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THE Nigerian
STOCK EXCHANGE

THE NIGERIAN CAPITAL MARKET: *An Investment Case*

Presented by

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for

Nigerians in Diaspora Investor Forum

Zurich, Switzerland

January 19, 2015

1

- The Nigerian Economy – A true growth story

2

- 2015 Economic Outlook

3

- The Nigerian Stock Exchange – Africa's investment destination

5

- Operational, Regulatory and Compliance Mechanism

6

- Opportunities in the Capital Market

7

- Questions & Answers



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The Nigerian Economy – A true growth story

Africa's Appeal

- Africa produces 2/3rd of the planet's diamonds, and is home to 1/3rd of the planet's mineral reserves and 1/10th of the planet's oil.
- For decades, Africa's economic growth was shaped by commodity prices; today, manufacturing output, services and tourism are expanding as quickly.
- Nigeria is Switzerland's second-largest trading partner in sub-Saharan Africa. Nigeria exports mainly crude oil, while Switzerland exports primarily machines, pharmaceuticals and other chemical products, as well as textiles.
- The number of African immigrants in Switzerland grew 5x between 1980 to 2007, with an average growth rate of 6% per annum (doubling every 12 years). As of 2009, foreigners with African nationality living in Switzerland totaled 73,553 (0.9% of total population, or 4.3% of resident foreigners).
- According to the McKinsey Global Institute:
 - The rate of return on foreign investment in Africa is higher than in any other developing region.
 - By 2030, Africa's 18 leading cities are projected to have a combined spending power of \$1.3t.
- This is the case for investing in Africa, for investing specifically in Nigeria.



Nigeria today... The largest economy in Africa and the *26th largest* in the world, with a GDP of *\$510 billion*.

Only *14%* of GDP is from the *Oil sector*, with retail and wholesale trade being the biggest drivers of GDP growth.

Potential to achieve *7.1%* annual GDP growth could make Nigeria a top-20 economy in 2030, with GDP of more than *\$1.6 trillion*.

Source: McKinsey Global Institute (MGI)



Population (2013) 173.6m

GDP (2013) \$510,00b

% Real GDP Growth (2013) 7.41%

Inflation (Dec '14) 8.0%

External Reserves (Dec '14) \$36.96b

Industries Agriculture, Real Estate, Manufacturing, Trade, ICT, Quarrying & Mining, Services

Resources Oil & Gas, Coal, Forestry, Corp Production



Main Stock Market (Q4 '14)

NSE

Equities Mkt Cap N11.49t \$61.72b

Total Mkt Cap N16.88t \$90.68b

Best Performing Sectors (Q2-Q3 '14)

Q2Q % growth

% of real GDP

Agriculture 38.5 26.6

Real Estate 6.5 7.6

Quarrying & Mining 5.4 10.6

Manufacturing 5.2 9.8

Trade 3.7 16.0

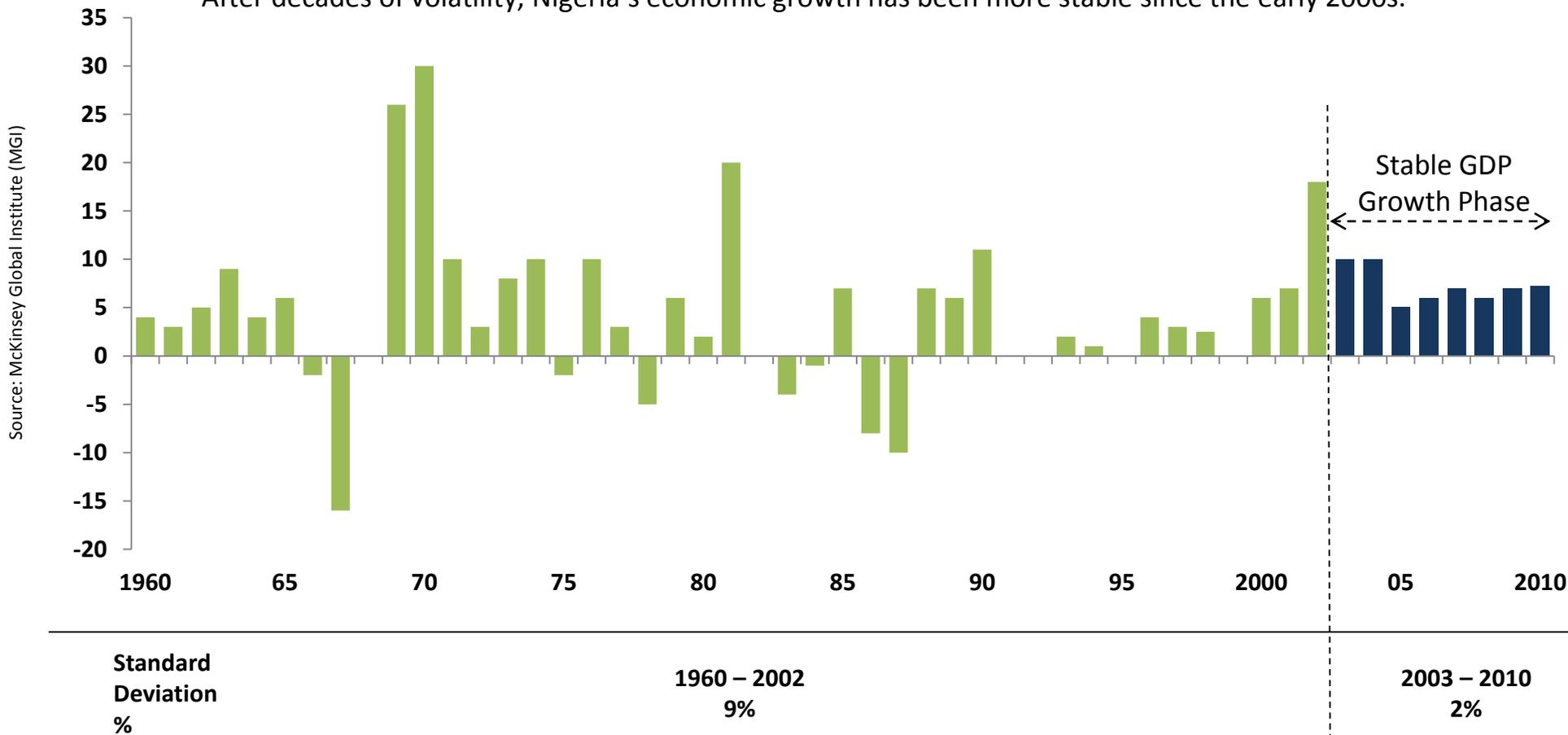
Nigeria's Stable Growth Environment



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Nigeria's Real GDP Growth¹ (%) – 1960 to 2010

After decades of volatility, Nigeria's economic growth has been more stable since the early 2000s.



1. Data are from prior to the rebasing exercise. Rebased data, available from 2010 onward, includes additional economic sectors, making comparisons unreliable.

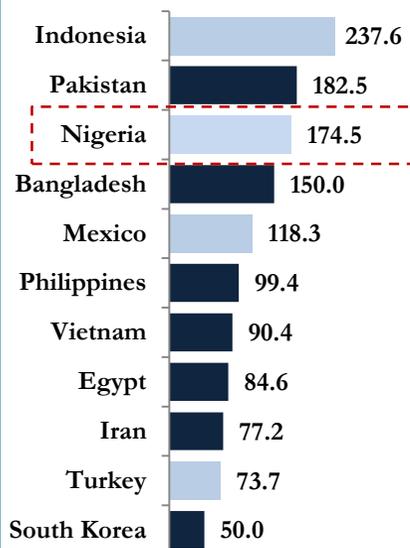
Nigeria's Global Positioning – Post Rebasing



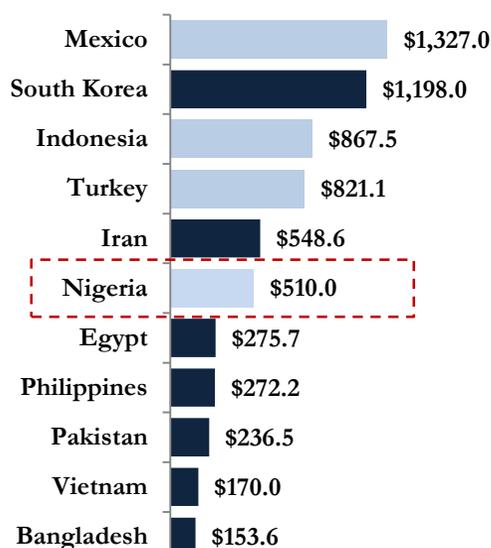
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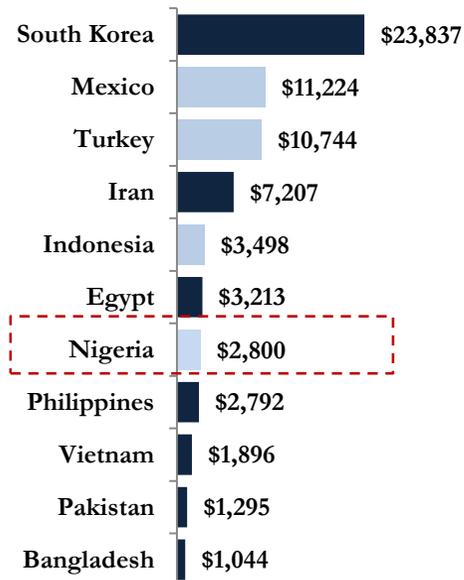
POPULATION 2013 (MM)



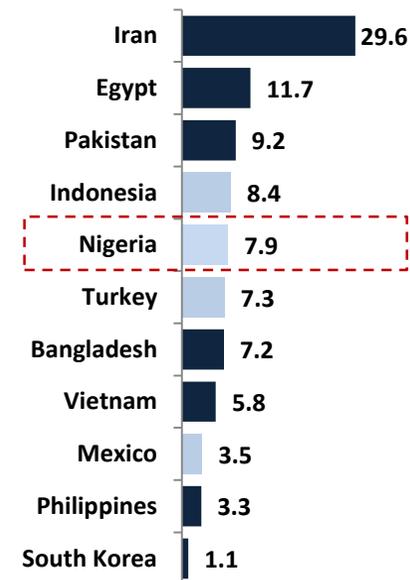
CURRENT GDP 2013 (USD BN)



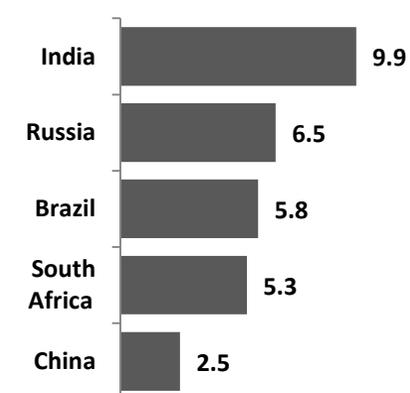
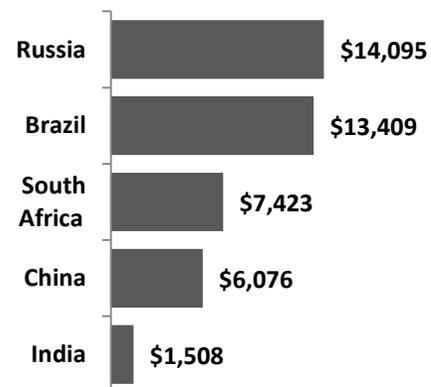
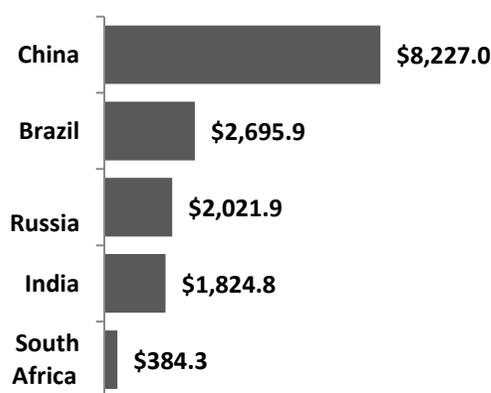
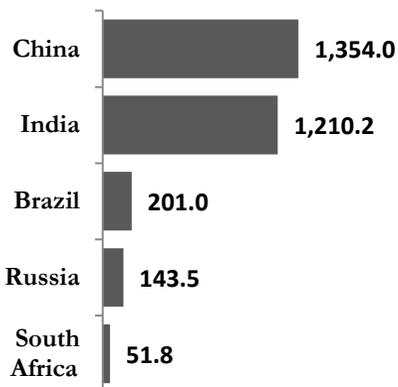
GDP PER CAPITA (USD) 2013



