



FMDQ SPOTLIGHT

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FMDQ 2024 Highlights and Outlook for 2025

The year 2024 marked the fourth (4th) year of FMDQ Group PLC's second lustrum, a period characterised by significant progress in executing its corporate strategy. This strategy prioritised the development of a diversified, integrated, and highly profitable financial market infrastructure (FMI). While some strategic objectives presented challenges during the year, FMDQ Group PLC ("**FMDQ Group**" or the "**Group**") achieved remarkable successes across both the holding company and its subsidiaries. In 2024, the Group strengthened its position as a key shareholder by acquiring additional shares in Central Securities Clearing System PLC, increasing its stake from 21.61% to 22.66%.

On the business front, FMDQ Securities Exchange Limited ("**FMDQ Exchange**" or the "**Exchange**") maintained its dominance in the debt markets, retaining market leadership in the Commercial Paper (CP) market and capturing an impressive 83.00% of bond listings. The Exchange's market turnover for 2024 reached an estimated ₦420 trillion, reflecting a remarkable 70.00% increase from the ₦248 trillion recorded in 2023. Additionally, FMDQ Exchange enhanced the credibility of the Nigerian Autonomous Foreign Exchange Fixing (NAFEX) by revising the foreign exchange rate pricing methodologies to address benchmark integrity concerns. The Exchange also facilitated the accreditation of a professional development course under FMDQ Academy.

FMDQ Clear Limited ("**FMDQ Clear**") advanced its readiness for the operationalisation of Central Counterparty (CCP) services in the fixed income, spot, and repo markets by developing a "Risk Management as a Service" solution – the Initial Margin Calculator – to help market participants efficiently manage collateral requirements. FMDQ Depository Limited ("**FMDQ Depository**") achieved significant milestones, including admission into the African and Middle Eastern Depositories Association (AMEDA) and the successful lodgement of the domestic Federal Government of Nigeria dollar bond. Meanwhile, FMDQ Private Markets Limited ("**FMDQ Private Markets**") surpassed a remarkable ₦1 trillion milestone in securities noted within its information repository, growing from ₦78 billion in 2023 to ₦1.13 trillion in 2024.

FMDQ Group remained steadfast in delivering value to its diverse stakeholders, reaffirming its vital role as a cornerstone of Nigeria's financial market infrastructure. The Group remained focused on driving innovation and providing seamless, efficient services to advance the financial ecosystem.

Other Memorable Highlights Across FMDQ Group and Its Subsidiaries in 2024



FMDQ Group hosted delegations from the tenth (10th) Senate Committee on Capital Market in February 2024.



FMDQ Group commemorated the 2024 International Women's Day themed "Inspire Inclusion" in March 2024.



FMDQ Group became a Participating Member of the United Nations Global Compact in April 2024, the world's largest corporate sustainability initiative, with over twenty-three thousand (23,000) signatories in one hundred and seventy (170) countries, including over one hundred and thirty (130) in Nigeria.



FMDQ Group, through the FMDQ Next Generation Financial Markets Empowerment Programme ("FMDQ-Next"), commemorated 2024 Children's Day by hosting students from Let It Shine Secondary School, Yaba, Lagos in May 2024.



FMDQ Group through FMDQ-Next, successfully concluded the 5th edition of its Summer Camp Programme, which was hosted at FMDQ's business complex, Exchange Place, in August 2024.



FMDQ Group, through FMDQ-Next, successfully hosted students from Ekiti State University on a three-day Study Tour at Exchange Place in September 2024.



FMDQ Group commemorated the International Organisation of Securities Commissions (IOSCO) World Investor Week 2024, by welcoming a high-level delegation from the SEC, the Lagos State Government, and other financial markets stakeholders to Exchange Place, in October 2024.



FMDQ participated in the global financial markets' initiative 'Ring the Bell for Climate', for the second consecutive year, in support of COP29's goals, in November 2024.



FMDQ Group hosted its 7th annual GOLD Awards (the "FMDQ GOLD Awards") in November 2024, to recognise individuals and institutions whose expertise, leadership, and dedication have been integral to shaping the markets.

Outlook for 2025

In 2025, FMDQ Group will continue to advance its ambitious vision, *"Born Local...Going Global,"* by driving global impact through strategic initiatives. These include introducing international participation in the Exchange-Traded Derivatives (ETD) market and shareholding, bridging Nigeria with offshore markets via (via the product – FMDQ Unsponsored Depositary Receipts – 'FMDQ OUD'), and increasing foreign currency earnings through the implementation of a principal investment framework. Additionally, the Group will strengthen Africa's financial market infrastructure (FMI) landscape by providing strategic and investment support for emerging FMIs across the continent. A major milestone for 2025 will be the initiation of a new subsidiary, FMDQ Venture Capital Limited, subject to regulatory approval and the establishment of key governance, strategic, and operational frameworks.

