



**THE Nigerian  
STOCK EXCHANGE**

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

September 2019



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

**SUMMARY OF TRANSACTIONS AS AT 30 SEPTEMBER 2019<sup>1</sup>**

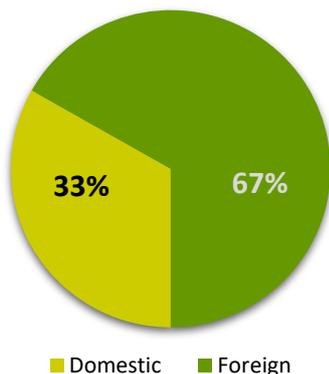
Period	Total	Foreign	Foreign %	Domestic	Domestic %	Foreign Inflow	Foreign outflow	Domestic Retail	Domestic Institutional
Jan-19	122.08	66.85	54.74%	55.23	45.26%	27.81	39.04	29.65	25.58
Feb-19	188.08	98.94	52.61%	89.14	47.39%	43.93	55.01	41.01	48.13
Mar-19	110.11	56.09	50.94%	54.02	49.06%	25.89	30.20	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	23.26	23.64
2019 YTD <sup>2</sup>	1464.47	688.91	49.45%	775.51	50.55%	326.00	362.91	402.41	373.10
2018 YTD <sup>3</sup>	2007.37	991.19	49.38%	1016.18	50.62%	477.68	513.49	439.39	576.77

Note the percentage increase in the total foreign transactions between July and September 2019

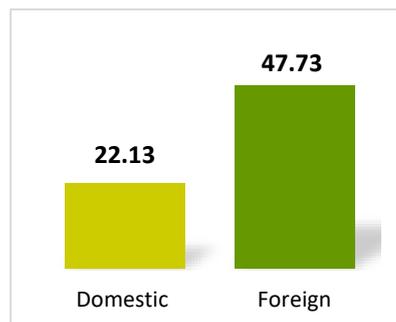
On a monthly basis, The Nigerian Stock Exchange polls trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI)<sup>4</sup> flows. As at 30 September 2019, total transactions at the nation’s bourse increased by **15.95% from ₦121.99 billion (about \$398.0 million) in August 2019<sup>5</sup> to ₦141.45 billion (about \$461.50 million) in September 2019**. The performance of the current month when compared to the performance in the same period (September 2018) of the prior year revealed that total transactions increased by **8.64%**. In September 2019, the total value of transactions executed by foreign investors outperformed transactions executed by domestic investors by **34.00%** as shown in figure 1 below.

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

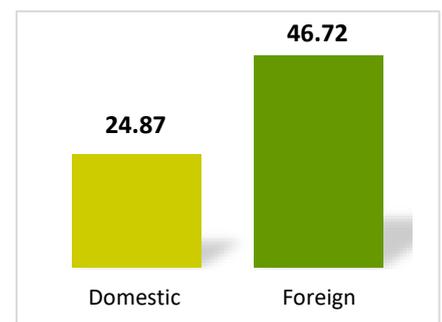
**Figure 1: Domestic vs. Foreign Participation**



**Figure 2: Inflow (N'Bn)**



**Figure 3: Outflow (N'Bn)**



A further analysis of the total transactions executed between the current and prior month (August 2019) revealed that total domestic transactions decreased by **19.91%** from ₦58.69 billion in August to ₦47.00 billion

<sup>1</sup> Information on the retail and institutional components of total domestic transactions in September 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 September 2019 Transactions

<sup>3</sup>2018 Year to Date (YTD) represents January to September 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 30 September 2019 was **N306.5 to \$1**.



in September 2019. However, total foreign transactions increased by **47.81% from ₦63.90 billion (about \$208.4million) to ₦94.45 billion (about \$308.2million)** between August and September 2019.

### ANALYSIS OF DOMESTIC TRANSACTIONS

The value of domestic transactions executed by Institutional investors and retail investors were at par as illustrated in figure 4 below. A comparison of domestic transactions in the current and prior month (August 2019) revealed that retail transactions decreased by **2.34%** from ₦23.92 billion in August 2019 to ₦23.36 billion in September 2019. However, the institutional composition of the domestic market declined more significantly by **30.81%** from ₦34.17 billion in August 2019 to ₦23.64 billion in September 2019.

**Figure 4: Retail vs. Institutional**



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



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



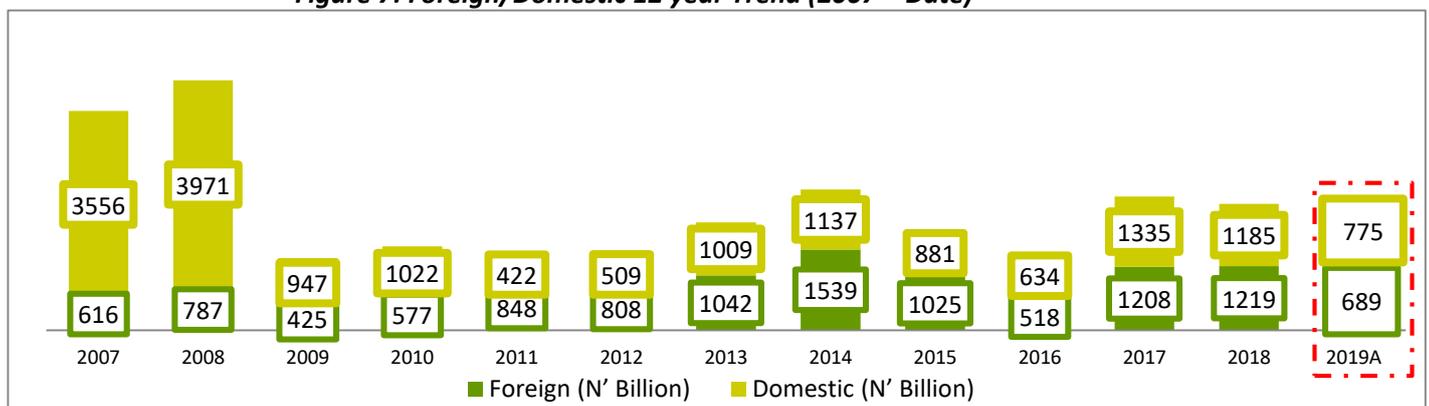
### HISTORICAL ANALYSIS OF DOMESTIC AND FOREIGN TRANSACTIONS

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 ₦616m 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 ₦688.91 billion whilst total domestic transactions YTD is about ₦775.51 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.

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