INFLATION (%) 2013



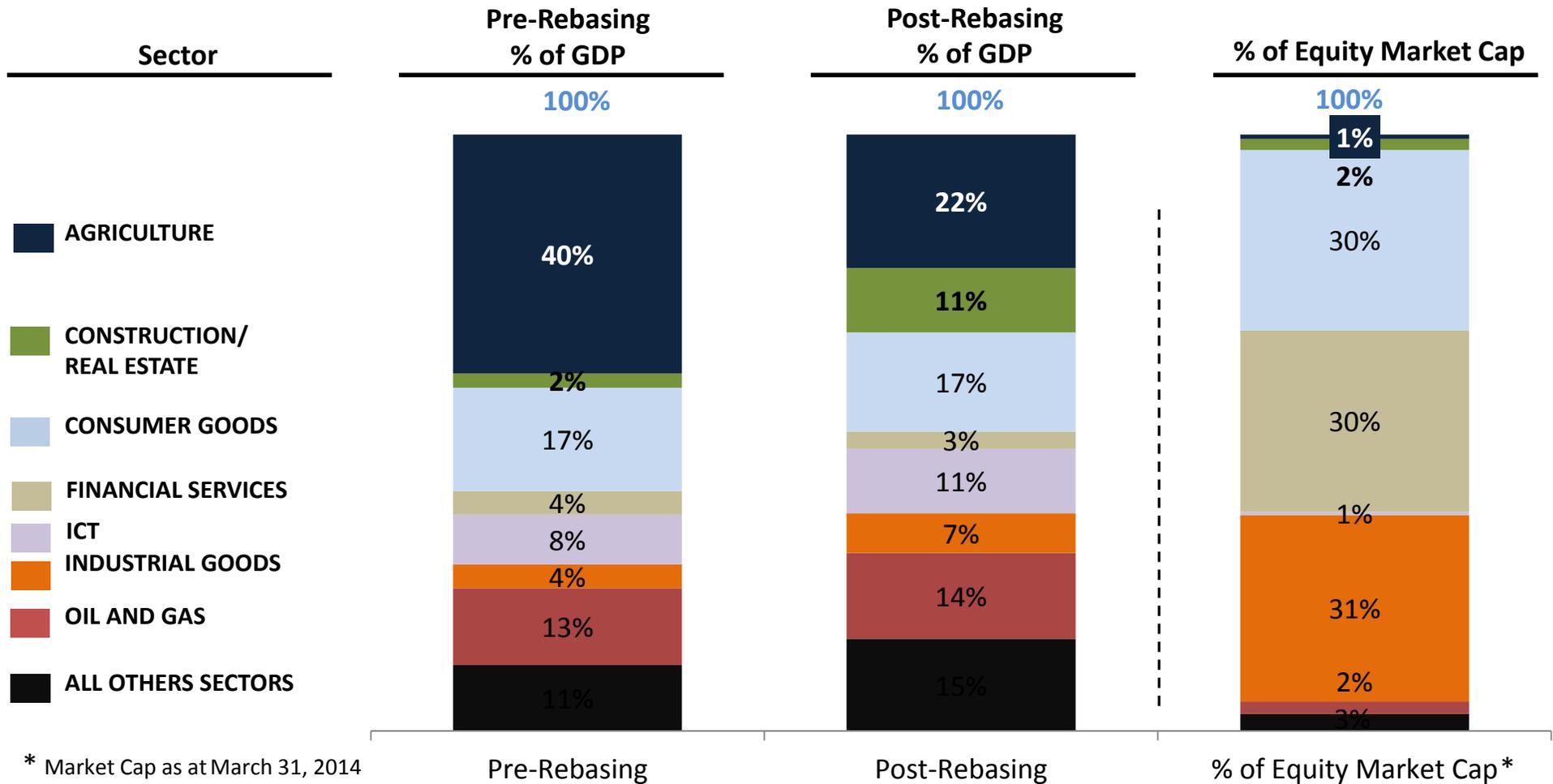
BRICs



Effects of rebasing

- Following the GDP rebasing exercise, the estimated size of the Nigerian economy is now at N80.22 trillion (\$510 billion) for 2013 compared to N42.39 trillion (~\$264 billion) reported pre-rebasing in the preceding year.
- This represents an 89% increase in the reported actual size of the economy as a result of the inclusion of sectors such as telecommunications, aviation, e-commerce and the film industry.
- The services sector has grown to represent approximately 50.2% of the economy, with agriculture's share of GDP dropping from ~ 40% to ~ 20%.
- Additionally, six sub-sectors (crop production, trade, crude petroleum and natural gas, telecoms and information services, real estate and food, beverages and tobacco) are now responsible for 70% of the nation's GDP.
- The rebasing dramatically lowers Nigeria's already healthy debt-to-GDP ratio. Pre-rebasing, this was equivalent to about 22.2% of GDP, but with the new GDP figures, the ratio has fallen to 13.2% as at June 2014.
- Similarly, market cap as a percentage of GDP, post-rebasing, shifted slightly to 15% from 22% in 2012.
- The release of the new GDP figures shows that the economy is more resilient and will drive investments in sectors that have now been highlighted as key drivers of the Nigerian economy.
- Compared to South Africa's market capitalization at 160% of GDP, there is a large upside potential and a lot of room for the growth of Nigeria's capital market at less-than-15% of GDP.

Market Cap Sector Gap Analysis - Post Rebasing



- **Equity market cap as % of GDP (PPP) from ~ 20% to ~ 15% post rebasing. South Africa at 160%.**
- **Immense gap in capital market as a reflection of the real economy.**



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2015 Economic Outlook

Economic Growth

- Nigeria's macroeconomic performance is expected to be influenced by a number of variables.
- Crude oil prices, foreign exchange movements, national security, global financial markets, fiscal and monetary policies, and the outcome of the 2015 elections all bear some risk to Nigeria's GDP growth in H1 2015.

Fiscal Policy

- External reserves expected to remain an issue with fallen commodity prices.
- Government commitment to comprehensive economic and structural reforms, including revenue diversification, is key to macroeconomic performance.
- CBN expected to loosen its monetary policy to improve currency stability post-elections.

Election Season

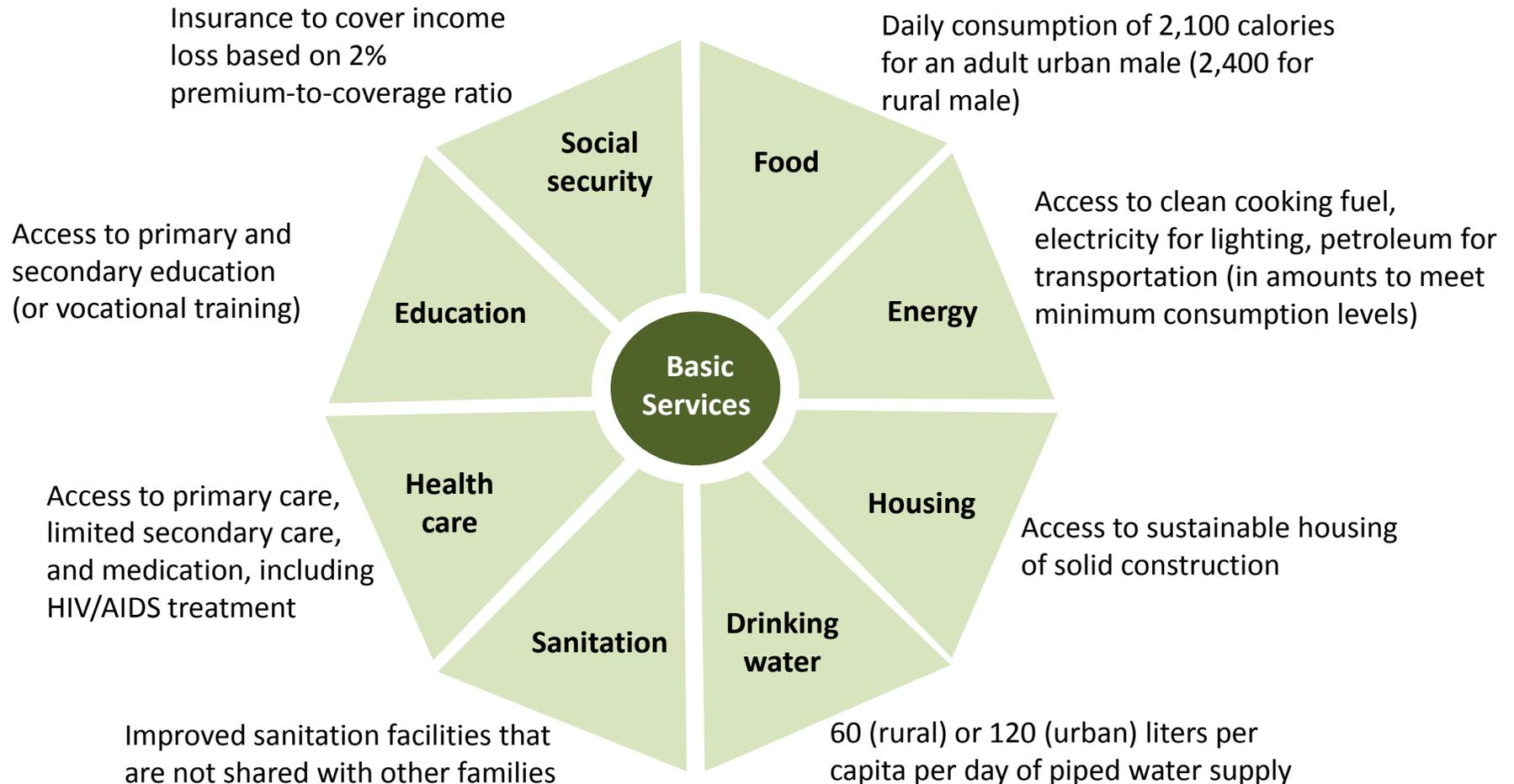
- International Monetary Fund (IMF) expects the increased focus on Nigeria's 2015 elections to aid in diverting the world's attention from issues that would promote the country's economic growth.

Capital Market

- Market performance and investor returns are expected to be moderate.
- A strengthening dollar may continue to precipitate FPI reversal, a real threat to the capital market.
- Anticipate volatility through H1 2015 and consider the opportunity for cautious long-term investing with some stock prices being at their lowest since May 2013.
- By H2 2015, as uncertainty steadily reduces across all risk categories, negative sentiments should begin to subside, strengthening potential for a market rebound.



Nigeria will need to focus on specific areas of empowerment to reach its full economic potential.