FMDQ Exchange in addition to making concerted efforts to ignite the ETD market, will launch its new and innovative product – FMDQ OUD, with the support of FMDQ Clear and FMDQ Depository, as well as activate several key initiatives including the upgrade of its data and information franchise, FMDQ Data Analytics platform and enhance benchmark tools for asset managers and Pension Fund Administrators.

Additionally, FMDQ Exchange, through its financial markets education and sensitisation initiative, FMDQ Academy, plans to embark on several key initiatives. These include the incorporation of FMDQ Academy as a standalone entity, the establishment of the FMDQ Academy Certification Board, the launch of simulation-based trading programs, and the commercialisation of FMDQ Academy courses.

FMDQ Clear will prioritise the activation of CCP services for the fixed income, spot, and repo markets, while positioning itself as a qualified CCP in line with international best practices. FMDQ Depository will focus on the operationalisation of a comprehensive suite of services for the equities market, and FMDQ Private Markets plans to launch the Artis DealRoom and FMDQ Deal Hub to enhance market access and transaction efficiency.

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102nd Cleared Naira-Settled Non-Deliverable Forwards Contract Matures and Settles on FMDQ Exchange

On Tuesday, December 24, 2024, the 102nd Cleared Naira-Settled Non-Deliverable Forwards ("**Cleared USD/NGN NDFs**") contract – NGUS DEC 24 2024, with a nominal value of \$0.50 million, matured and settled on FMDQ Exchange. This brings the total value of matured FX Futures contracts on the

Exchange, since its inception of the market in June 2016, to approximately \$67.70 billion, with a total of circa \$67.79 billion so far traded.

The matured contract was valued for settlement against the NAFEX (Nigerian Autonomous Foreign Exchange Fixing) using the FMDQ Exchange reference Spot FX rate published the same day. The associated clearing and settlement activities were carried out by FMDQ Clear accordingly.

Additionally, FMDQ Exchange introduced a new contract, NGUS DEC 26 2029, with a rate of \$/₦5,125.90, which replaces the matured contract. The Exchange has also updated quotes for the existing 1 to 60-month contracts.

For more information on the Cleared USD/NGN NDF contracts, please visit our website at www.fmdqgroup.com/exchange/market-products/derivatives/ or contact our Derivatives Business Group at dbg@fmdqgroup.com.

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Update on Clearing and Settlement Activities

FMDQ Clear, Nigeria's foremost Central Counterparty, remains committed to driving operational efficiency, delivering value to the Nigerian financial markets and making it seamless for investors to clear and manage their risks effectively.

The tables below provide an overview of the clearing and settlement activities across the derivatives (currency futures) and fixed income markets. For more information on FMDQ Clear, please click [here](#).

Table 1: Clearing and Settlement Activities in the Currency Futures (Derivatives) Market

S/N	Currency Futures	October 2024	November 2024	Change (%)
Clearing				
1.	No. of Cleared Contracts	6,255	6,255	N/A
2.	Value of Cleared Contracts (\$'bn)	67.79	67.79	N/A
3.	Value of Open Contracts (\$'bn)	0.10	0.09	(14.86)
Settlement				
4.	No. of Matured & Settled Contracts	6,242	6,245	0.05
5.	Value of Matured & Settled Contracts (\$'bn)	67.68	67.70	0.02

Table 2: Clearing and Settlement Activities in the Sovereign Fixed Income Market

S/N	Sovereign Fixed Income	October 2024	November 2024	Change (%)
1	Total Value of Trades Processed (₦'bn)	20,875.34	24,096.69	15.43
2	Value of Trades Settled (₦'bn)	18,679.19	22,232.59	19.02
3	Value of Unsettled Trades (₦'bn)	2,196.16	1,864.11	(15.12)

Table 3: Clearing and Settlement Activities in the Non-Sovereign Fixed Income Market

S/N	Non-Sovereign Fixed Income	October 2024	November 2024	Change (%)
1	Total Value of Trades Processed (₦'bn)	1.13	14.80	1,209.73
2	Value of Trades Settled (₦'bn)	1.13	14.80	1,209.73
3	Value of Unsettled Trades (₦'bn)	0.00	0.00	N/A

Update on Admitted Securities on FMDQ Depository

FMDQ Depository, registered by the Securities and Exchange Commission (SEC), Nigeria, is dedicated to providing a secure depository for financial markets assets and facilitating the settlement of capital market transactions.

