

Online Trading in the Age of Distributed Ledger Technology (DLT): **The Doubts, the Pains and the Opportunities.**

The Nigerian Online Trading Portals Ranking **Report 2022.**



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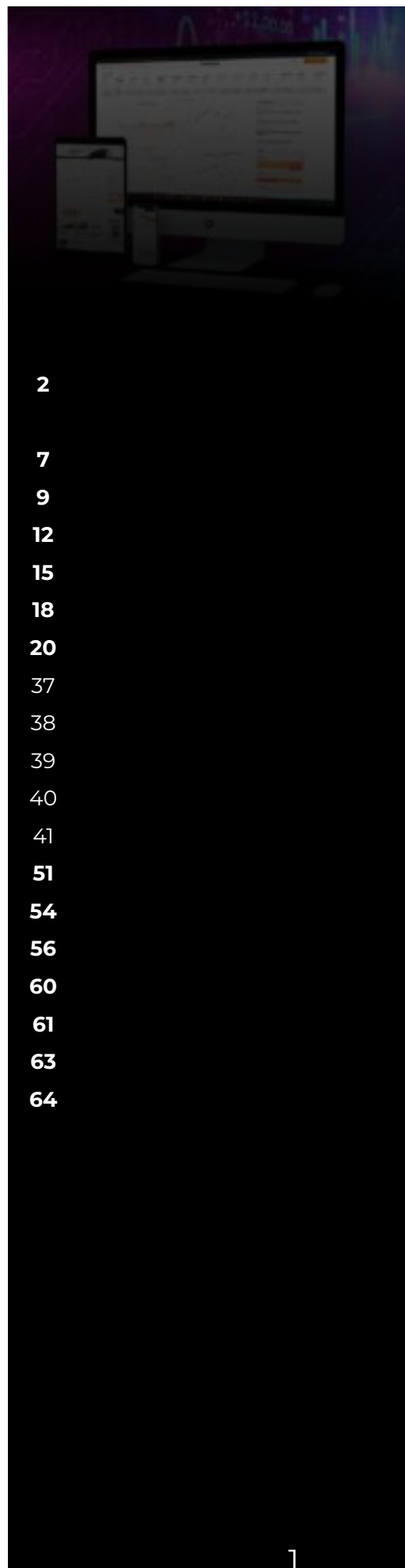
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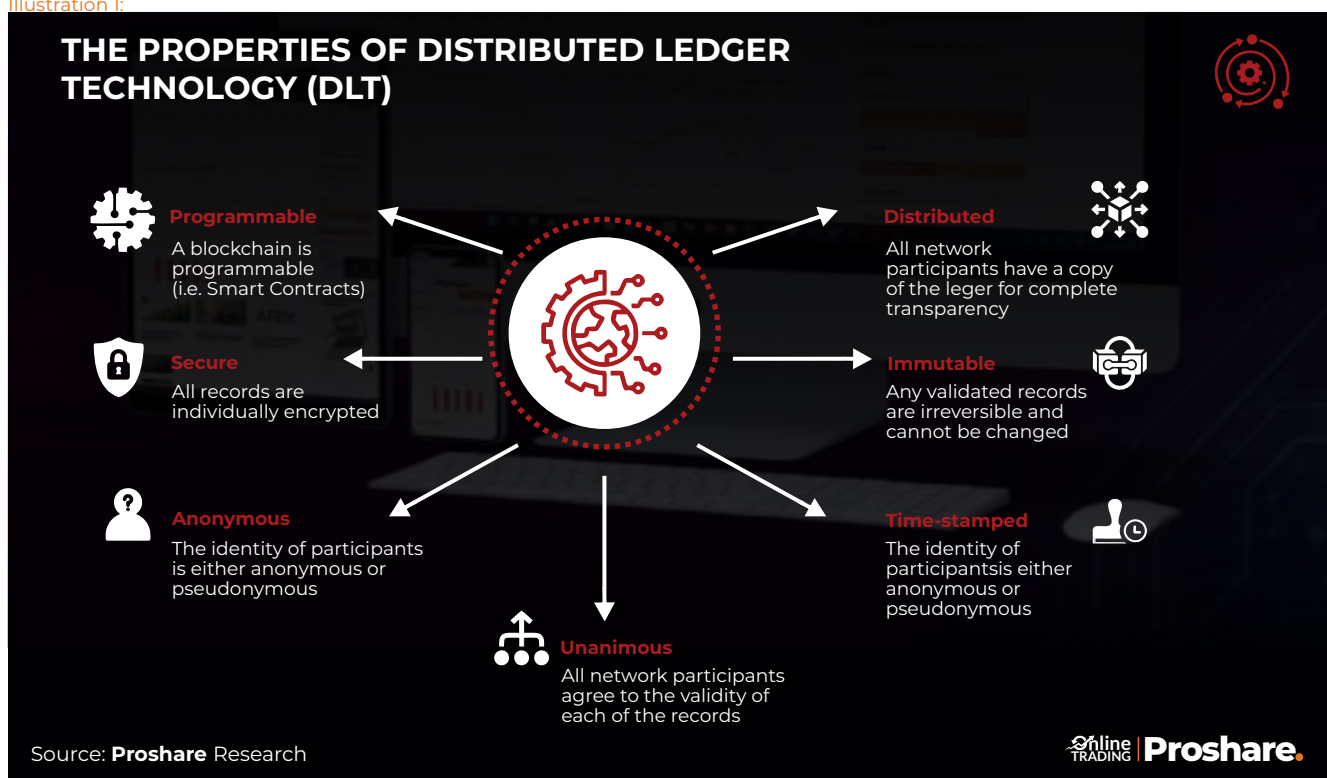


Executive Summary.