Source: McKinsey Global Institute (MGI)



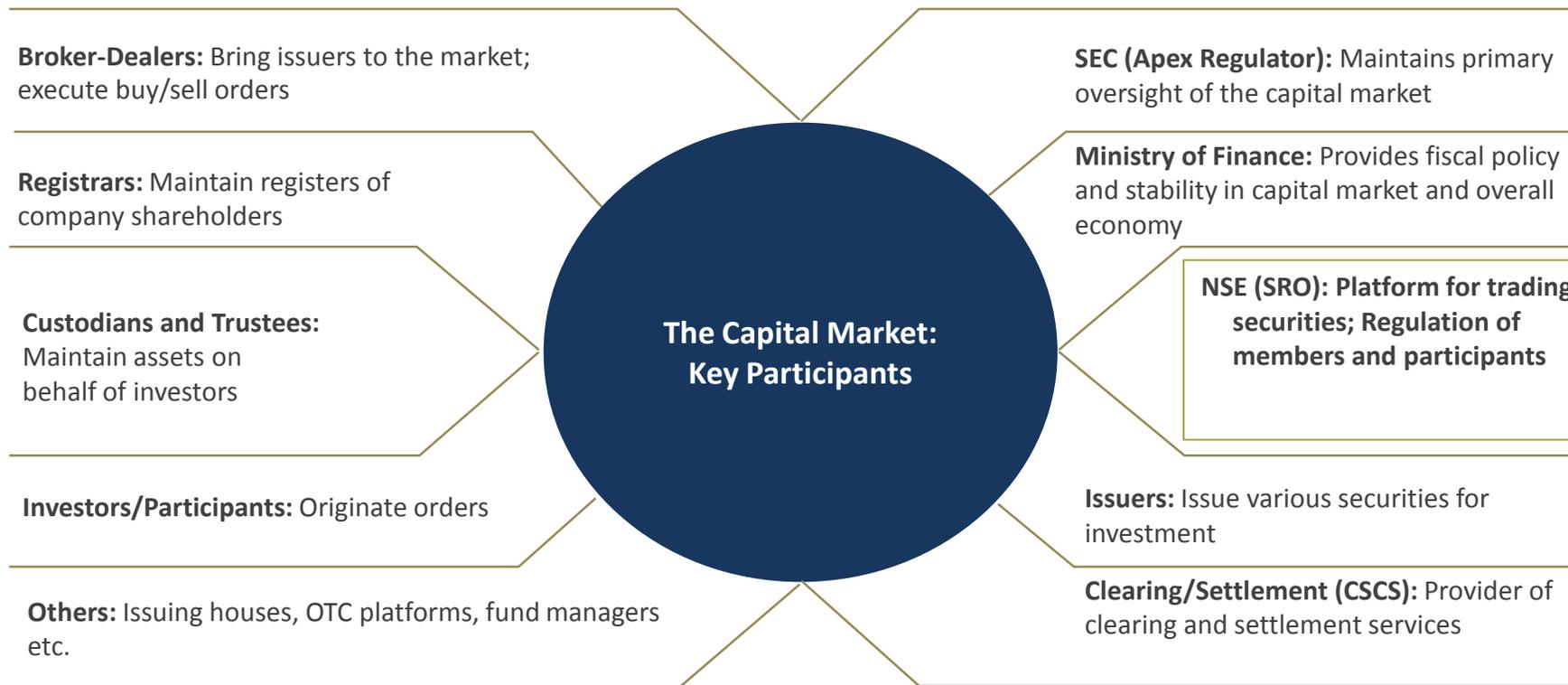
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The Nigerian Stock Exchange – Africa's investment destination

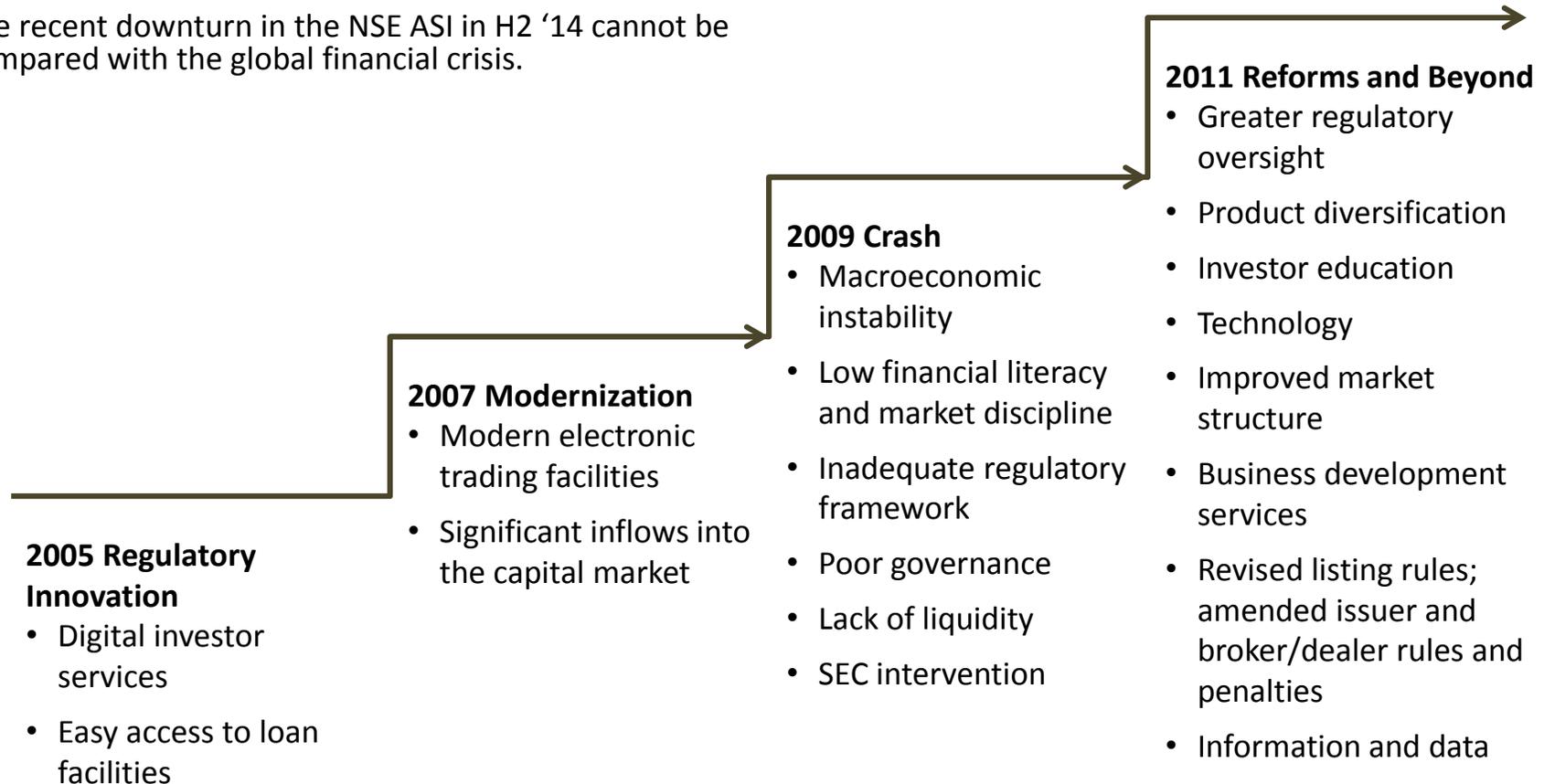


About the NSE

- The Nigerian Stock Exchange services the largest economy in Africa and is the *growth* hub of Africa.
- The Exchange offers listing and trading services, licensing services, market data solutions, ancillary technology services, and more.
- The NSE is an open, professional and vibrant exchange, connecting Nigeria and the world.
- The Nigerian Stock Exchange operates a fair and orderly marketplace, and is committed to protecting the integrity of the market.
- The NSE provides an avenue for investors (retail, institutional, domestic, foreign) to create durable wealth.



- The Nigerian capital market has undergone a transformation of great proportions.
- The recent downturn in the NSE ASI in H2 '14 cannot be compared with the global financial crisis.



Leveraging International Best Practices



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Financial Services Regulation Coordinating
Committee (FSRCC) Nigeria





Equities

- Market Cap: N11.5t (\$69.3b)
- Total Symbols: 197
- Avg Daily Turnover: N5.4b (\$29.0m)
- 12 industry sectors
- Market makers
- Common shares, preference shares, rights, investment trusts and closed-end funds

ETPs

- Market Cap: N5.4t (\$29.0b)
- Symbols: 5
- Avg Daily Turnover: N1.3m (\$7.1k)
- Liquidity providers
- ETFs and ETNs

Market Indices

Benchmark Indices

- **NSE 30**
- All Share Index (ASI)
- ASeM

Sector Indices

- NSE Banking
- NSE Consumer Goods
- NSE Industrial
- NSE Insurance
- NSE Oil & Gas

Thematic Index

- NSE Lotus Islamic

Fixed Income

- Market Cap: N5.4t (\$29.0b)
- Total Symbols: 52
- Avg Daily Turnover: N1.4m (\$7.5k)
- Fixed income market makers
- Corporate, state, municipal, federal government and supra-national bonds

Funds

- Mutual funds (memorandum listings): 28

Derivatives

- Feasibility study completed
- Project to kick off in 2015
- CCP project team working on indicative CCP project plan

As of December 31, 2014.



Main Board

Premium Board

LAUNCHED APRIL 2013

Uplift smaller and growing companies that **(a)** have been operational for two years, **(b)** are compliant with the rules of the market, and **(c)** are dynamic, with high growth potential.

Provide these companies financial market access, making it easier for them to:

- Raise capital
- Elevate their profile
- Operate efficient businesses
- Grow their businesses

11 companies; N8.57b market cap

LAUNCHED 1960

Home to Nigeria's most respected companies that **(a)** operate locally, regionally and internationally, **(b)** meet globally respected regulatory standards, and **(c)** look to maximize shareholder value.

Provide these companies a badge of respect, making it easier for them to:

- Access a larger pool of capital
- Exploit their respected profile
- Reduce borrowing costs
- Enhance their growth trajectory

186 companies; N11.48t market cap

2015 LAUNCH

Promote Nigeria's most respected companies that **(a)** are leaders in their respective sectors, **(b)** adhere to the highest CG standards, and **(c)** meet \$1bn market cap minimum listing requirement.

Provide these companies greater global visibility, making it easier for them to:

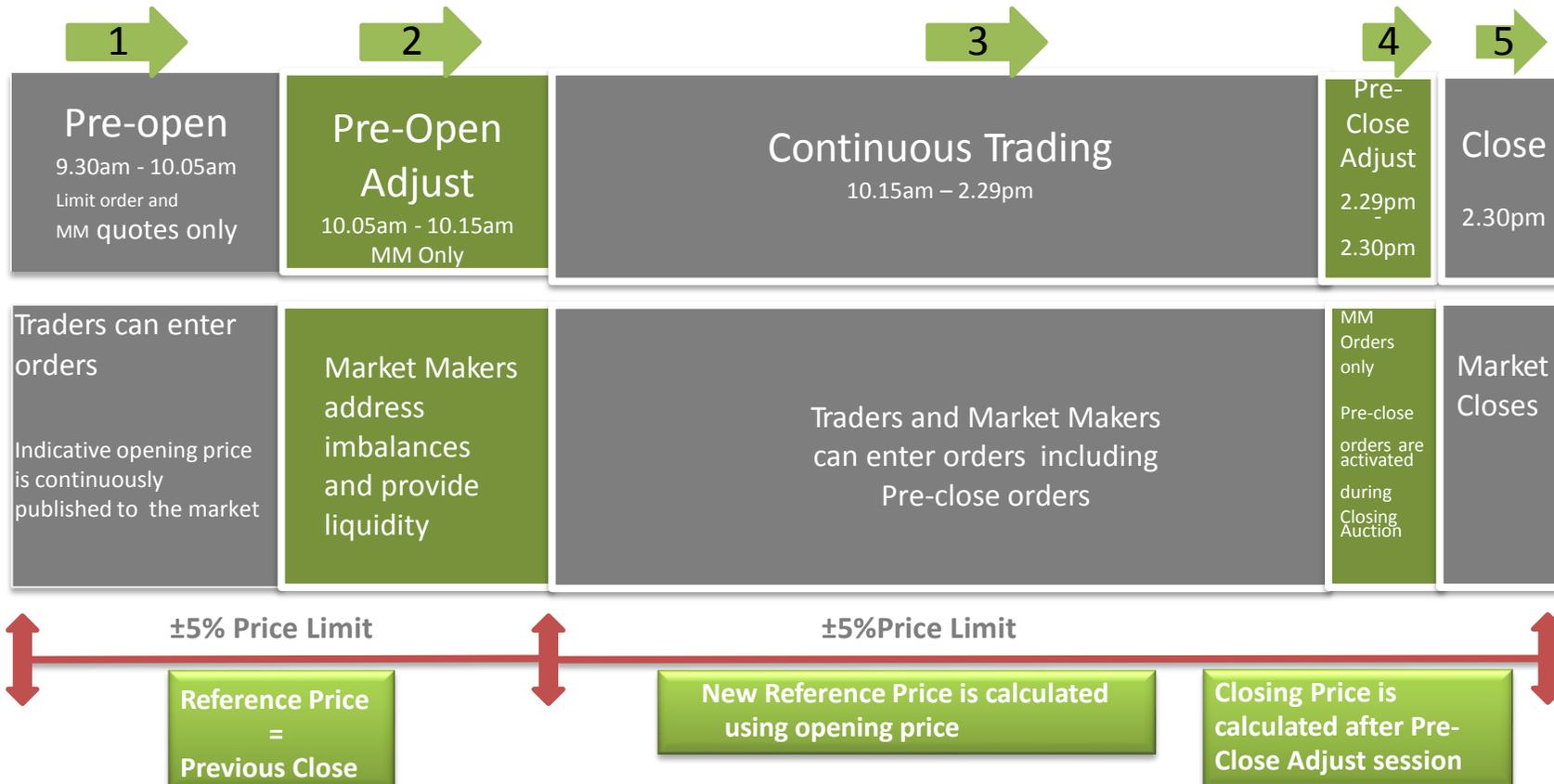
- Attract global capital flows
- Reduce borrowing costs
- Develop new products
- Increase market liquidity

NA



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Operational, Regulatory and Compliance Mechanism



Benefits of the New Market Structure

- Enables market makers to enhance liquidity and reduce imbalances
- Enhances pricing (reduces spread)
- Dampens volatility around the open & close auctions and during continuous trading.