During the period under review, FMDQ Depository successfully admitted the following securities on its platform:

- C & I Leasing PLC ~~₦8.14~~ billion Series 4 Commercial Paper (CP) under its ~~₦50.00~~ billion CP Issuance Programme
- Neveah Limited ~~₦1.61~~ billion Series 16 and ~~₦2.56~~ billion Series 17 CPs under its ~~₦20.00~~ billion CP Issuance Programme
- Sultiva Wakalah SPV Limited ~~₦1.46~~ billion Series 1 and ~~₦0.33~~ billion Series 2 Non-Interest Commercial Papers under its ~~₦20.00~~ billion Non-Interest Commercial Paper Issuance Programme
- Mecure Industries PLC ~~₦3.03~~ billion Series 1 and ~~₦6.29~~ billion Series 2 CPs under its ~~₦40.00~~ billion CP Issuance Programme
- Veritasi Homes & Properties Limited ~~₦0.12~~ billion Series 8 Tranche C CP under its ~~₦20.00~~ billion CP Issuance Programme
- Emzor Pharmaceutical Industries Limited ~~₦5.13~~ billion Series 1 CP under its ~~₦10.00~~ billion CP Issuance Programme
- MTN Nigeria Communications PLC ~~₦25.83~~ billion Series 11 and ~~₦49.35~~ billion Series 12 CPs under its ~~₦250.00~~ billion CP Issuance Programme
- Lagos Free Zone Company ~~₦2.51~~ billion Series 8 CP under its ~~₦30.00~~ billion CP Issuance Programme
- CapitalSage Technology Limited ~~₦6.09~~ billion Series 11 and ~~₦3.56~~ billion Series 12 CPs under its ~~₦15.00~~ billion CP Issuance Programme
- MyCredit Investments Limited ~~₦1.44~~ billion Series 3 CP under its ~~₦10.00~~ billion CP Issuance Programme

For more information on FMDQ Depository service offerings, please click [here](#).

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FMDQ Exchange remains dedicated to driving growth in the Nigerian debt markets by championing innovation and providing a trusted platform for efficient capital access. Through strategic partnerships and a steadfast focus on market development, the Exchange supports corporate entities in meeting their funding requirements while bolstering investor confidence in the Nigerian financial markets. In line with this commitment, the Board Listings and Markets Committee of the Exchange has approved the **registration of Saro Lifecare Limited's ₦20.00 billion CP Issuance Programme**. This milestone underscores the Exchange's pivotal role as a catalyst for financial market transformation.

Saro Lifecare Limited (“**Saro Lifecare**” or the “**Issuer**”) is a leading indigenous player in the Personal and Homecare segment of the Fast-Moving Consumer Goods (FMCG) industry. Established in 2007, following the acquisition of the Personal and Homecare Division of Chemicals & Allied Products PLC, Saro Lifecare offers a diverse portfolio of trusted brands, including Purit Antiseptic Liquid, Carat Medicated Soap, Safecut Aftershave, and Dayspring Liquid Detergent. The registration of the ₦20.00 billion CP Programme, sponsored by Afrinvest Capital Limited, a Registration Member (Quotations) of FMDQ Exchange, provides Saro Lifecare with a strategic opportunity to access the Nigerian debt markets. This enables the Issuer to raise short-term capital efficiently, leveraging the flexibility of the approved CP Programme limit to support its operational and strategic objectives at an optimal time.

Speaking on the successful CP Programme registration, the Managing Director, Saro Lifecare Limited, Mr. Oluwagbemileke Otun, stated, “We are delighted to receive approval from FMDQ Exchange for the registration of our ₦20.00 billion CP Programme. We extend our gratitude to the Exchange for its pivotal role in fostering a dynamic, efficient, and inclusive capital market that empowers issuers like us to realise our strategic ambitions. Building on the success of a previous Programme executed alongside our sister company, Saro Agrosociences Limited (*co-sponsor of SaroAfrica Funding SPV PLC*), we are proud to independently re-enter the debt capital market. The registration of this CP Programme marks a key step in our commitment to financial innovation and operational excellence. This initiative will enhance our financial flexibility, solidify our legacy as a leading and longstanding indigenous player in the FMCG sector, and empower us to continue delivering high-quality personal and homecare products that meet the evolving needs of the diverse communities we serve”. He further stated “as we engage with capital market investors through this Programme, we eagerly anticipate a warm and positive reception. We are thankful to our Lead Sponsor, Afrinvest Capital Limited, advisers, and all our stakeholders for their continued support throughout this process. Their dedication and collaboration have been instrumental in helping us record this important achievement”.