The world is moving into overdrive. The first industrial revolution lasted 120 years, the second roughly 60 years, and the third 20 years; the fourth is in its fifteenth year, and the fifth is likely to be significantly shorter. Technology has moved at what Microsoft founder, Bill Gates, called the speed of thought. The capital market has also thrown a few gears as trading activities have moved from open outcry to on-floor digitally traded platforms to off-floor remote trading. Technology is increasing the speed of transactions, the efficiency of payment and settlements, and the access to market-sensitive information. The capital market trading world is now a digital bubble.

Building on digital advances, global capital markets are navigating ways to improve investor journey experience using digital blockchains through distributed ledger technologies or DLTs. A distributed digital ledger is a decentralised set of servers that handle different aspects of digital databases from separate locations to enable faster processing and more precise analytical interpretation of the data flow (see illustration 1).

Illustration 1:



For example, if the Nigerian Central Securities Clearing System (CSCS) decided to use DLT, it would accelerate the speed and accuracy of the current payment and settlement process and ensure tighter security over digital information flow. Since database nodes would be independent and have equal status with no central command and control structure, the technology provides better data protection.

Improved data protection would establish greater user confidence. Layered on this would be the



adoption of artificial intelligence and machine learning (AI/ML) which would support institutional aspirations to meet customer expectations.

Online, equity and debt trading would equally benefit from the adoption of DLT. Asset Brokers would have undeletable mirror images of booked transactions on multiple nodes or servers, ensuring that each transaction has a permanent digital footprint. In a DLT world, a few ethically-challenged practices of trade brokers would have been inconceivable. If DLT had been used in the payment and settlement systems of the 1990s and mid-2020s, a few gory tales of states losing money because of broker misapplication of funds would not have occurred.

Instances of funds diversion, wrong account statements, and delayed transaction execution would be inconceivable. States could monitor the use of funds by brokers and confirm the purchase and sale of state-owned equities in real time. Decentralising data and the simultaneous update of transactions across multiple nodes would have raised red flags where unauthorised transactions had occurred.

Beyond transparency and speed, DLT enables market participants to decide on market actions with a clearer understanding of a market's state of play. The improved corporate agility facilitated by a decentralised data management system allows blockchain technology to be applied to capital market transactions safely, efficiently, and effectively.

With volatility, uncertainty, complexity, and ambiguity (VUCA) dominating markets globally, finding calm within a framework designed to provide users with bespoke but shared benefits is the peace imposed on a stormy ocean of trading outcomes. Decentralised ledger technology tightens privacy and data vulnerability risks. With the capital market financial infrastructure (MFIs) adopting DLT, the Nigerian capital market is prepped to improve service delivery quality and lead the charge toward a network of African Exchanges that permit portfolio diversity and country derisking.

DLT will be a significant breakthrough in helping African investors improve their investment returns by trading a wider variety of assets or debts across broader continental markets. Admittedly, innovation comes with its dark sides, but in a world overshadowed by greyness, DLT sheds some light and warmth.

Of Blockchains, Cryptocurrencies, and FTX

However, with the problems of blockchain-based cryptocurrency exchanges like FTX, which imploded on the back of transaction obscurity, governance inadequacy, and technical weakness, DLT might come in for closer scrutiny.

The FTX imbroglio is instructive but not definitive. In other words, while lessons could be learned from a corporate governance view, from a technical perspective, distributed ledger technology is a stride into the future of digital payment and settlement solutions. The consumer's pain is a safe, transparent, and speedy asset/investment transfer mechanism, and as a solution, DLT provides the gains of market efficiency and effectiveness at lower transaction costs.

The lesson of the FTX meltdown is that greed is infectious and cancerous. The fact that Regulation is kept tight or that investor oversight is keen will not stop technology from being misused. The monetary gains from gaming the system are too strong an attraction for tech buffs who want to live easy lives.

David Schwartz, chief technology officer (CTO) of Ripple Labs, noted, "Regulation that punishes after



the fact won't catch it. Investor due diligence won't either. Of course, many people will say it could be, and likely is, happening, but they'll be shouted down by accusations of sowing FUD or upsetting a system making people money."

"This kind of thing will always happen unless it cannot happen," he noted. "The temptation is irresistible. That is one of the most important lessons of FTX. But most people will actively choose not to learn this lesson because of, among other things, the elephant in the room."

Will the FTX problem knock the stuffings out of blockchain and distributed ledger technology? Certainly not. While the cryptocurrency market undergoes a cold reality check, blockchain and DLT applications will thrive in several other less speculative, more governance-guided, and significantly less obscure uses. Using DLT in the capital market will show what blockchain technologies can do to help improve the regulator and client service experience.

The lesson of the FTX meltdown is that big elephants should never stay in the room. Regulation, technical knowledge, and governance practice standardisation should be part of the sandboxes created before trading technologies go live in markets. Good technologies require great oversight.

The 8th Online Trading Ranking Report is segmented into 9 sections. Section 1 takes a quick review of digital transformation and the diverse interests of stakeholders in distributed ledger technology. It considers the doubts, pains, and opportunities the decentralised technology presents to market efficiency. The section also describes the priorities of various stakeholders in adopting digital technologies, recognising the benefits of lower cost structure, new asset class, improved processes, transparency, multijurisdictional, liquidity, and business preservation.