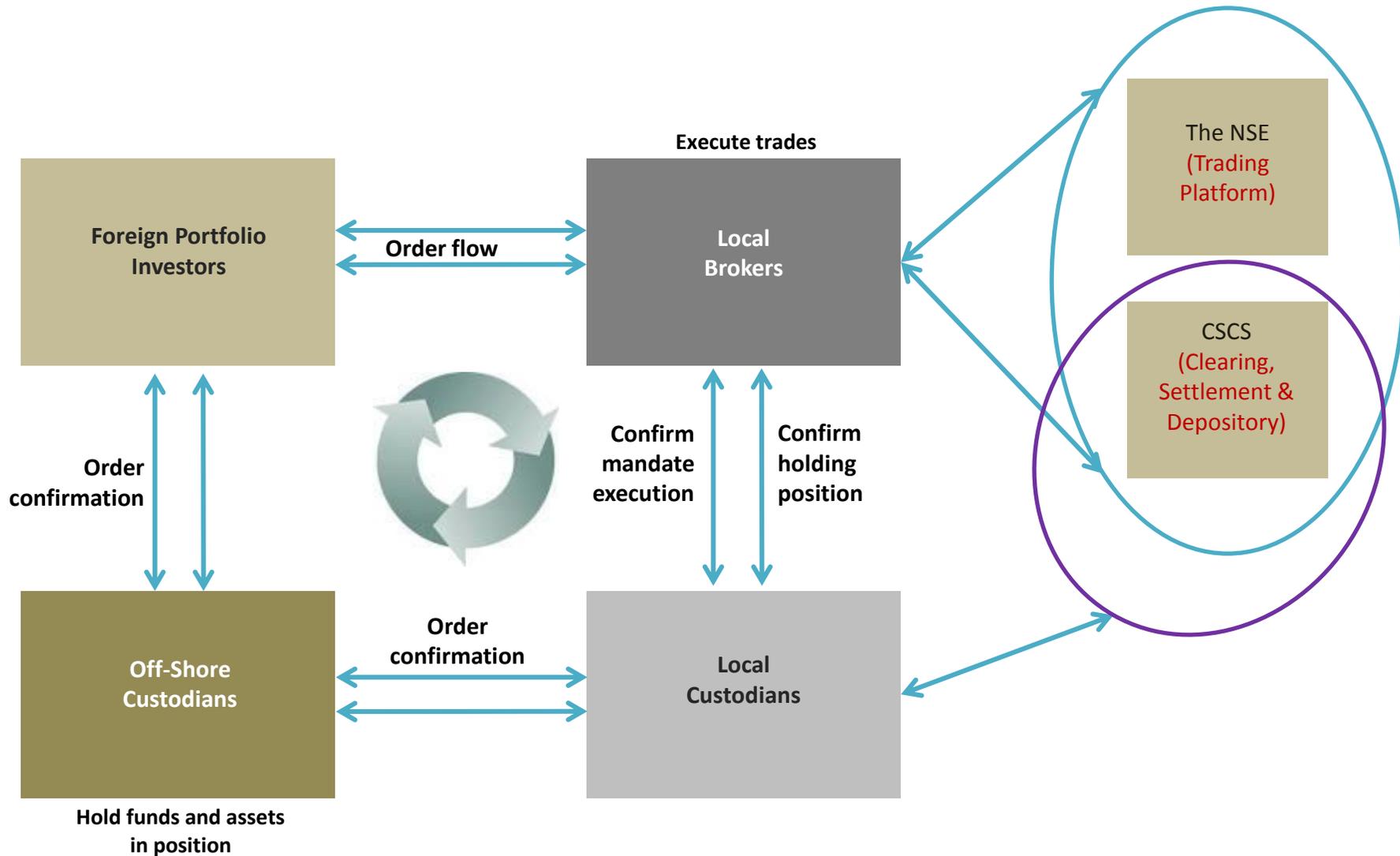


Maximum upward price movement in one day is 10.25%

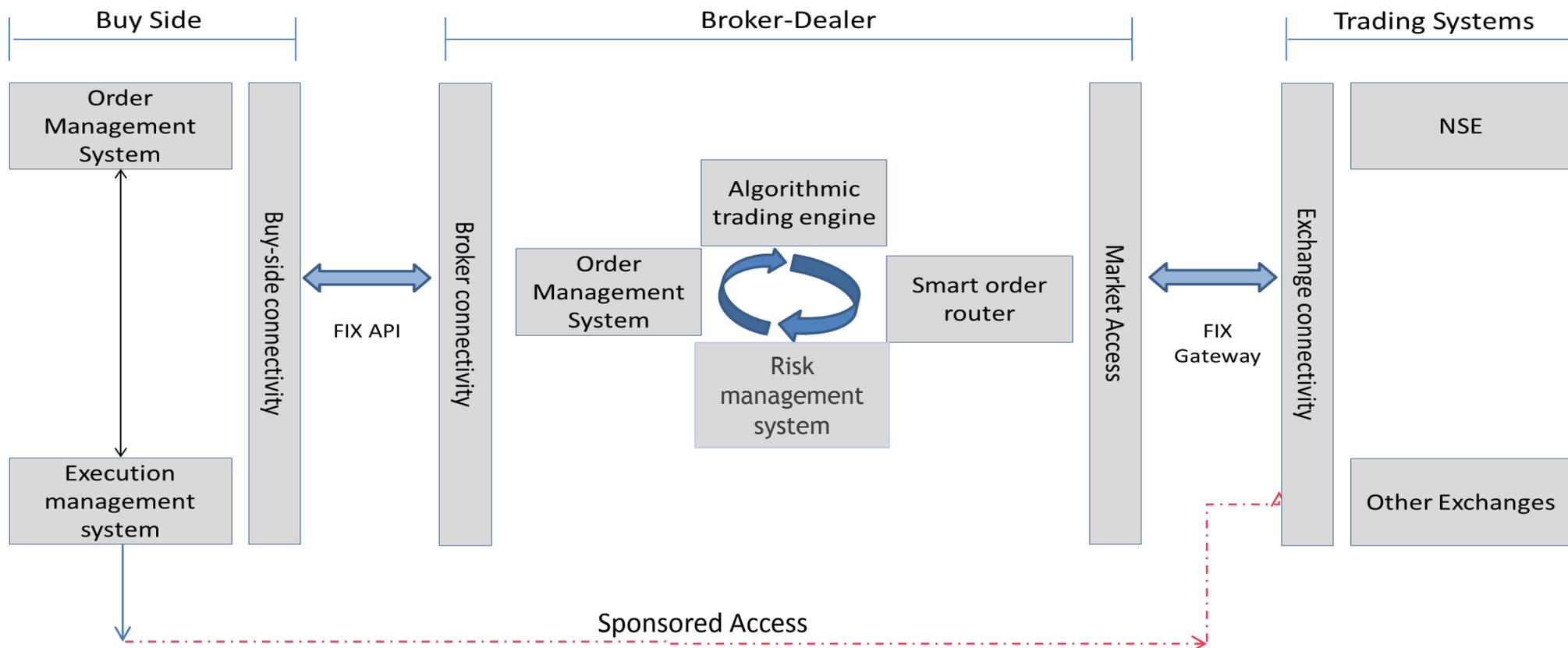


Maximum downward price movement in one day is 9.75%





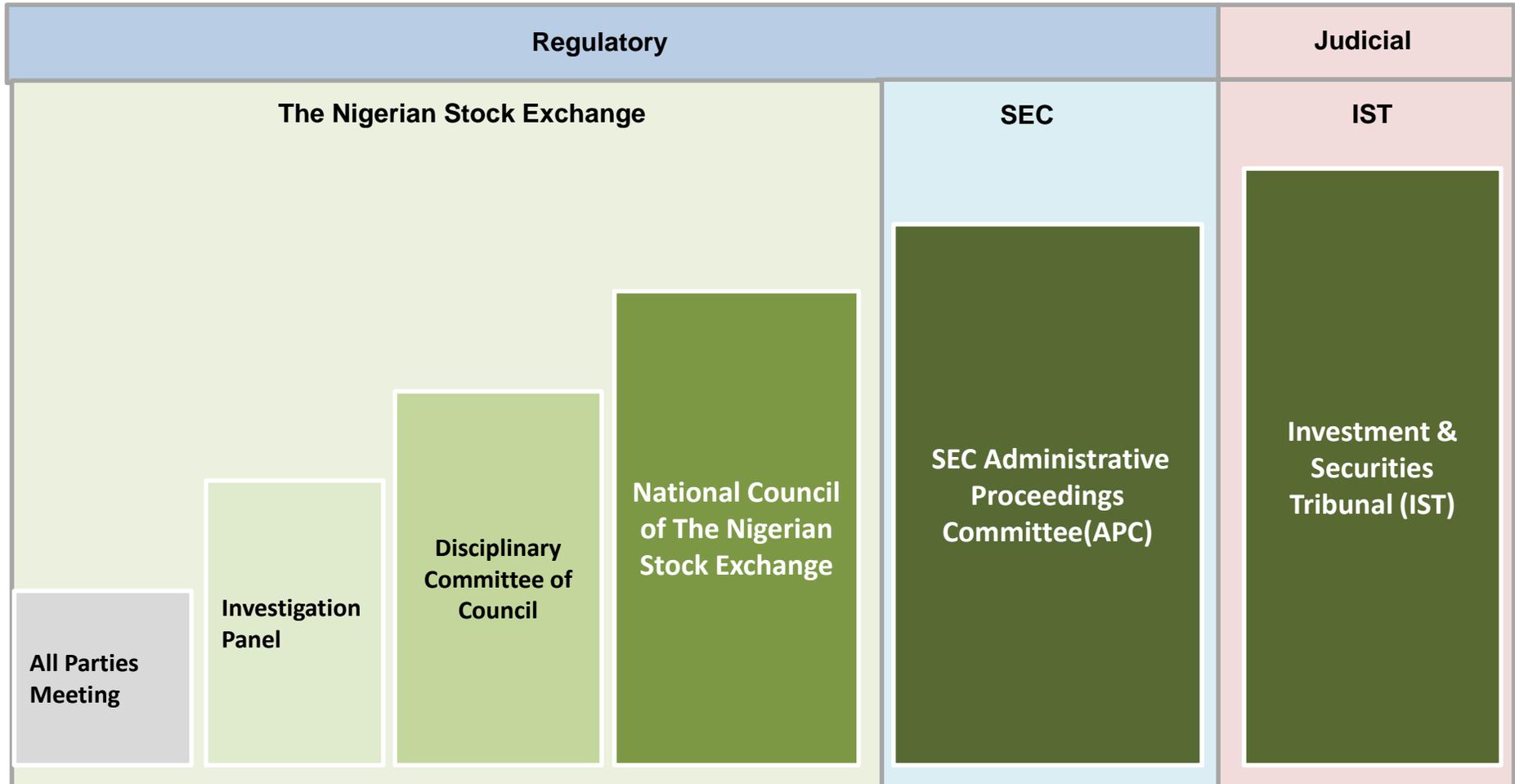
- The introduction of FIX has facilitated improved levels of transparency and reduced order placement-to-execution times, facilitating best execution.