According to the Managing Director, Afrinvest Capital Limited, Mr. Suru Daniels said, “As Sole Sponsor, Afrinvest Capital Limited is pleased to have advised Saro Lifecare on the registration of its ₦20.00 billion CP Programme on the FMDQ Exchange. This approval is a clear reflection of the confidence in Saro Lifecare’s strong market position, stable financial management and strategic direction. It also highlights the Exchange’s ongoing commitment to providing a reliable platform that allows issuers to access the capital market with ease. Having previously issued a CP in conjunction with one of its sister entities, Saro Lifecare is now returning to the market as an independent issuer. This marks a significant evolution in the Company’s capital market strategy, demonstrating a reinforcement of its reputation as a trusted sector player. It also sets a valuable precedent for other indigenous FMCG companies looking to leverage the Nigerian debt capital market for growth”. He concluded by saying that “Afrinvest Capital Limited remains fully committed to partnering with Saro Lifecare as the Company continues to execute its strategic vision and meet the growing demands of the FMCG sector in Nigeria. We are excited about the future prospects of this collaboration and look forward to supporting the company on its path to long-term success”.

With a steadfast dedication to developing Nigeria's debt markets, FMDQ Exchange will continue cultivating a dynamic ecosystem built on transparency, liquidity, and credibility. By offering tailored services and a seamless securities admission process, the Exchange will continue to foster trust among market participants, empowering issuers to access vital financing, close capital gaps, and catalyse sustainable economic growth across multiple sectors.

Springfield Agro Limited Registers ₦10.00 Billion Commercial Paper Programme on FMDQ Exchange

FMDQ Exchange continues to lead the transformation of Nigeria’s debt markets by providing innovative solutions that seamlessly connect issuers with investors. With a robust platform anchored in global best practices, the Exchange attracts diverse participants, fostering economic growth and resilience. In line with its commitment to advancing the Nigerian debt markets, the Exchange, through its Board Listings and Markets Committee, has approved the **registration of Springfield Agro Limited’s ₦10.00 billion CP Issuance Programme**, reinforcing its pivotal role as a catalyst for market development.

Springfield Agro Limited (“**Springfield Agro**” or the “**Issuer**”), established in 2003 in Nigeria, provides comprehensive solutions to the agricultural sector, offering an extensive portfolio that includes seeds, agrochemicals, fertilisers, tractors, and farm implements. Over the years, the Company has diversified into the post-harvest segment, focusing on the export of agricultural commodities, rice, frozen fish, and industrial chemicals. The registration of the ₦10.00 billion CP Programme, sponsored by First Ally Capital Limited, a Registration Member (Quotations) of FMDQ Exchange, positions Springfield Agro to

achieve enhanced transparency and broadened access to a diverse investor base, further unlocking the potential for the Programme's success.

Speaking on the significance of the registration of this CP Programme, the Managing Director, Springfield Agro Limited, Mr. Tarun Kumar Das, stated, "Springfield Agro is pleased regarding the successful registration of its ₦10.00 billion CP Issuance Programme on FMDQ Exchange. Over the past two (2) decades, Springfield Agro has remained committed to the growth of the agri-inputs industry in Nigeria, and the establishment of the CP Programme is a strategic move that aligns with our mandate to provide farm inputs to the agricultural sector at affordable prices. The CP Programme, which is poised to further broaden the company's sources of capital by accessing funding from the Nigerian debt capital markets, will also reduce our overall funding costs. Proceeds from this programme will be used to meet the company's short-term funding requirements, which are geared towards providing quality services to our valued customers".

Also, the Group Managing Director, First Ally Capital Limited, Mr. Ebenezer Olufowose, commented, "First Ally Capital Limited is pleased to have advised Springfield Agro on the registration of its ₦10.00 billion CP Issuance Programme on FMDQ Exchange. This landmark achievement will bolster Springfield Agro's working capital, supporting its continued expansion in Nigeria's vital agri-inputs sector. As a trusted partner for businesses, First Ally Capital Limited is committed to providing exceptional financial solutions that empower our clients. We are grateful to Springfield Agro for entrusting us to guide them through this important milestone, particularly in navigating the complexities faced by first-time issuers in the capital markets".

FMDQ Exchange continues to shape Nigeria's debt capital markets by offering innovative solutions that connect issuers with impactful funding opportunities. With a streamlined securities admission process and a steadfast commitment to market transparency, the Exchange empowers corporates to efficiently access capital, enhance operational performance, and drive national economic growth.

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FMDQ Exchange Admits the Payaza Africa Limited ₦50.00 Billion Commercial Paper Programme on its Platform

FMDQ Exchange remains a leader in Nigeria's fixed income securities market and is known for its top-tier securities admission service. Its Securities Admission franchise ensures efficient market access for Issuers while delivering exceptional listing and quotation services to boost issuer visibility, establish reliable valuation benchmarks, and safeguard investors. In this regard, FMDQ Exchange, through its

Board Listings and Markets Committee, approved the registration of **Payaza Africa Limited ₦50.00 billion Commercial Paper (CP) Issuance Programme** on its Platform.