Section 2 of the report examines the future of the capital market. The section recognises that part of the concerns that have preoccupied stakeholders and now represent the regulators' brief in the future is the need to increase the size of market capitalisation relative to the country's GDP. It compares regional and global pairs on the alignment between market capitalisation and GDP. The section further recognises the future of trading in light of the African Exchanges Linkage Project and highlights the analysts' expectations on the future of the capital market.

Emerging technologies have changed the dynamics of the global capital market, including the market's liquidity. Section 3 provides a peep into how operators and other stakeholders can create an agile and nimble information technology environment. The section reviews how ICT has facilitated the market's speed, ease, and efficiency. It boldly outlines the channels in which information technology facilitates market liquidity.

In Section 4 of the report, the authors revise the previous ranking for the benefit of hindsight. The section provides readers with an understanding of the dynamics associated with the emergence of young investors and the opportunities and threats in unifying Africa's trading platforms. It reviews how online trading platforms perform in the previous ranking.

Section 5 of the report identifies the competitive edge of capital market operators. This section describes how and factors that trigger capital market competitiveness to weigh the state of play of operators in the Nigerian capital market on the competitiveness metrics.

Section 6 captures the heart of the report, where the survey outcome is presented and interpreted. The section ranks trading platforms according to the responses of users of the different trading platforms and the rank given for service delivery quality, speed, agility, and innovation, among other criteria. The survey presents metrics and empirical evidence to users of online services to assess the operators' relative user experience and interface-friendliness (UX/UI). It provides operators with

insights into where their service offering converges, exceeds investors' expectations, or below expectations. The survey also provides operators with speedy service comparison, which could lead to service repositioning to improve customers' experience.

Having presented the performance of trading platforms, Section 7 appraises the regulatory efficiency in the market through the lens of emerging technologies and changing investors' tastes. This section of the report, which takes a tour of regulatory technology, highlights conditions that undermine regulatory oversight and largely tech-enabled triggers that promote regulation for transparency and market efficiency.

Section 8 briefly outlines the survey's methodology. It describes how the poll was conducted and how the results were collated to provide insights into client/user experience.

The conclusion segment of the report, Section 9 provides readers with inferences from the survey and makes recommendations for market stakeholders. The section underscores the importance of regulations and service offerings that converge with emerging market technologies and the changing investors' preferences.

The remaining sections of the report cover references to previous reports and videos; acknowledgement of capital market stakeholders most directly linked with the report; and relevant disclaimers.

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Digital Transformation and the Diverse Interests of Stakeholders in **DLT**.

"The increase in data collection and analysis recorded in the global markets presents an opportunity for Nigeria's capital market to achieve key sustainable development targets across other sectors of the economy via digital transformation". - Temi Popoola CEO, NGX Limited

Digital platforms now facilitate many businesses globally, but the relevance of digital transformation in the context of the Nigerian Capital Market (NCM) derives from the need to improve not just the trading experience of investors but also the clearing and settlement processes through a thorough review of the operational models of the markets and the utilisation of modern technology. In times past, the equities markets were largely paper-based, relying on ticket certificates and ledgers. Several days were required to settle trades, mainly because the paper had to move between counterparties physically. Today many of these processes are being digitised. However, trading has been able to capitalise on digitalisation to a much greater extent than clearing and settlement.

Market efficiency (in both of its forms, namely logistic and informational) has always been of concern to stakeholders, but as financial globalisation and cyber security become more critical, discussions around Distributed ledger technology (DLT) and its potential have become more commonplace. Distributed ledger technologies, like blockchain, are peer-to-peer arrangements that enable parties in a capital market transaction to maintain their own identical copy of a shared ledger. Rather than requiring a central authority to update and communicate records to all participants, DLTs would allow members to securely verify, execute, and record transactions without relying on a middleman.

Distributed ledger technology (DLT) has the potential to remove many of the inefficiencies and costs inherent in the Nigerian Capital market infrastructure.

But the drive for the adoption of DLT is motivated by different interests on the part of different operators. While Regulators tend to be interested in lowering costs and improving the process, Financial Market Infrastructures (FMIs) tend to be interested in preserving their businesses and improving the process. Issuers show greater concern about liquidity and lowering costs. Investors showed interest in Digitization because of the prospects of new assets class, transparency, liquidity, and access to multiple jurisdictions (see chart 1).

Chart 1:

Interests	Lower Cost	New Asset Class	Improve Processes	Transparency	Multi-Jurisdictional	Liquidity	Business Preservation
Regulator							
Infrastructure							
Issuers							
Inv. Banks							
Brokers							
Registrars							
Asset Manager							
Exchanges							
Investors							

Source: **Proshare** Research

Online TRADING | **Proshare.**

2023 Macro Economic Outlook

The Many Faces of Nigeria in 2023: Understanding the Economics of Change.

A Proshare Report **Out** in January, 2023.



