

MARKET NOTICE



To: ALL MARKET PARTICIPANTS
From: FIXED INCOME AND CURRENCIES MARKETS GROUP
Reference: FMDQX/FCG/201224/MN-49
Notice Date: December 20, 2024
Effective Date: December 20, 2024

REVISIONS TO THE FMDQ FOREIGN EXCHANGE SPOT RATES METHODOLOGY

This Market Notice is issued to notify all FMDQ Securities Exchange Limited (“**FMDQ Exchange**” or the “**Exchange**”) stakeholders in the Nigerian Foreign Exchange (“**FX**”) market of the amendments to the **FMDQ Foreign Exchange (“FMDQ FX”) Spot Rates Methodology** – *(See Appendix I below)*.

In line with the Exchange’s commitment to transparency, the FMDQ FX Spot Rates Methodology has been updated to reflect recent changes to the Nigerian FX market and the resultant change in the data used in the computation of FMDQ FX Spot Rates.

Accordingly, all market stakeholders shall take note of the following important changes:

- This Market Notice (MN-49) shall supersede all Market Notices on FMDQ FX Spot Rates Methodology to the extent of any conflict
- The Exchange shall resume publication of the FMDQ FX Spot Opening Rates

The Exchange shall continue to monitor market dynamics and communicate any necessary updates on the FMDQ FX Spot Rates Methodology to market participants.

Please be advised accordingly.

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

Appendix I

Revisions to FMDQ FX Spot Rates Methodology		
	Previous Methodology	Revised Methodology
Opening Rate	<ul style="list-style-type: none"> ▪ Level I – All firm orders in the market at 9:00 AM ▪ Level II – All indicative quotes between 8:00 AM – 9:00 AM (subject to a minimum of five (5) indicative quotes) ▪ Level III – Maintain previous day's Closing Rate 	<ul style="list-style-type: none"> ▪ Level I – Midpoint of best bid and offer at 9:00 AM ▪ Level II – Maintain previous day's Closing Rate¹
Closing Rate	<ul style="list-style-type: none"> ▪ Level I – Last ten (10) trades of the current trading day ▪ Level II – Minimum of last (5) trades of the current trading day ▪ Level III – Minimum of five (5) data inputs comprising all trades and available market quotes of the current trading day ▪ Level IV – Maintain the previous trading day's Closing Rate 	<ul style="list-style-type: none"> ▪ Level I – Volume Weighted Average Price (“VWAP”) of the rates for the last trades, up to ten (10) (subject to a minimum of two (2) trades) ▪ Level II – Simple average of the rates of the last ten (10) trades ▪ Level III – Simple average of the rates of all available trades (subject to a minimum of two (2) trades) ▪ Level IV – The rate of the only trade in the day ▪ Level V – Retain the previous trading day's Closing Rate¹

¹Any republished rates from the previous business day will be identified as such on the FMDQ Exchange website and e-Markets Portal