Payaza Africa Limited (“**Payaza Africa**”) is an innovator in the fintech sector, revolutionising international payments and financial solutions with cutting-edge technology and seamless efficiency. This CP programme, sponsored by AVA Capital Partners Limited – a Registration Member (Quotations) of the Exchange, enables Payaza Africa to efficiently raise short-term finance from the Nigerian debt markets, through CP issues, within the approved CP Programme limit.

The Chief Executive Officer (CEO), Payaza Africa Limited, Mr. Seyi Ebenezer, commented on the successful issuance of the CP Programme, saying, “Payaza Africa is proud to announce its milestone achievement as the first payment gateway company in Nigeria to successfully register a ₦50.00 billion CP Programme with FMDQ Exchange. This ground-breaking accomplishment underscores Payaza Africa’s strong brand equity, operational excellence, and unwavering commitment to revolutionising international payments and financial solutions. Payaza Africa operates a comprehensive merchant-enabling platform designed to empower businesses to effortlessly collect payments from their customers through a diverse range of payment methods. By simplifying local and international payments, Payaza Africa offers developer-friendly Application Programming Interfaces and tools for seamless integration, optimises settlements and collections, and provides versatile payout solutions tailored to meet the needs of modern businesses. This historic milestone reflects the trust and confidence that investors and stakeholders have in the Payaza Africa brand. The ₦50.00 billion CP programme is a significant step in Payaza Africa’s journey to solidify its presence in the market and further empower businesses with innovative financial solutions.”

The CEO went further to state that “as a company at the forefront of financial technology, Payaza Africa remains committed to driving economic growth and financial inclusion in Nigeria and across the globe. The proceeds from the CP issuances will enable the Company to accelerate its growth trajectory, augment its working capital, enhance its product offerings, and continue delivering cutting-edge payment solutions that redefine the landscape of financial services in Africa.”

Also commenting on the CP Programme issuance, the CEO, AVA Capital Group, Mr. Efe Shaire said, “AVA Capital Partners Limited is proud to have acted as the Arranger for the successful registration of Payaza Africa’s ₦50.00 billion CP Programme. This milestone not only underscores our commitment to delivering innovative and tailored financing solutions but also marks a significant opportunity for investors seeking portfolio diversification through a new instrument from a company at the forefront of financial technology. At AVA Capital Partners Limited, we are keen on contributing to the success of indigenous innovative companies by opening up the domestic capital market to fast-track their growth trajectory. This transaction reflects our deep expertise in investment banking and highlights our dedication to fostering sustainable economic growth across critical sectors of the economy”.

FMDQ Exchange plays a pivotal role in fostering financial innovation, providing a versatile platform that enables corporates to adeptly navigate the complexities of the Nigerian debt markets with ease. With a strong focus on tailored solutions, the Exchange empowers issuers to efficiently access capital

and align with their strategic growth objectives. By promoting excellence and fostering collaboration among market participants, FMDQ Exchange reinforces its position as a catalyst for sustainable economic growth, enabling businesses across industries to turn opportunities into meaningful achievements.

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Sultivah Wakalah SPV Limited Debuts ₦1.79 Billion Non-Interest Commercial Papers on FMDQ Exchange

FMDQ Exchange, a wholly owned subsidiary of FMDQ Group, is Nigeria's leading securities exchange, dedicated to fostering a dynamic financial ecosystem driven by innovation, efficiency, and growth. Through its trusted platform for the registration, listing, and trading of debt securities, the Exchange continues to enhance market accessibility for both issuers and investors. In line with this commitment, the Exchange, through its Board Listings and Markets Committee, has approved the **quotation of Sultiva Wakalah SPV Limited's ₦1.46 billion Series 1 and ₦0.33 billion Series 2 Non-Interest Commercial Papers ("NICP") under its ₦20.00 billion NICP Issuance Programme.**

Sultivah Wakalah SPV Limited (the "**Issuer**"), incorporated in Nigeria as a private company limited by shares, operates solely as a special purpose vehicle for issuing non-interest commercial paper notes. The Issuer has no subsidiaries or affiliates and was established by Trustbanc Holdings Limited, to address its non-interest short-term funding needs effectively. The net proceeds from these CPs, sponsored by Coronation Merchant Bank Limited (*Lead Sponsor*) and Marble Advisory Limited (*Co-Sponsor*) – both Registration Members (Quotations) of the Exchange – will be utilised by the Issuer to invest in non-interest financing ventures.