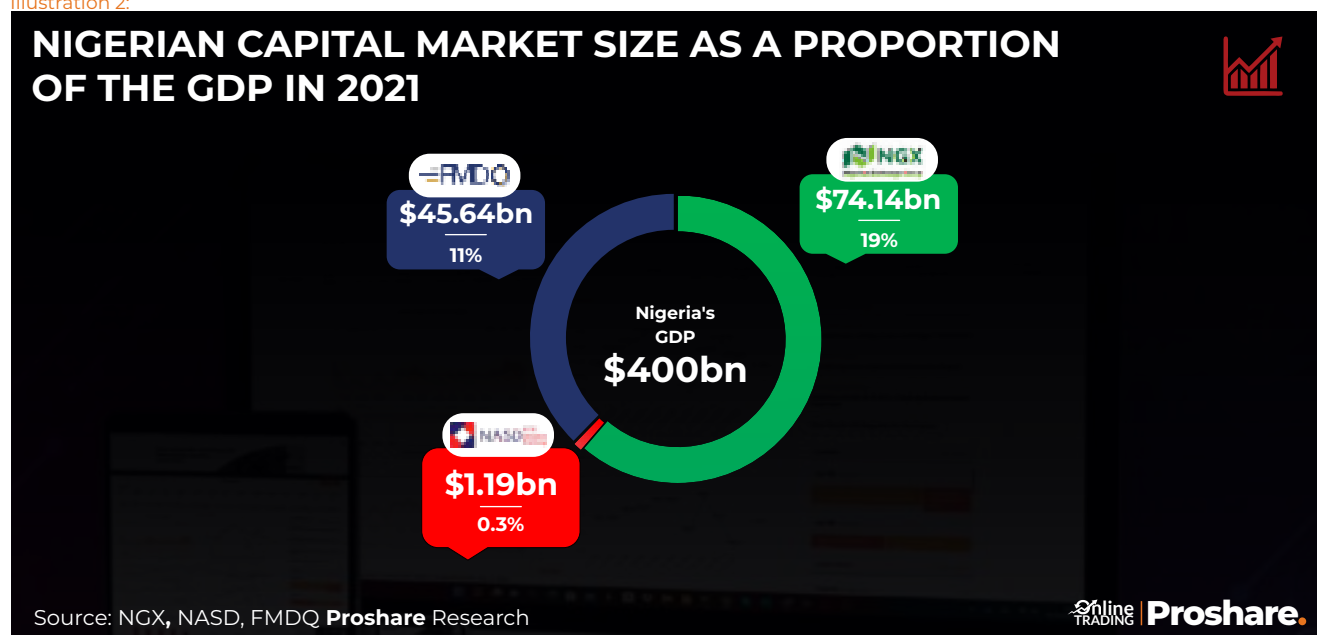
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Online Trading: **The Future of the Capital Market.**

The Nigerian financial system has the capital market as an integral part of it. The money market, the insurance market, and pensions are other aspects of the Nigerian financial system, each being regulated by governmental agencies such as the SEC, NAICOM, and PENCOM, where all are tasked by statutes to set their own long-term objectives. In addition, they are to further the course of capital formation by making it easier for surplus and deficit units to exchange money. The exchanges that make up the securities industry or capital market are self-regulatory, which means that they set and enforce rules to direct the professional activities of their members.

But amongst other concerns that have preoccupied stakeholders and now represent the regulators' brief in the future is the need to increase the size of market capitalisation relative to the country's GDP. Experts have argued that the currently low market capitalisation to GDP ratio is because the capital market is not representative of the Nigerian economy. The Market Capitalization to GDP ratio (of the NGX), which stood at 29.7% in December 2007, has declined to 18%, showing that key players in growth sectors in the Nigerian economy do not have their securities listed on the capital market. Taken together, however, the market capitalisation of the three major exchanges, namely FMDQ Group (\$45.64bn), NGX(\$74.14bn) and NASD(\$1.19bn) amounted as of December 2021 to US\$120.9bn less than 50% of the country's US\$ 400bn GDP in 2021 (*see illustration 2*).

Illustration 2:



In economies with more sophisticated capital markets, the situation is different. The ratio of Market capitalisation to GDP in the US is 151% as of June 2022, while the long-term average Market Capitalisation to GDP is 82.55%. The situation in the UK is similar. As of December 2021, Market capitalisation as a percentage of GDP was 106.4%, with an all-time high of 130.8%. The South African case further typifies the argument for a more vibrant capital market. The Johannesburg Stock Exchange (JSE) market capitalisation as a proportion of South Africa's GDP in 2021 was 329.3%.

Digital transformation is required for Nigeria to deepen its capital market further and increase the variety of instruments available to investors. A digitally inclusive capital market structure would save time and resources and strengthen partnerships among securities exchanges.

In that light, the African Exchanges Linkage Project (AELP), going live on cross-border trading in November 2022, represents a milestone just like MTN's 575m digital public share offer last December. Integrating the African capital markets by facilitating the free movement of investments in the continent through the AELP Link platform. The interconnectivity platform enables the trading on exchange-listed securities across seven participating securities exchanges, namely: Bourse Regionale des Valeurs Mobilières (BVRM), Bourse de Casablanca (BVC), The Egyptian Exchange (EGX), Johannesburg Stock Exchange (JSE), Nairobi Securities Exchange (NSE), Nigerian Exchange Limited (NGX), and Stock Exchange of Mauritius (SEM).

In the future, the Capital Market is expected to:

- ④ Serve as a major source of funding for most government and companies' capital projects
- ④ The employment of DLT to improve:
 - ④ Settlement finality
 - ④ Traceability
 - ④ Anonymity at the appropriate points
 - ④ Low latency
 - ④ Scalability
 - ④ Liquidity
 - ④ Richness of information – metadata
- ④ Build on digital transformation, listings and de-listings, technology, partnerships, and

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2022 Market Review and 2023 Outlook

Yesterday and Tomorrow: Answering the Cashflow Question.