Our 'zero tolerance' approach to market infractions includes:



- **SEC annual inspection:** to ensure the NSE is in compliance with SEC rules
- **NSE inspection of Broker-Dealers:** to ensure members are in compliance with NSE rules
- **Broker TraX:** updates on broker-dealer compliance with the rules of the market
- **X-Compliance:** provides compliance related updates on all listed companies
- **Web site:** near-real time data and information on events and happenings in the market
- **X-Issuer:** provides a mechanism for the secure electronic delivery of issuer information to the market
- **Market surveillance:** ensures the effectiveness and fairness in all market dealings
- **Enhanced rulebook:** comprises amendments to the NSE Rules and Regulations
- **Penalties:** fines, public censure, suspension, forced resignation, revocation of registration, revocation of license (expulsion) for market infractions
- **Complaints management:** operation of an investor focused complaints handling and problem resolution system
- **X-Whistle:** a vehicle for secure and effective submission of tips and referrals regarding violations
- **Investor Protection Fund:** provides compensation to investors with genuine claims of pecuniary loss



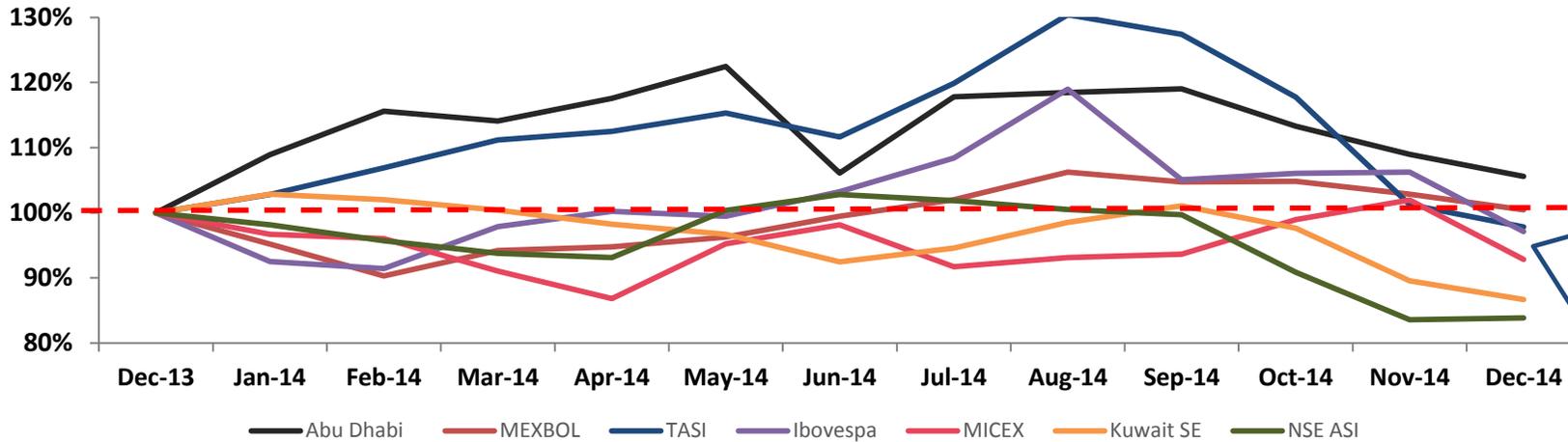


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Opportunities in the Capital Market

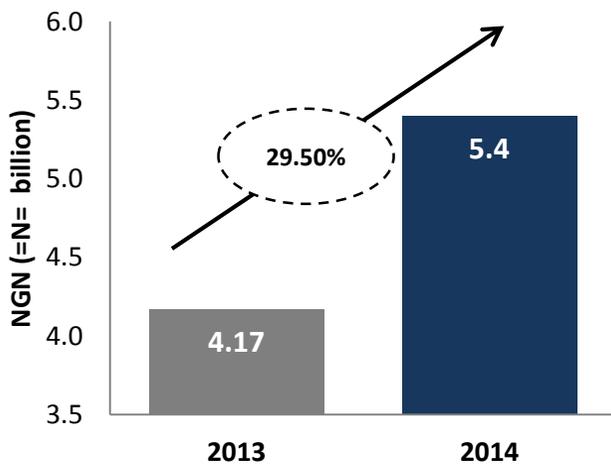


NSE ASI Vs. Main Stock Index of Top Oil Producing Nations

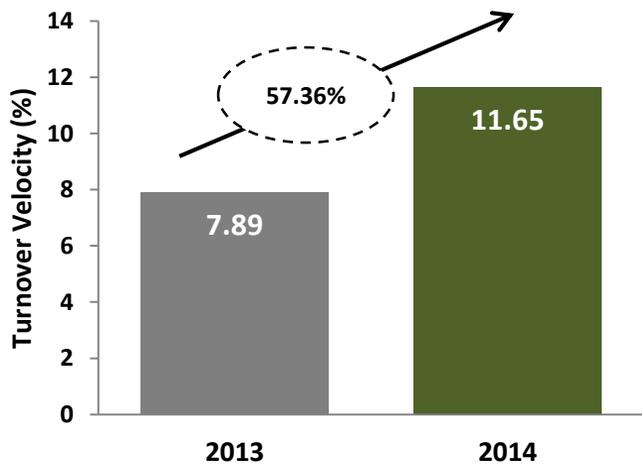


Global indices of top oil producing nations closed the year lower than they began due to depressed crude oil prices amongst other domestic factors.

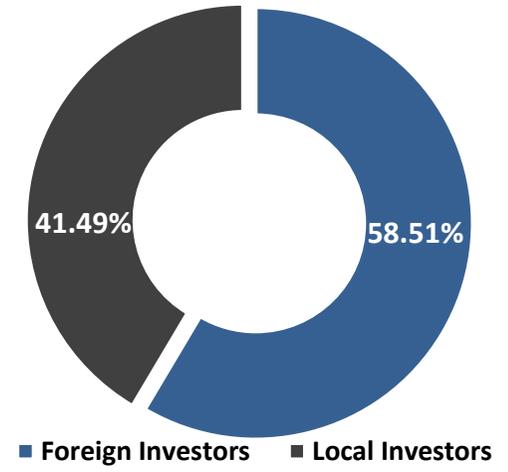
Average Daily Value



Turnover Velocity

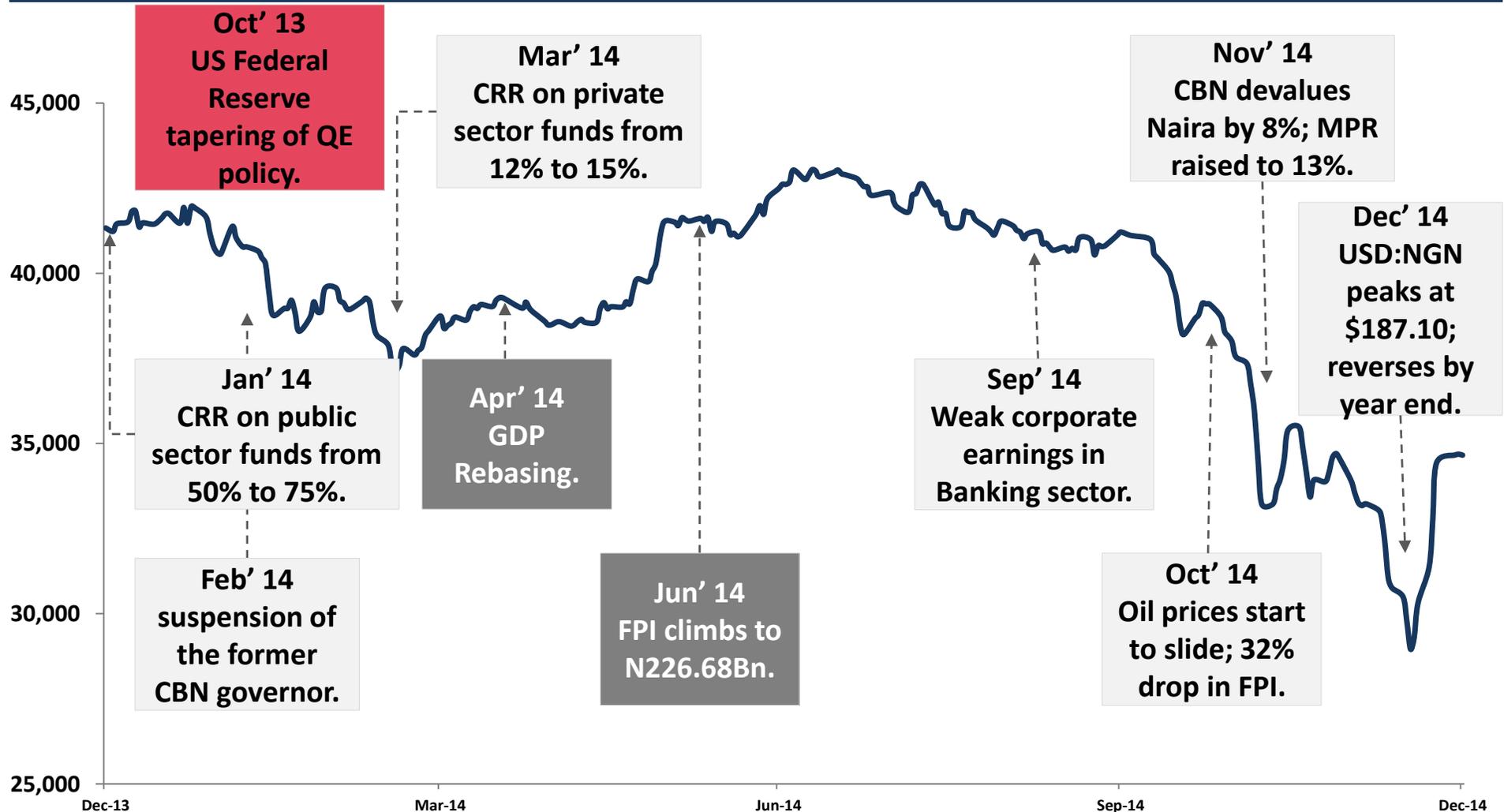


Foreign/Local Traded Value (%)

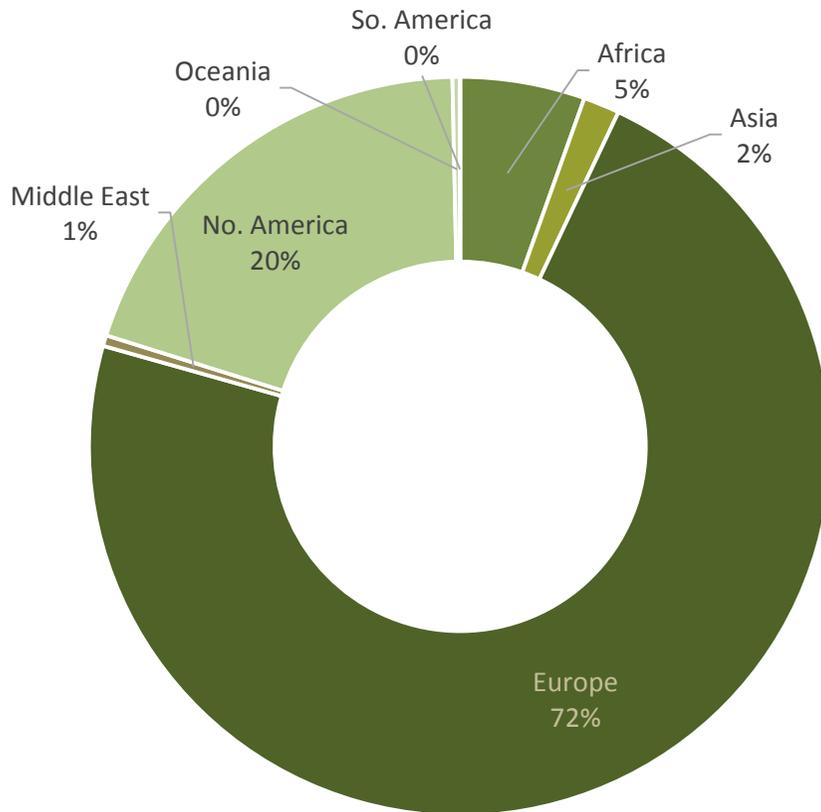




NSE ASI and Key Market Events in 2014

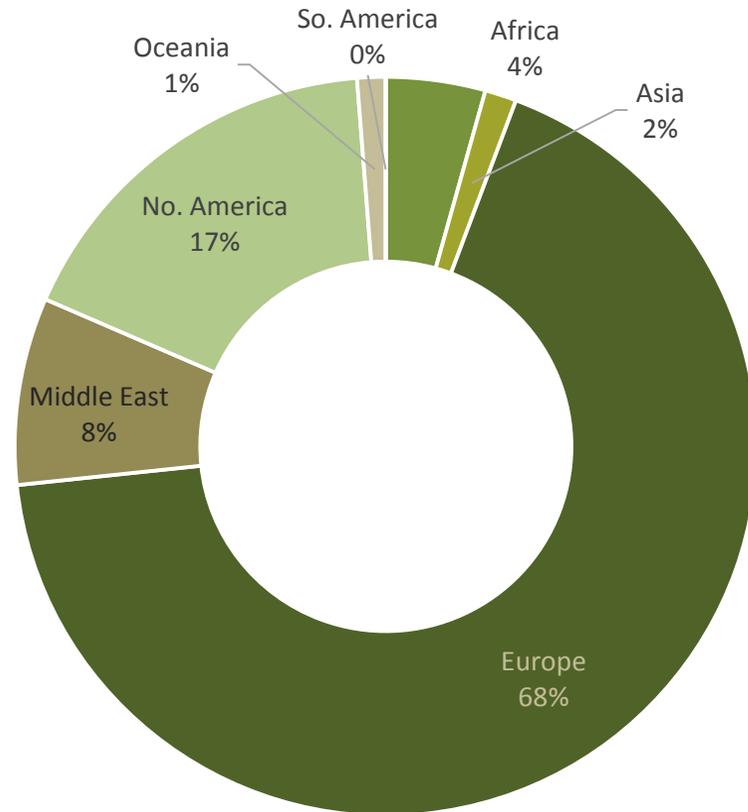


2013



Total 2013 Investment from Europe = \$11.52b

2014 (Q1-Q3)