FMDQ Exchange remains a catalyst for transformation in the Nigerian debt markets, driving progress with tailored financial solutions designed to address corporate funding needs. By leveraging its extensive market expertise and unwavering commitment to service excellence, the Exchange streamlines capital-raising processes through advanced infrastructure and transparent regulations. This effective approach enables businesses secure critical financing, strengthens their capacity for growth, fosters innovation, and contributes to the sustainable development of Nigeria's economy.

FMDQ Exchange Supports Jimcol Resources Nigeria Limited with Commercial Paper Programme Admission on its Platform

FMDQ Exchange is at the forefront of revolutionising the Nigerian debt markets, cementing its role as a driving force in the financial ecosystem. By prioritising transparency and fostering stakeholder collaboration, the Exchange provides a robust platform where issuers can seamlessly access capital, and investors can participate with confidence. Aligning with this mission, the Board Listings and Markets Committee of the Exchange has approved the **registration of the Jimcol Resources Nigeria Limited ₦5.00 billion Commercial Paper (CP) Issuance Programme**, enhancing opportunities for growth and investment.

Jimcol Resources Nigeria Limited (“Jimcol” or the “Issuer”), an indigenous company incorporated in 1990, has been building a strong reputation as a leader in Engineering Design, Drilling Support Services, Quality Assurance/Quality Control & Inspection, and Project/Quality Management Implementation for over two (2) decades. With a project portfolio exceeding \$50.00 million, the Issuer’s proven track record and industry credibility remain central to its brand identity. Sponsored by Pathway Advisors Limited, a Registration Member (Quotations) of the Exchange, this CP Programme strategically enables Jimcol to efficiently raise short-term finance from the Nigerian debt markets at its discretion within the approved CP Programme limit.

FMDQ Exchange is dedicated in delivering a globally competitive, operationally excellent, liquid, and diverse (“GOLD”) standard to the Nigerian debt markets. Through its cutting-edge platform and bespoke services, the Exchange enables issuers to navigate complex financial landscapes and achieve their funding goals with ease. By championing transparency, strong governance, and market efficiency, FMDQ Exchange continues to be a vital partner for corporates seeking sustainable financing solutions to advance their strategic objectives and drive economic growth in Nigeria.

Other securities admitted to the Exchange platform in December 2024 include:

- Fast Credit Limited ₦3.48 billion Series 5 and ₦1.52 billion Series 6 CPs under its ₦5.00 billion CP Programme
- Zeenab Foods Limited ₦0.68 billion Series 2 (Tranche A), ₦1.30 billion Series 2 (Tranche B), ₦1.03 billion Series 2 (Tranche C), and ₦0.10 billion Series 2 (Tranche D) under its ₦20.00 billion CP Programme
- UAC of Nigeria PLC ₦5.82 billion Series 1 Fixed Rate Bond under its ₦50.00 billion Debt Issuance Programme
- AB Microfinance Bank Nigeria Limited ₦4.23 billion Series 5 CP under its ₦9.00 billion CP Programme
- Emzor Pharmaceutical Industries Limited ₦5.13 billion Series 1 CP under its ₦10.00 billion CP Programme

- MTN Nigeria Communications PLC ₦25.83 billion Series 11, ₦49.35 billion Series 12, ₦20.65 billion Series 13, and ₦51.53 billion Series 14 CPs under it ₦250.00 billion CP Programme
- MyCredit Investments Limited ₦1.44bn Series 3 CP under it ₦5.00 billion CP Programme
- Romco Recycling Company Limited ₦0.99 billion Series 4 CP under it ₦6.00 billion CP Programme
- Lagos Free Zone Company ₦2.51 billion Series 8 CP under its ₦30.00 billion CP Programme

FMDQ Group is Africa's first vertically integrated FMI group, strategically positioned to provide registration, listing, quotation and noting services; integrated trading platform, clearing & central counterparty, and settlement services for financial markets transactions; depository of securities, as well as data and information services, across the debt capital, foreign exchange, derivatives and equity markets, through its wholly owned subsidiaries – FMDQ Exchange, FMDQ Clear, FMDQ Depository and FMDQ Private Markets Limited. As a sustainability-focused FMI group, FMDQ Group, through FMDQ Exchange, operates Africa's premier Green Exchange – FMDQ Green Exchange – positioned to lead the transition towards a sustainable future.