A Proshare Report **Out** in January, 2023.



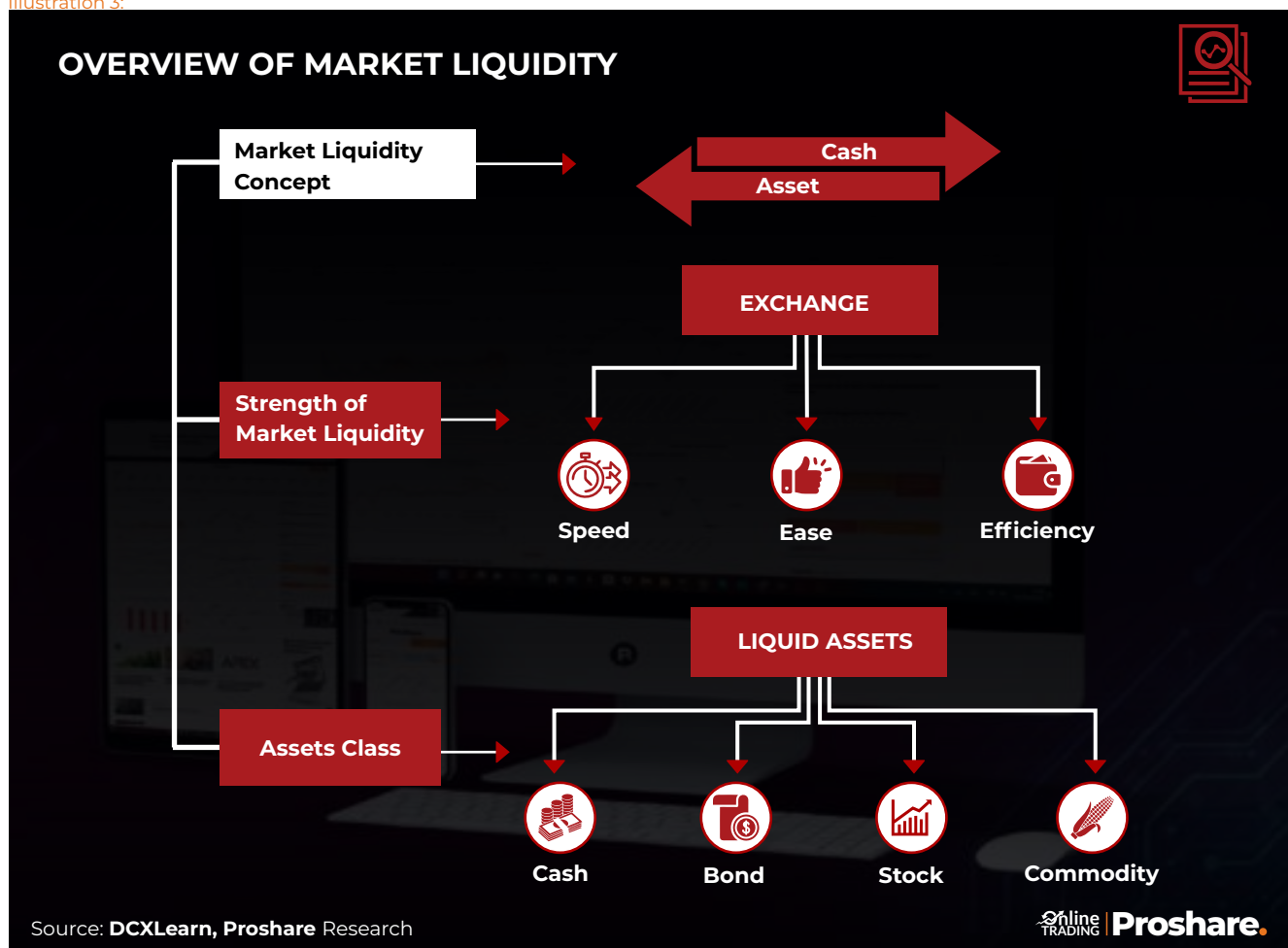
Market Liquidity - **Creating an Agile and Nimble IT Environment.**

A highly liquid and functional capital market is one of the main determinants of productivity and economic growth. However, investing in a market depends on market liquidity. Market liquidity is the ease of trading in stocks, reflecting how investors can buy and sell securities rapidly without lowering the price or incurring additional transaction costs. A combination of low-interest rates, strong asset valuations, and vibrant financial markets drive market liquidity.

Structural market changes have increased financial markets' vulnerability, undermining their capacity to maintain their liquidity, especially in recent times. The Nigerian Exchanges have also had their share of low trade frequency that challenges market liquidities. The high cost of trading, unstable exchange rates, high inflation rates, high brokerage commissions, information and disclosure deficiencies, poor supervision by regulatory authorities, global financial crisis, and political instability have supported this trend.

In most developed countries, technology has streamlined the roles of intermediaries, eliminating the requirement for a stockbroker and aiding market Liquidity. The Internet of Things has further given investors real-time access to market information; price movements, directors' dealings, and companies' financials, among others. Thus, investors are able to make better investment decisions quickly and seamlessly (*see illustration 3*).