2014 Investment from Europe (through Q3) = \$6.36b

2015 Opportunities

- Europe is the biggest market for Nigeria's non-oil commodities due to an estimated €40b of European investment holdings in Nigeria.
- As of September 2014, Nigerian exports to Europe had reached a volume of €28b. Nigerian exports to Europe comprise cocoa, rubber, cotton and leather.
- The EU remains the biggest trade and investment partner to Nigeria. 14 companies from across Western Europe arriving Nigeria in Q2 2015 upon concluding plans to invest in real estate, construction, refinery projects, mining and agriculture among others, and seeking local partners in Africa. (Project is coordinated by (AFRIT) Integrated Consult, an Italy based consulting firm.)
- As the largest economy in Africa, Nigeria presents significant opportunities. Post peaceful elections, we anticipate that elimination of some of the uncertainties highlighted earlier, and the likely improvement of the market's attractiveness.
- Lower stock prices (lowest since the May 2013 sell-off) currently present investors with an opportunity for cautious entry into the market.



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Questions?

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www.nse.com.ng

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Thank You



**THE Nigerian
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RC: 2321

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Investing in The Nigerian Stock Market

Investor Forum for Nigerians in Diaspora

Zürich, Switzerland
January 19, 2015

Capital Bancorp Plc

(Member of The Nigerian Stock Exchange)

RC: 114135

Outline

1. The Nigerian Stock Market – Statistics
2. NSE 5-Year Outlook
3. Market Cycles – Emotions and What to do
4. What you need to know about a Company before investing in it
5. Asset Balancing through Diversification
6. Various Asset Classes on The NSE
7. Benefits of Investing in the Nigerian Stock Market
8. How can CBP be of Assistance?
9. How to Invest – Account Opening Requirements
10. Procedure for Transferring Funds to Nigeria for the Purpose of Portfolio Investments
11. Capital Bancorp Plc - Our Profile
12. Q & A

Investing in The Nigerian Stock Market: A Closer Look at Nigeria:

The Nigerian Stock Exchange

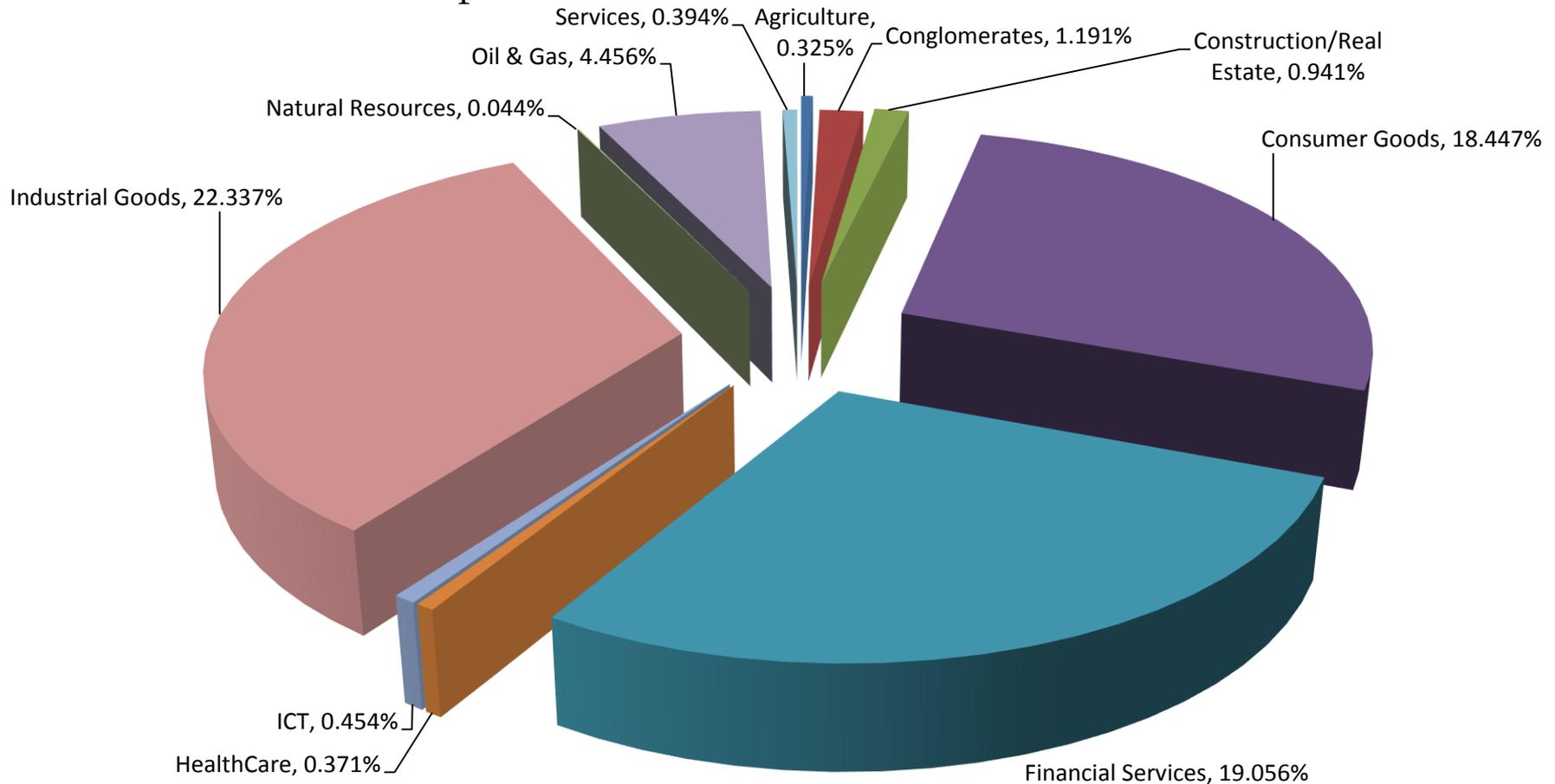
Stock Market		2014	2013	2012	2011	2010
1	All Share Index (ASI)	34,657.15	41,329.19	28,078.81	20,730.63	24,770.52
2	All Share Index (ASI) Growth (%)	(16.14)	47.19	35.45	(16.31)	18.93
3	Market Capitalisation (₦ trillion)	16.88	19.08	14.80	6.53	11.20
4	Market Capitalisation (USD billion)	90.68	119.41	94.74	41.81	75.334
5	Number of listed Securities	253	254	256	247	264
6	Total Turnover Volume (billion shares)	108.47	106.54	89.15	89.580	93.34
7	Total Turnover Value (₦' billion)	1,146.01	1,040	657.77	634.92	797.551
8	Total Turnover Value (USD billion)	7.19	6.51	4.21	4.18	5.63
9	Average Daily Turnover Volume (million shares)	437.39	426.16	359.50	364.2	377.90
10	Average Daily Turnover Value (₦' billion)	5.40	4.17	2.65	2.58	3.23
11	Average Daily Turnover Value (USD million)	29.00	26.10	16.96	16,52	21.73



SOURCE: The Nigerian Stock Exchange, CBP Research.

NSE: Home to Blue Chip and Growth Companies

- There are 196 listed Companies on the main Board as at December 31, 2014 spanning multiple sectors of the economy.
- \$90.68 billion Market Capitalization.

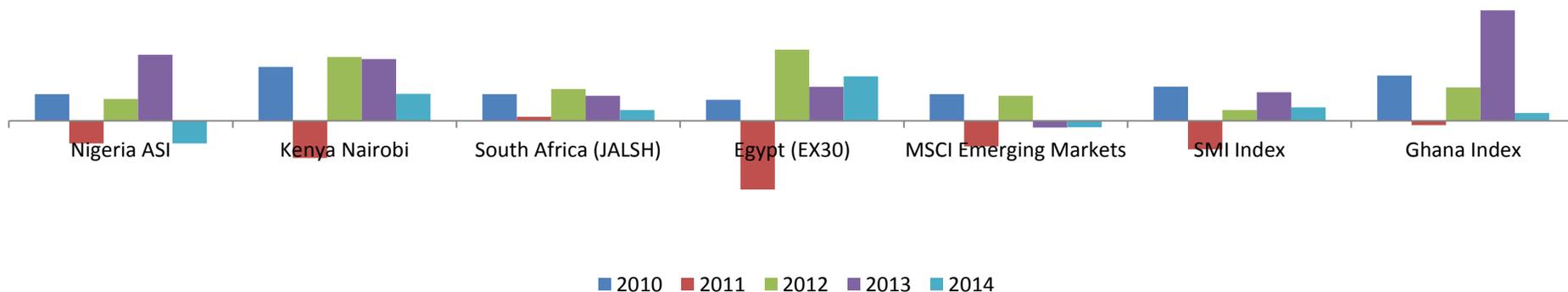


5-Year Historical Return

	2014	2013	2012	2011	2010
*Nigeria (NSE ASI)	(16.14)	47.19	35.45	(16.31)	18.93
Kenya Nairobi (NSE ASI)	19.20	44.05	45.48	(26.64)	38.47
Ghana (GSE)	5.40	78.81	23.81	(3.10)	32.25
South Africa (JALSH)	7.60	17.85	22.71	2.76	19.06
Egypt(EX30)	31.61	24.17	50.80	(49.28)	15.03
MSCI Emerging Markets	(4.63)	(4.98)	15.15	(18.30)	19.04
**SMI INDEX	9.51	20.24	14.93	(20.48)	24.39

Source: Bloomberg; ** SMI Index: Swiss Market Index, GSE Annual Reports,

The **MSCI World** is a stock market **index** of 1,612 'world' stocks. It is maintained by **MSCI Inc.**, formerly **Morgan Stanley Capital International**, and is used as a common benchmark for 'world' or 'global' stock funds.