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FMDQ TURNOVER & DEALING MEMBER (BANKS) LEAGUE TABLE

FMDQ Turnover & Dealing Member (Banks) League Table Report

The FMDQ Market Turnover Report shows the turnover on all products traded in the FMDQ secondary market – Foreign Exchange (FX), Treasury Bills (T.bills), OMO Bills, CBN Special Bills, Promissory Notes, Bonds (FGN Bonds, other Bonds (Agency, Sub-national, Corporate & Supranational), Sukuk & Eurobonds) Commercial Papers and Money Market Transactions (Repurchase Agreements and Unsecured Placements/Takings). These figures exclude primary market auctions in T.bills and Bonds.

The data, collated from the weekly trade data submissions by FMDQ Exchange Dealing Member (Banks), represents trades executed amongst the Dealing Member (Banks), Dealing Member (Banks) & Clients, and Dealing Member (Banks) & the CBN.

FMDQ Exchange Market Turnover (January – November 2024)

Product Category	(₦'mm)	(\$'mm)
Foreign Exchange	156,218,814	104,026
Foreign Exchange Derivatives	35,737,975	25,262
Treasury Bills	38,770,293	26,660
OMO Bills	48,397,752	32,221
CBN Special Bills	2,929,215	2,337
FGN Bonds	22,371,565	15,628
Promissory Notes	23,452	19
Other Bonds*	8,318	7
Eurobond	691,855	456
Repurchase Agreements/Open Repos	109,526,057	74,117
Unsecured Placements/Takings	497,639	354
Money Market Derivatives	350	0
Commercial Papers	-	-
Sukuk Bonds	764,529	573
Total	415,937,813	281,659
No. of Business Days	228	228
Average Daily Turnover	1,824,289	1,235

Average Year-to-Date (YTD) \$/₦ @ 1,476.74

mm - million

*Other Bonds include Agency, Sub-national, Corporate & Supranational Bonds

Note: Figures may be subject to change due to potential adjustments from Dealing Member (Banks) or CBN

Source: FMDQ Data Portal as @ December 9, 2024; Figures reported by Dealing Member (Banks) on a week-ending basis

The total turnover for Jan. – Nov. 2024 period amounted to ₦415.94 trillion. Trading activities in the FX (Spot FX and FX Derivatives) market had the largest contribution, accounting for 46.15% of overall market turnover. Repurchase Agreements (Repos) accounted for 26.33%, whilst transactions in OMO Bills accounted for 11.64%. Bonds, T.bills, CBN Special Bills, Promissory Notes and Unsecured Placements & Takings accounted for 5.73%, 9.32%, 0.70%, 0.01% and 0.12% of overall market turnover.

FMDQ Dealing Member (Banks) League Table (January – November 2024)

The FMDQ Exchange Dealing Member (Banks) League Table shows the rankings of the top ten (10) Dealing Member (Banks) in the FMDQ Exchange markets by overall market turnover.

RANK	DEALING MEMBER (BANKS)
1	Stanbic IBTC Bank Limited
2	United Bank for Africa PLC
3	First Bank of Nigeria Limited
4	Standard Chartered Bank Nigeria Limited
5	Access Bank PLC
6	Wema Bank PLC
7	Sterling Bank PLC
8	Zenith Bank PLC
9	Citibank Nigeria Limited
10	Coronation Merchant Bank Limited

Stanbic IBTC Bank PLC, United Bank for Africa PLC, and First Bank of Nigeria Limited ranked 1st, 2nd and 3rd respectively, based on value traded during the the review period. The top ten (10) Dealing Member (Banks) accounted for 68.50% (₦284.90 trillion), while the top three (3) accounted for 38.55% (₦160.31 trillion) of the overall turnover of trades in the secondary market

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Effective Risks Management Practices – Learning from Financial Disasters

Our previous article explored the concept of financial risk, the strategies for managing it, and the significance of hedging as a critical tool in risk management. (Click [here](#) to view the previous article). Building on this foundation, this article examines real-world financial crises, analysing the risk management failures that contributed to their collapse while drawing valuable insights to help organisations strengthen their risk management practices.

Case Study 1: Lehman Brothers (2008)

Founded in 1850, Lehman Brothers was a prominent investment bank in the United States that collapsed in 2008 largely due to its risky investments in the housing market. In the early 2000s, the firm aggressively purchased subprime¹ mortgages and bundled them into mortgage-backed securities² (MBS), which were sold to investors. As housing prices rose, this strategy appeared profitable but was built on high-risk loans extended to borrowers with poor credit histories.

The firm relied heavily on borrowed funds to finance its operations, significantly increasing its exposure to potential losses. When the housing market began to decline in 2007, defaults on subprime loans soared, causing the value of MBS to plummet. This led to massive losses, eroding investor confidence and a sharp drop in stock prices. The firm tried to stabilise by selling assets and seeking buyers but was unsuccessful. By September 2008, as its liquidity crisis worsened and creditors demanded repayments, Lehman Brothers filed for bankruptcy on September 15, 2008. This marked the largest bankruptcy in U.S. history and triggered a global financial crisis, freezing credit markets and causing widespread panic.