Illustration 3:





Facilitating Market Liquidity through Technology Adoption

Technological development has remained a game-changer for capital market operators. Emerging technologies have made it possible to develop web portals and mobile Apps to facilitate agile and speedy market activities. Both technologies offer smooth and continuous trading platforms for investors, reducing trading costs and increasing market liquidity. Specifically, technology adoption facilitates the velocity of liquid asset transactions through improved efficiency and convenience of swifter transactions, real-time monitoring, and enhanced security features, among others.

Faster Transaction

In the past, capital market operators were required to go through a hectic and time-consuming process to standardise transactions, which weighs in on the market's liquidity. Technology advancements offer faster and more secure transactions, thus reducing the inefficiencies of trading and increasing liquidity. As the need for manual intermediaries lessened, redundant manual records, audits, and verification were eliminated.

Real-Time Monitoring

Real-time monitoring facilitates the trading experience and reduces transaction costs to a great extent. While technological advancement has made it feasible for investors and brokers in the Nigerian capital market to get accurate and instant market information, there are gaps in the full adoption of real-time technologies for actual trading. It holds the prospect of eliminating the risk of human errors in trading as it offers features to verify and monitor trading. With the ability to respond swiftly to market information to optimise trading, market liquidity has thus improved.

Enhanced Security Features

Technological advancements have also provided a secure platform for trading activities, like automated surveillance for each transaction. The integrated infrastructure of capital markets secures records of all trades, bringing complete trust and transparency to trading.

Use of Blockchain in Trading

Although most capital markets across the globe are yet to embrace Blockchain technology for faster and more secure transactions, its decentralised framework can secure market transparency and credibility. It has the potential to secure trading and monitor risks. Market operators like the Japan Financial Services Agencies, NYSE, Deutsche Borse, etc., are in the advanced stage of preparedness to leverage blockchain technology as market infrastructure. SEBI is also considering implementing blockchain technology for speed and ease of trading. The use of blockchain offers complete transformations in the capital market, including:

- ❶ Eliminating the risk of third-party authorities using smart contracts and network regulation.
- ❷ Use of automation to provide the infrastructure for faster trade settlement.
- ❸ It provides a robust platform to implement security measures by tracking and reporting illicit activities.

Accessibility for All

An influx of young investors into the capital market often reflects a considerable growth in market liquidity. Technological advancement has lowered trading inefficiencies by reducing the cost and entry barriers to investing in the capital market through the availability of online trading platforms. These reduced costs in time and monetary values have, thus, widened the accessibility of the capital markets for different categories of retail investors.

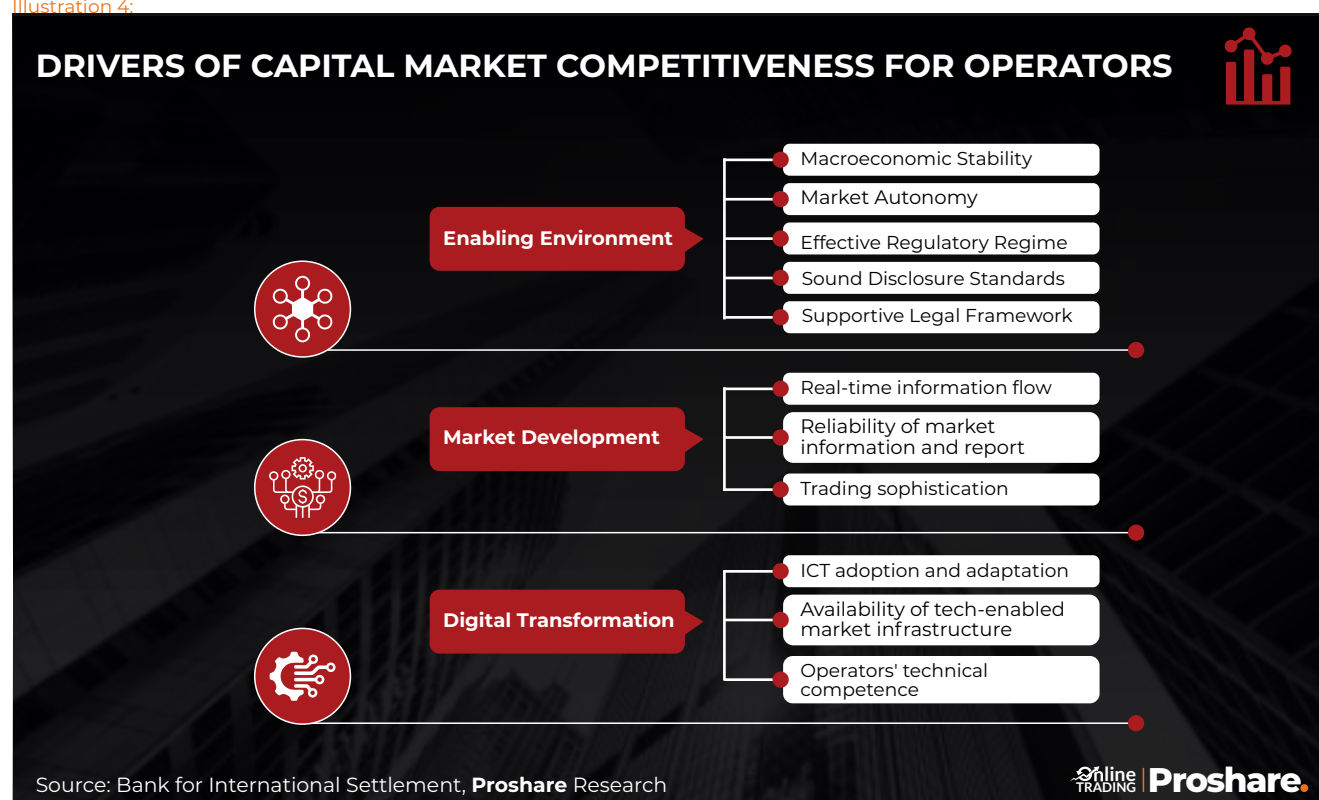
From highlights to insights.