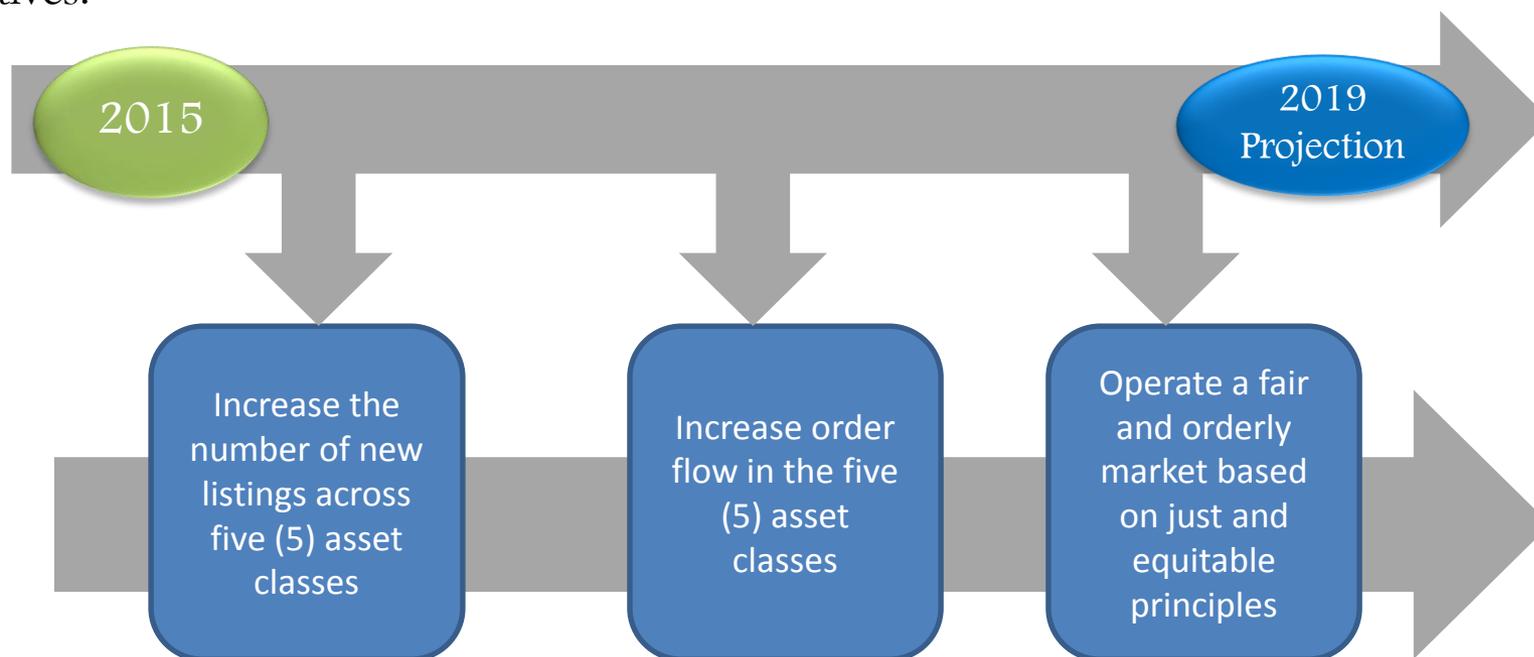
Investment Flows

- The Nigerian Stock Market is open to foreign patronage as there are no restrictions on foreign participation

Year	TOTAL TRANSACTIONS ON THE EXCHANGE(\$'Billion)	TOTAL FOREIGN TRANSACTIONS (\$'Billion)	TOTAL DOMESTIC TRANSACTION (\$'Billion)	FOREIGN TRANSACTIONS (%)	DOMESTIC TRANSACTIONS (%)
2009	9.20	2.90	6.30	31.52	68.48
2010	10.70	3.90	6.80	36.45	63.55
2011	8.30	5.50	2.80	66.27	33.73
2012	8.40	5.20	3.20	61.90	38.10
2013	13.22	6.71	6.51	50.76	49.24
Nov. 2014	14.34	8.42	5.92	58.72	41.28

NSE Reform-Driven 5-Year Outlook

The NSE National Council (Board) approved a revised 2019 NSE Corporate Strategic Plan detailing the Exchange's new growth strategy for the next five (5) years, leading to 2019. This revised strategy seeks to position the Exchange as the market for entrepreneurial growth. The NSE is now focusing on initiatives aimed at achieving the Exchange's three (3) strategic objectives:



Source: The NSE

What about Market Cycles?

Market Cycles

- Trends or patterns that may exist in a given market environment, allowing some securities or asset classes to outperform others. The securities themselves may exhibit price patterns in their trading.

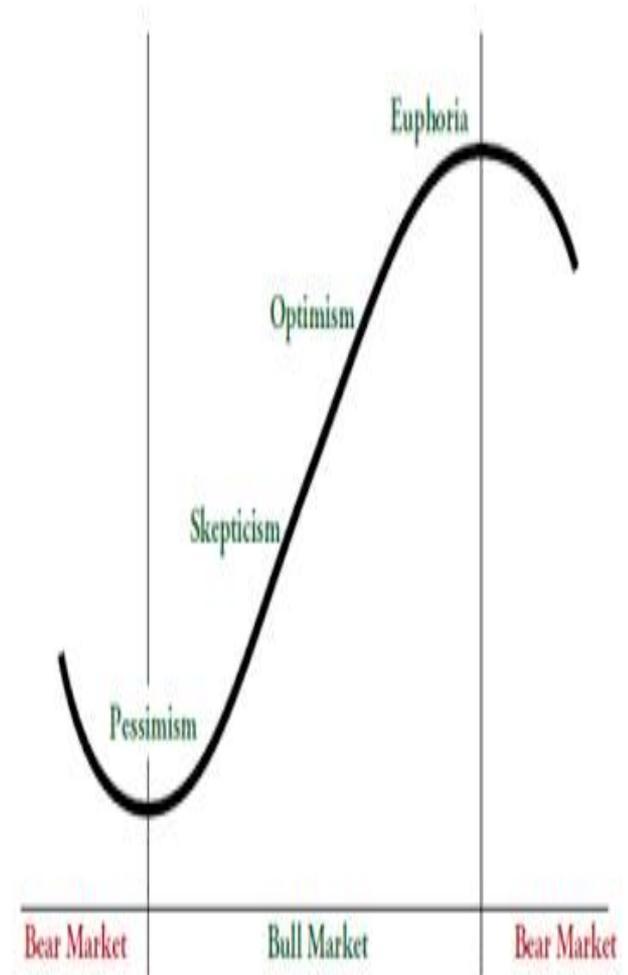
Investopedia



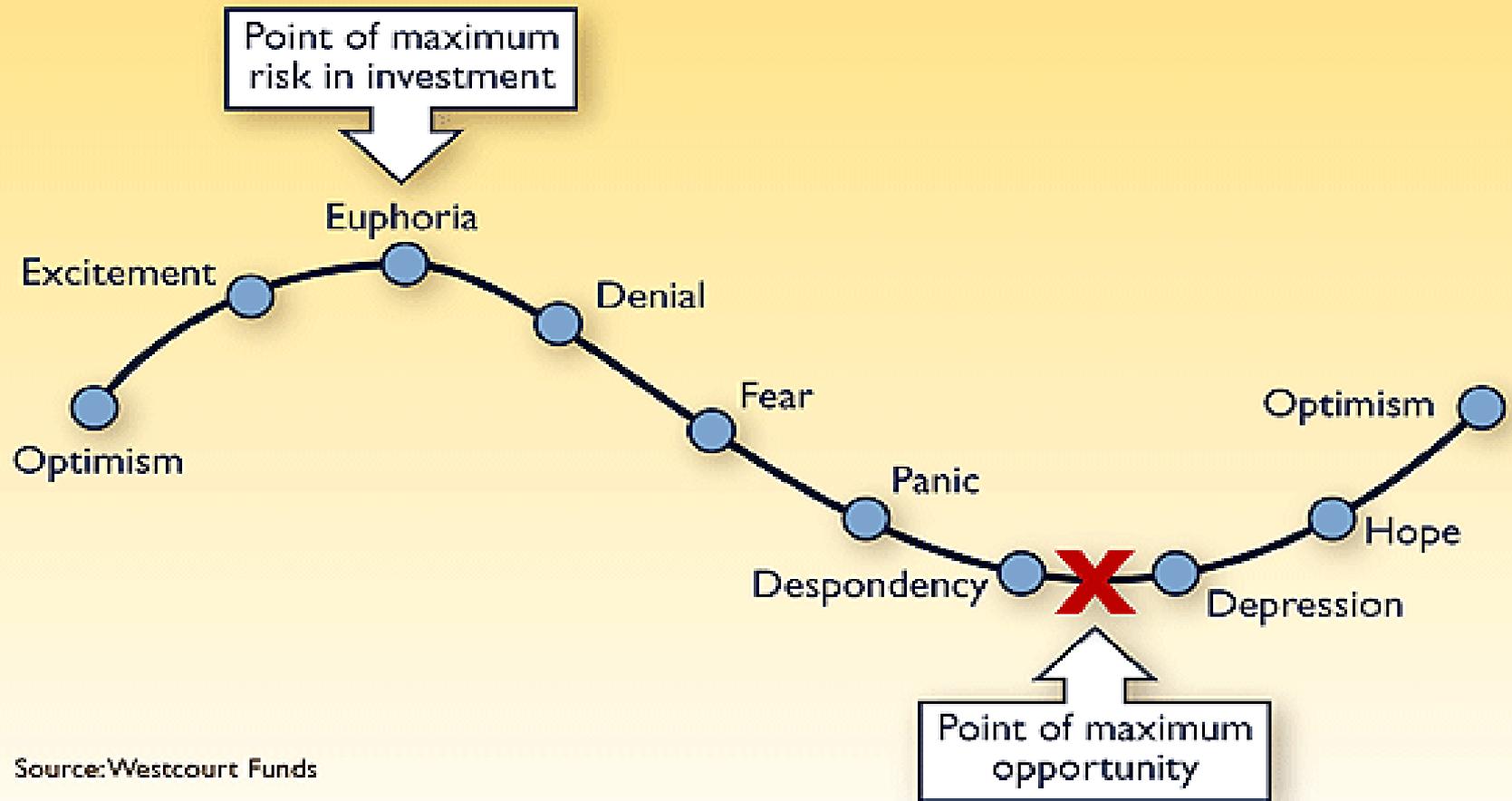
- Market Cycles are often hard to pinpoint until after the fact and rarely have a specific beginning or ending point. However, most market veterans believe they exist, and many investors pursue investment strategies that aim to profit from them by trading securities within the swings of the cycle

Market Cycles/2

- All markets go through cycles in the short run.
- Market cycles are impossible to predict.
- Keeping your emotions in check is a key trait of successful investors
- This volatility is the price we pay for returns above Fixed Instruments rates.
- The duration and amplitude of these swings is one very good measure of risk.
- But, we know that markets will neither continue up indefinitely, nor fall to zero.



The Cycles of Market Emotion



Market Cycles: What to do

- There are two kinds of losses: A loss of capital and a loss of opportunity
- You can use this four-step process to have a better returns in the face of these cycles:
 - Create portfolios based on asset and sector classes believed to be in a long-term upward trend (see diversification)
 - Do a research based investment; i.e. use professionals.
 - Employ a strict buy and sell discipline.
 - Monitor your portfolio on a daily basis and adjust your allocation mix as the market cycle evolves.

What you need to know about a Company

- What the company is into i.e. Products/services?
- Is there Market for the products/services?
- What the company's earnings history and outlook is?
- Are there growth opportunities?
- How richly is the company's stock valued?
- Who are the Company's competitors?
- Who runs the Company?
- How clean is the Company's Balance Sheet?
- Are there any red flags that call into question the company's integrity?
- Is the company's competitive position sustainable?

Asset Balancing through Diversification: Putting Your Eggs in Different **Golden** Baskets

Asset Balancing: Diversification

“Diversification is protection against ignorance. It makes little sense if you know what you are doing.”

Warren Buffet

“Diversification is not just about investing across asset allocation but across tax-advantaged investments.”

Joel Bruckenstein

Diversification

- Diversification is a technique that reduces risk by allocating investments among various financial instruments, industries and other categories. It aims to maximize return by investing in different areas that would each react differently to the same event.
- It is also a risk management technique that mixes a wide variety of investments (assets) within a portfolio.
- The concept of diversification of risk has a long history as evidenced by the adage "**don't put all of your eggs in one basket.**" it is all portfolio management on its most fundamental level.



Asset Balancing: Diversification/3

- To achieve superior diversification:
 - ✓ Diversify among different asset classes – Equities, Bonds, Real Estate, FX, Commodities
 - ✓ Diversify across sectors/industries
 - ✓ Diversify across Companies
 - ✓ Diversify across uncorrelated your stocks are, the better.
- Diversification can help an investor manage risk
- It could be used to reduce the volatility of an asset's price movements.
- **Diversification won't prevent a loss, but it can reduce the impact of any bad information/performance on your portfolio.**

Assets Classes

Asset Class

Is defined as a group of securities that exhibit similar characteristics, behave similarly in the marketplace, and are subject to the same laws and regulations.

There are 5 asset classes which investors can put their money in on The NSE. They are:



Equities (Stocks): Owning a piece of a company

- No promises about returns of the initial investment i.e. riskier than bonds/debentures
- The profitability of the investment depends on the performance and growth (increasing profits) of the company. – Dividend and Capital gains
- Investors who are willing to take on greater risks has propensity to gain higher in the long run
- Investors have a vested interest in the business' success, i.e. its growth, profitability and increase in value

Assets Classes

Benefits of Equities Investment

- **Capital Appreciation:** The potential for capital appreciation is one of the primary advantages of equity investments
- **Dividends:** If you are looking for a steady stream of regular income, you might consider investing in the stocks of blue chip companies
- **Liquidity:** Stocks are traded on major exchanges around the globe and around the clock, making them a liquid investment, which means you have a ready market to sell your stocks when you want
- **Diversified Portfolio:** Because you can buy small number of shares you can get greater diversification through investing in shares and you are more insulated from any possible downturns.