Shortcomings in Risk Management Strategies		
1	Excessive Leverage and Risk Exposure	Lehman Brothers relied heavily on excessive leverage, borrowing large amounts of money to acquire MBS. When the housing market collapsed and, the value of these assets plummeted, Lehman's liabilities far exceeded its assets, increasing its vulnerability and escalating its liquidity crisis into full insolvency.
2	Inadequate Liquidity Risk Management	Despite having liquidity risk management protocols, Lehman was unprepared for the severity of the financial crisis. The firm lacked sufficient cash reserves and was unable to secure emergency funding, leaving it unable to meet its short-term financial obligations.

¹ Loans offered to borrowers with poor credit histories or low credit scores indicating a higher risk of default

² Financial assets backed by a pool of mortgages, providing investors with income from homeowners' mortgage payments

Shortcomings in Risk Management Strategies		
3	Loss of Market Confidence	As news of Lehman's exposure to risky mortgage-backed assets spread, market participants began to lose confidence in the firm. This erosion of trust made other financial institutions reluctant to provide the liquidity Lehman needed, exacerbating its crisis and accelerating its collapse.
Lessons Learnt		
1	Central Bank and Interbank Lending Facilities	The lack of a lender of last resort for Lehman contributed to its inability to survive. Central banks and interbank lending facilities must be leveraged as backstops for institutions facing severe liquidity crises.
2	Liquidity Reserves	This collapse underscores the importance of financial institutions maintaining adequate liquidity reserves to meet short-term obligations during crisis. Regular stress-testing of liquidity positions and having contingency plans for raising capital or selling assets are essential for stability.
3	Market Transparency	Clear and accurate reporting of an institution's exposure to high-risk assets is vital to maintaining market confidence and preventing institutions from becoming overwhelmed by hidden liabilities.

Case Study 2: Silicon Valley Bank Collapse

Silicon Valley Bank (SVB), a prominent bank known for catering to start-ups and venture capital firms, collapsed in March 2023 due to mismanagement of its assets and liabilities. The crisis began when SVB invested heavily in long-term government bonds and MBS during a period of low interest rates. However, when interest rates rose rapidly in 2022 and 2023, the market value of these assets declined significantly.

At the same time, SVB's core clients – tech start-ups – experienced financial stress due to a funding slowdown, leading them to withdraw large sums of their deposits. This created a liquidity crunch for the bank, forcing SVB to sell its depreciated bond holdings at a significant loss. When the news of SVB's struggles became public, panic ensued, triggering a bank run³ that saw a deposit withdrawer of \$42 billion in a single day. Unable to meet withdrawal demands, SVB collapsed on March 10, 2023, and was taken over by the Federal Deposit Insurance Corporation.

Shortcomings in Risk Management Strategies		
1	Interest Rate Risk Mismanagement	SVB heavily invested in long-term securities without adequately hedging against interest rate risk. The rapid rise in rates eroded the market value of these assets, leading to substantial unrealised losses.

³ A situation where depositors simultaneously remove money from a bank, fearing the bank may become insolvent

Shortcomings in Risk Management Strategies		
2	Lack of Diversification	The bank's client base was highly concentrated in the tech sector, meaning that a downturn in this industry had an outsized impact on the bank's liquidity.
3	Inadequate Stress Testing	SVB failed to prepare for a scenario of rapidly rising interest rates and simultaneous deposit withdrawals, leaving it unprepared for a worst-case liquidity crisis.
4	Asset-Liability Mismatch	SVB's dependence on short-term deposits to fund long-term assets left it vulnerable when its clients began withdrawing funds.
Lessons Learnt		
1	Hedging Interest Rate Risk	Financial institutions must implement robust strategies to hedge against interest rate fluctuations, particularly when managing large portfolios of long-term securities.
2	Maintaining Liquidity Buffers	Sufficient liquidity reserves should be maintained to handle sudden deposit outflows. Stress tests should account for extreme scenarios, including rapid changes in market conditions.
3	Client Base Diversification	Relying on a single industry or concentrated group of clients increases vulnerability to sector-specific downturns. Diversifying the client base can mitigate this risk.

Conclusion

Effective risk management is crucial for the stability and success of every organisation. The case studies highlighted above demonstrate how failures in liquidity management, oversight, and internal controls can lead to catastrophic outcomes. By implementing strong risk management strategies, organisations can mitigate potential risks. While these practices may not eliminate risk entirely, they serve as vital tools for fostering resilience and ensuring long-term sustainability in an ever-evolving financial landscape.

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