The Operator's Competitive Edge - From a Vantage Point.

Capital markets play a critical role in the financial development of any economy. It promotes wealth creation, supports financial literacy, funds sustainable development of the country, fosters economic growth and innovation, and aids capital reallocation. The capital market facilitates economic growth and financial stability by providing the infrastructure to channel financing for the real economy. However, the growing strength of capital markets across the globe is fueling a higher priority on the competitiveness of the capital market. The competitiveness of the market is measured by the market capacity to provide a healthy and efficient platform where excess liquidity can be channelled to create a healthy economy. This hangs on how the market and operators leverage the operating environment, market development, and evolving digital transformation (see illustration 4).

Illustration 4:



While recent global development has changed the competitiveness of most Capital Markets on the balance, operators' competitiveness has sustained market prospects across major economies. In Nigeria, the dynamics of market operators in modernising transactions and the regulatory requirement on institutional investors have remained the low-hanging fruits for market competitiveness.

The restrictions of the global pandemic and the evolution of technologies have led to the adoption and deep embedding of digital technologies in the Nigerian capital market. A vibrant Nigerian economy requires a dynamic capital market powered by modernisation, competition, and diversity.



Nigeria's trading platforms have to some extent, leveraged development in information and communication technology for speed and efficiency. This stands out as one of the market edges, driving resilience and positive returns across Exchanges in Nigeria. Other strong points for market operators in Nigeria is the expertise to localise the evolution of global market development and diversify both the products offering and the investors base (*see illustration 5*).

Illustration 5:



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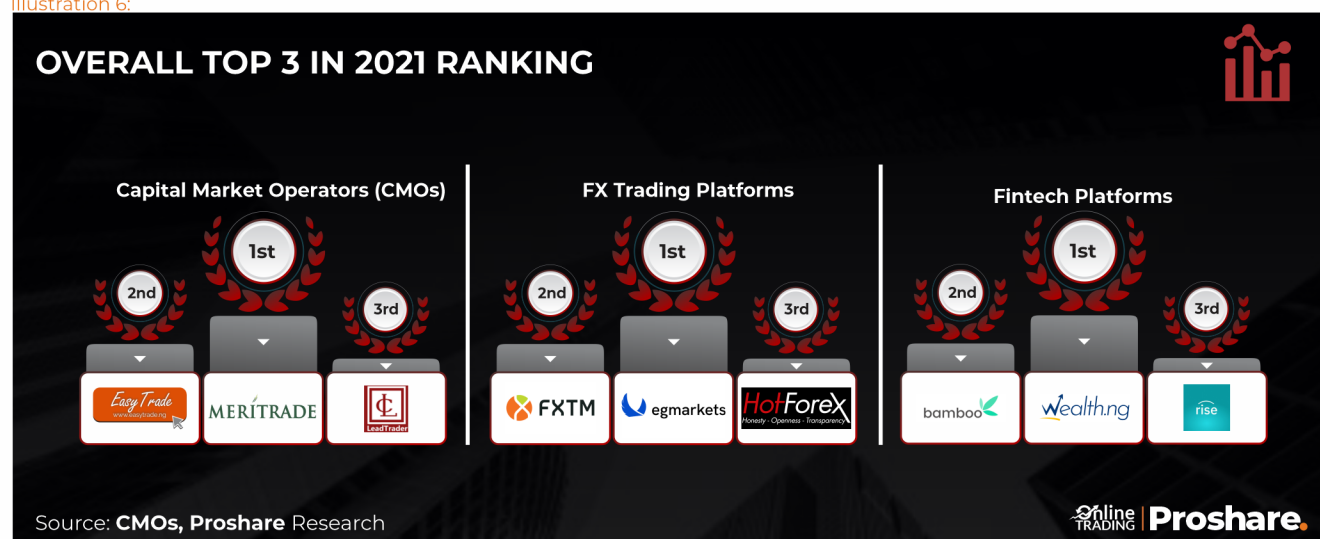
The Benefit of Hindsight: **Reviewing Previous Ranking Reports.**

