

# MARKET NOTICE



**To:** ALL MARKET PARTICIPANTS  
**From:** MARKET DEVELOPMENT GROUP  
**Reference:** FMDQ/MDG/141217/MN-14  
**Notice Date:** December 15, 2017  
**Effective Date:** December 18, 2017

## CESSATION OF THE NIGERIAN FOREIGN EXCHANGE FIXING (NiFEX)

The Nigerian Foreign Exchange Fixing (NiFEX) is the reference rate for Spot Foreign Exchange (FX) operations in the Central Bank of Nigeria (CBN) Official Window, which comprises the CBN Secondary Market Intervention Sales (SMIS) or such other CBN-designated Official Intervention Window. NiFEX rates are FX reference rates intended to represent CBN Intervention rates and are generated independently through polling and published every business day at a specific time. NiFEX is currently used in the valuation of existing Legacy OTC FX Futures Contracts (i.e. open OTC FX Futures Contracts of December 2017 to March 2018).

Following periodic review of its benchmark policies by FMDQ OTC Securities Exchange (FMDQ) in accordance with Principles 10 and 13 of the International Organisation of Securities Commissions Principles for Financial Benchmarks, FMDQ is considering ceasing the publication of the NiFEX rates upon maturity of all existing Legacy OTC FX Futures Contracts. Consequently, FMDQ hereby notifies all market participants of the activation of the proposed cessation procedure for NiFEX, as outlined in the table below:

S/N	Date	Activity
1.	December 18 – January 3, 2018	Feedback on the proposed NiFEX cessation
2.	January 4, 2018	Final Notice - Three (3) months to the proposed cessation date
3.	March 28, 2018	Proposed final NiFEX rate publication (12:00 noon)

All market participants are invited to provide feedback on the proposed cessation of the NiFEX benchmark via email to the FMDQ Market Development Group ([mdg@fmdqotc.com](mailto:mdg@fmdqotc.com)), no later than **5:00 PM on January 2, 2018**.

Please be guided accordingly.

*Should you have any question(s) about this Market Notice, please do not hesitate to contact the FMDQ Market Development Group at [mdg@fmdqotc.com](mailto:mdg@fmdqotc.com)*