use of information/data contained in this Report. The Exchange reserves the right to prosecute any person, group of persons, company, entity, etc., who without a written authorization of The Exchange, reproduces, modifies, transmits and/or redistributes the information and data accessed in this Report.

The Exchange 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 The Nigerian Stock Exchange at: [contactcenter@nse.com.ng](mailto:contactcenter@nse.com.ng).

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