Assets Classes

Consider an investor who bought 100 shares each of the Companies below at the beginning of 2010. The table shows his holdings and total returns (**Dividend + Bonus + Capital Appreciation**) over a 5-Year period ending December 31, 2014.



	2010	2011	2012	2013	2014	Total 5-Year Returns (%)
Guaranty Trust Bank Plc	100	125	156	156	156	249.35
Mobil	100	100	120	120	120	192.23
Nestle Nigeria Plc	100	120	120	120	120	507.31

Assets Classes/2

Fixed Income Securities: Lending money to a Company or Government /Government Parastatal for interest within a given period

- Return is known and steady flow of income (interest)
- Easy to plan cashflows
- Interest received on Government bonds are tax exempt
- The guarantee of payback and all coupon payments relies solely on the ability of the borrower to generate enough cash flow to repay bondholders.

Real Estate through REITs: A real estate investment trust (REIT) is a trust that owns and manages income-producing real estate. Is considered as an alternative asset and owning part of a or set of property(ies).

- Steady dividend income; REITs pay at least 90% of taxable income as dividend to unitholders.
- The dividend is tax exempt ???
- Easy to plan cash flow .
- Enhances portfolio diversification
- There is also room for capital appreciation



Assets Classes/3

Exchange-Traded Fund (ETF): is an investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as a stock index or bond index.

- Diversification
- Lower Fees Compared to Managed Funds
- ETFs trade on an exchange all throughout the trading day, just like a stock
- Capital gains taxes are generally lower for ETFs than traditional mutual funds due to the structure of each trade.
- No Investment Minimums - can be purchased for as little as one share.

Mutual Fund: Is a pool that brings together a group of people and invests their money in stocks, bonds, and other securities. Each investor owns shares, which represent a portion of the holdings of the fund.

- Advanced Portfolio Management
- Dividend Reinvestment
- A reduced portfolio risk is achieved through the use of diversification
- Convenience and Fair Pricing
- Mutual funds are well regulated to avoid mismanagement.



Benefits of Investing in The Nigerian Stock Market

Benefits of Portfolio Investment in Nigeria

- Participation in the growth of The Nigerian Capital Markets
- International Portfolio Diversification
- Friendly regulatory environment: Foreign investors can acquire up to 100% holding in the shares of any company listed on The Nigerian Stock Exchange
- Stable democratic government
- Relatively stable inflation and 'exchange rates'
- Foreign investors are also allowed to invest in Sovereign Debt (Federal Government Treasury Bills and Bonds)

Benefits of Portfolio Investment in Nigeria/2

- All capital inflows and profits (dividends and capital gains) can be transferred out of the country.
- No foreign exchange controls, but foreign capital inflows must be disclosed to the Central Bank of Nigeria and a Certificate of Capital Importation (CCI) that allows the investor repatriate capital proceeds and income must be obtained from the receiving bank
- No Capital Gains Tax
- 10% Withholding Tax payable on dividends and interest (no tax on interest earned on Federal Government Securities)
- Custodial services providers available in the Nigerian Market

Barriers to Portfolio Investment in Nigeria

There are presently no barriers to foreign portfolio investment in Nigeria. What would have been a barrier is the repatriation of investment proceeds which has been taken care of with the presentation of Certificate of Capital Importation issued by the bank at the time the funds entered the system.

How can Capital Bancorp Plc be of Assistance?

How to Invest

You can invest in Nigeria through us through any of these means:

For a Nigerian:

- You open an account with Capital Bancorp Plc
- You can open a CSCS account in your name; or
- Through Nominee Account: Discretionary and Non-Discretionary
- You can also make use of our online platform (Bancorp e-trade) after proper documentation (KYC). Visit etrade.capitalbancorpng.com to register.

For a Foreigner/Foreign Based Nigerians

- See the process for Foreign Portfolio Investment in Nigeria.



How to Invest- Account Opening Requirements

INDIVIDUAL

- CSCS Account Opening form must be completed and signed.
- Capital Bancorp Plc in-house form must be completed and signed.
- 2 passport-sized photograph must be attached to the in-house account opening form.
- Photocopy of any form of identification which should be one of National ID, Driver's License or Voter's Card
- International Passport must be attached.
- Photocopy of any utility bill with residential address (not P.O. Box/P.M.B) of client on it must be attached.

How to Invest- Account Opening Requirements /2

CORPORATE

- Certificate of Incorporation.
- Memorandum and Articles of Association certified by CAC.
- CAC Form C07 certified by CAC.
- A letter indicating the objective(s) for opening the account and the letter should also indicate the expected origin of the funds to be used during the relationship.
- A letter duly signed by the Managing Director of the Company introducing the Authorized Representative(s).
- If the Account Owner is an estate, provide a certified copy of a court order establishing the estate and naming the legal representatives of the estates that is authorized to act as an Authorized Account Representative for the account of the estate.
- If the Account Owner is a trust, provide a copy of the trust instrument and a certificate signed by the Trustee(s).

In addition to the above, each authorized representative is expected to provide:
Photocopy of International passport, Driver's License or National Identity Card
3 months receipts from any public utilities.

Procedure for Transferring Funds to Nigeria for the Purpose of Portfolio Investments in Equities and Bonds Quoted on The Nigerian Stock Exchange /1

In Flow

- Client (Investor) will complete Capital Bancorp Plc's Account Opening Forms;
- Client will give Capital Bancorp Plc. (CBP) a Purchase Order;
- In the format provided by CBP, the client will complete a fund transfer form requesting his bank to transfer the funds to CBP's Account with CITIBANK NIGERIA Limited -Nigeria. Client must state clearly that the purpose of the transfer is for capital importation.
- Citibank will notify CBP upon the inflow of the client's money into CBP Domiciliary account;
- CBP will then write a letter to Citibank requesting them to issue a Certificate of Capital importation (CCI) for the Client;

Procedure for Transferring Funds to Nigeria for the Purpose of Portfolio Investments in Equities and Bonds Quoted on The Nigerian Stock Exchange /2

- CBP will authorize CitiBank to sell the funds at the prevailing interbank rate and credit CBP trading account accordingly on behalf of the client with the naira equivalent;
- The Client will be advised of how much has been credited into his account by CBP;
- The purchase will be effected and the contract notes sent to the client; and
- Our Banker (CitiBank) will not charge the client for the transfer.

Procedure for Transferring Funds to Nigeria for the Purpose of Portfolio Investments in Equities and Bonds Quoted on The Nigerian Stock Exchange /3

Out Flow

- Client (Investor) will give CBP a sales order or in the case of a dividend or interest payment, the counterfoil will suffice;
- CBP will execute the Sales Order;
- The proceeds of the sales, dividend and interest payment will be remitted net of taxes and statutory charges by CBP to the client through CitiBank upon the presentation of the CCI issued when the initial investment was made;
- A charge of 1% of the total amount of money to be remitted is charged by CitiBank for the transfer.

Capital Bancorp Plc

Who We Are

Incorporated on June 13, 1988

A SEC registered Issuing House and Broker/Dealer

A Dealing Member of The Nigerian Stock Exchange (NSE)

One of the 10 Appointed Equity Market Makers by NSE

SEC registered Securities Lending Agent

One of the 6 Appointed Fixed Income Market Makers by NSE

Our Mission Statement

- We empower our clients and stakeholders through the provision of innovative professional financial services.

Our Vision

- A professional investment banking and securities firm creating wealth and delivering superior value for all our stakeholders.

Our Core Values



Our Products & Services

CAPITAL MARKETS

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graph LR; A[CAPITAL MARKETS] --- B["* Financial Advisory  
* New Issue of Equity and Debt  
* Mergers and Acquisitions  
* Research"]; A --- C["Stockbroking:  
* Equity Trading (NSE/NASD)  
* Fixed Income Trading"];
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- * Financial Advisory
- * New Issue of Equity and Debt
- * Mergers and Acquisitions
- * Research

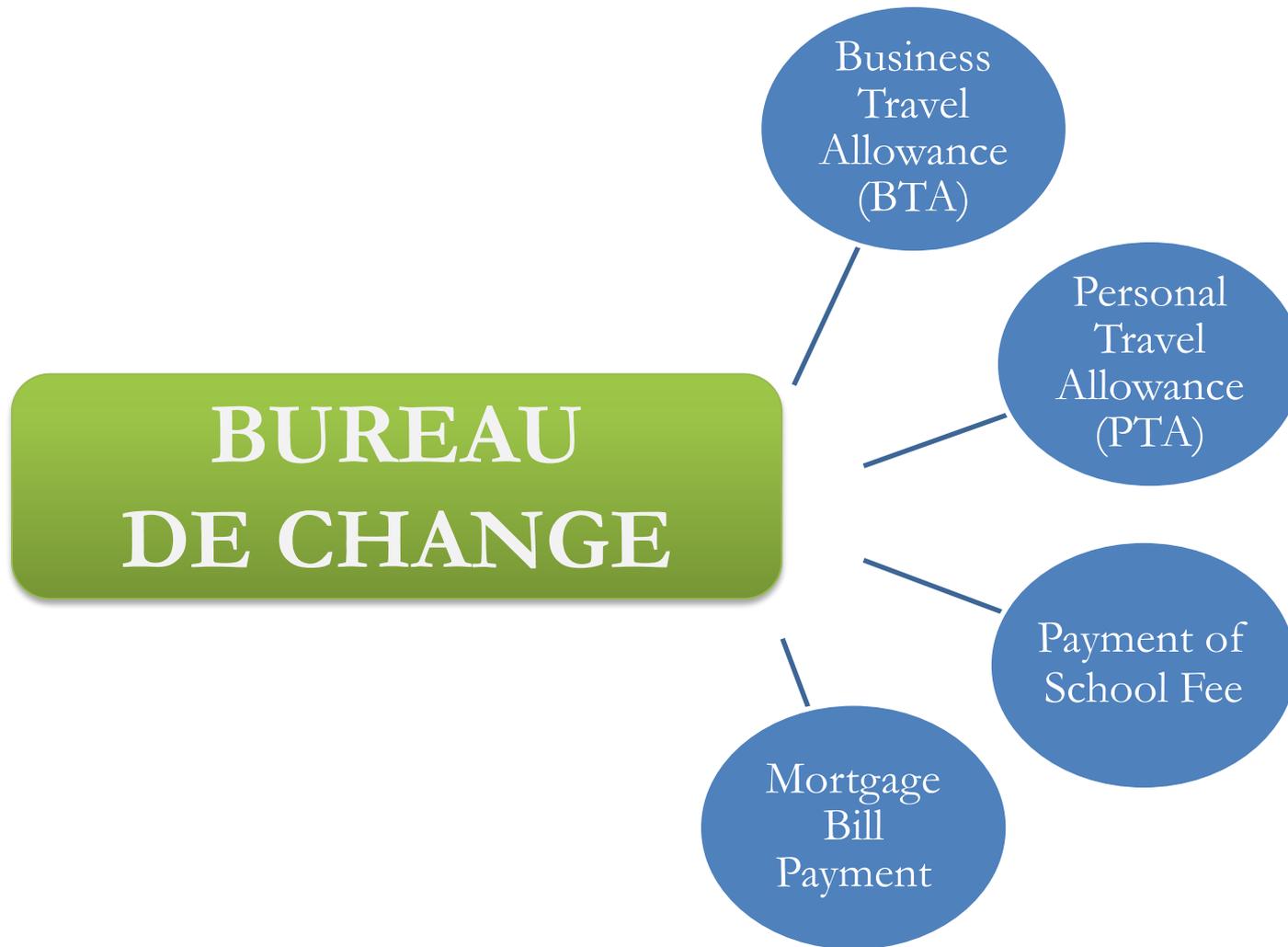
Stockbroking:

- * Equity Trading (NSE/NASD)
- * Fixed Income Trading

Our Products & Services/2



Our Products & Services/3



Why Us ?

Experienced Management staff who have the ability to manage the various complexities that can be associated with specific transactions.

Proven track record of delivering superior services to our clients bearing in mind their expectations.

A rich and unrivalled uninterrupted experience of over 26 years in the Nigerian Capital Market.

A reputation for structuring and executing capital market transactions both for Corporates & Government Parastatals

Contact

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Thank you!

