

MARKET NOTICE

To: ALL MARKET PARTICIPANTS
From: FIXED INCOME AND CURRENCIES MARKETS GROUP
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REVALIDATION OF FMDQ EXCHANGE'S STATEMENT OF COMPLIANCE WITH THE IOSCO¹ PRINCIPLES FOR FINANCIAL BENCHMARKS

This Market Notice is issued further to the successful conclusion of the revalidation of the FMDQ Securities Exchange Limited ("**FMDQ Exchange**" or the "**Exchange**") Benchmark Administration Framework's compliance with the IOSCO Principles for Financial Benchmarks ("**PFB**").

The maiden edition of the FMDQ Exchange Statement of Compliance with the IOSCO PFB was published in January 2020² following the initial independent review of the Benchmark Administration process by Messrs. Ernst and Young Nigeria which was completed in October 2019. Subsequently, in line with the precepts of Principle 17³ of the IOSCO PFB and the FMDQ Exchange Benchmark Control Framework⁴, FMDQ Exchange identified the need to revalidate its Benchmarks' compliance with the IOSCO PFB, by conducting an independent review on the Exchange's Benchmark Administration Framework across various business areas which included governance, benchmark operations and information technology.

The review was performed on the Nigerian Autonomous Foreign Exchange Fixing ("**NAFEX**"), the Nigerian Inter-Bank Offered Rate Fixing ("**NIBOR**"), and the Nigerian Inter-Bank Treasury Bills' True Yields Fixing ("**NITTY**"), following which the independent auditor issued an unqualified opinion on the Exchange's Statement of Compliance to the IOSCO PFB, deeming the Exchange's Benchmark Administration process fairly representative of the IOSCO PFB.

Consequently, FMDQ Exchange has issued and republished its Statement of Compliance with the IOSCO PFB on the FMDQ Group website.

Click [here](#) to view.

Should you have any question(s) about this Market Notice, please do not hesitate to contact the Fixed Income and Currencies Markets Group at fcg@fmdqgroup.com

¹ International Organisation of Securities Commissions

² Please click [here](#)

³ The appointment of an independent internal or external auditor with appropriate experience and capability to periodically review and report on the Administrator's adherence to its stated criteria and the requirements of the IOSCO Principles. The frequency of audits should be proportionate to the size and complexity of the Administrator's operations.

⁴ The Exchange shall engage the services of external auditors biennially, to review FMDQ Exchange Benchmark Administration process, in line with IOSCO PFB