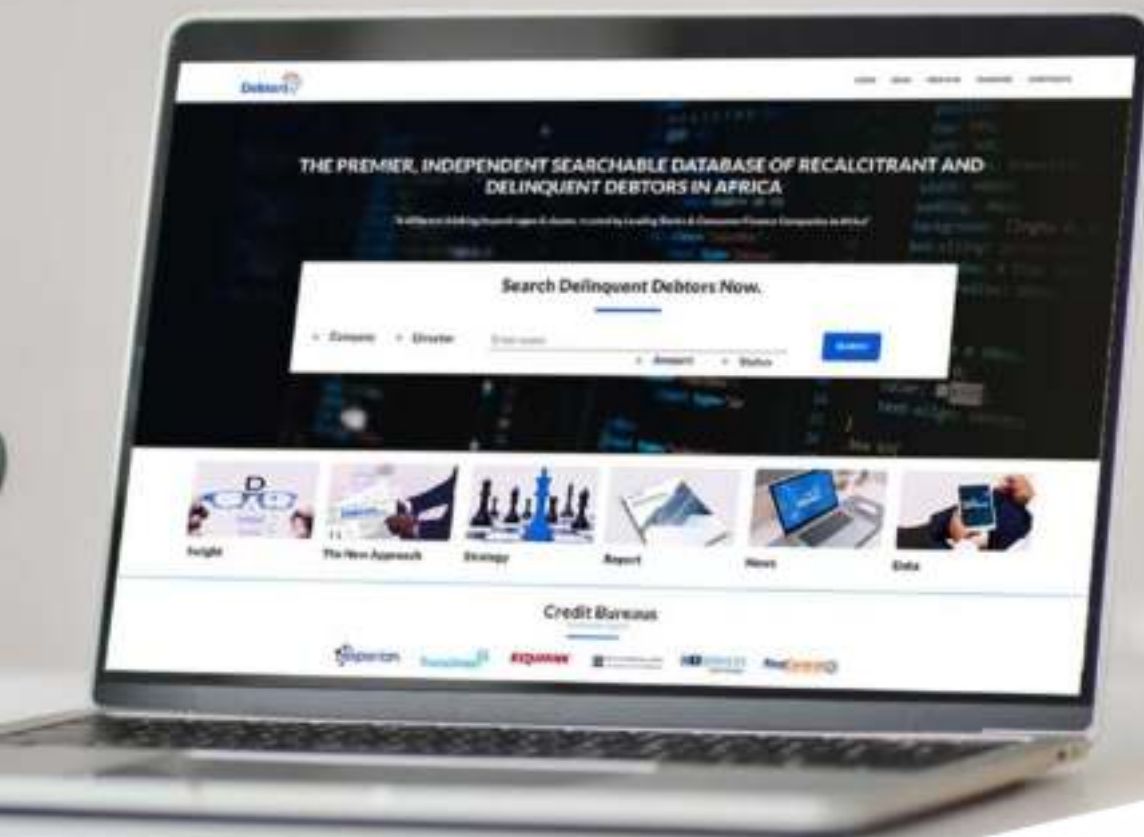
The 7th edition of the Online Trading Report analysed the Nigerian online trading portals with particular reference to the benefits of a unified African trading platform. This was predicated on two trends: changing investors' preferences and the economic integration of Africa. The digital transformation of investment services and the commencement of the African Continental Free Trade Agreement (AfCFTA) have made digital trading more compelling. Phase II and III of the AfCFTA protocols, which cover Intellectual Property Rights (IPRs), investment, competition policy, and e-commerce, influence the unification of Exchanges in Africa.

In the immediate edition, Proshare analysts noted that the movement of equity and debt trading across national borders had fueled a consideration of the merits and demerits of a unified African trading platform among many African investors. Although the rise of African fintech companies has attempted to unlock the doors to transnational financial services, their offerings have been limited to money market services. However, the initiation of the African Exchange Linkages Programme (AELP), a flagship project of the African Securities Exchanges Association (ASEA) and the African Export-Import Bank has shifted toward the perspective of cross-border capital market trading.

The growth of young investors in Nigeria and other economies has altered investment towards offshore markets in search of speed, ease, responsiveness, and higher returns. Hence, the previous edition of the online trading report enabled an understanding of customers'/users' experience and expectations of online trading platforms in the Nigerian Capital Market. Furthermore, it made advocacy for a Unified Exchange on the continent. This allowed the market to explore the benefits and threats of integrated trading and how it meets the changing customer market service needs. Essentially, the responses from the survey favoured all market operators, especially Capital Market Operators (CMOs), FX Trading Platforms, and Fintech Platforms. In the 2021 ranking, **Meritrade** ranks first among CMOs, **Eagle Global Market** ranks first in FX trading platforms, and **Wealth.ng** ranks first in Fintech platforms (see illustration 6).

Illustration 6:





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Ranking Criteria and Results – The Survey.

Review of Previous Ranking Reports

Our previous online trading platforms ranking reports released in H1 and H2 2016 focused on trading portals linked to the NSE trading platform, X-Gen.

The report for the year 2017 focused on portals linked to the NSE trading engine and FX trading portals.

This was extended to commodities trading platforms alongside other platforms earlier focused on in previous ranking reports.

In 2019, all previous trading platforms in the 2018 ranking report were contacted with an extension to cryptos trading platforms and tech service providers.

All trading platforms contacted in 2020 were also contacted in 2021 except cryptos trading platforms.

Table 1:

REVIEW OF PREVIOUS RANKING REPORTS							
	H1 2016	H2 2016	2017	2018	2019	2020	2021
No of CMOs Contacted	15	16	271	198	140	143	143
No of Responses from CMOs	10	13	13	13	13	8	8
No of FX Trading Platforms Contacted	Nil	Nil	12	12	13	13	14
No of Responses from FX Trading Platforms	Nil	Nil	2	Nil	Nil	Nil	Nil
No of Cryptos Traders Contacted	Nil	Nil	Nil	Nil	3	Nil	Nil
No of Responses from Cryptos Trading Platforms	Nil	Nil	Nil	Nil	Nil	Nil	Nil
No of Undelivered Letters	Nil	Nil	74	29	15	NA	NA
No of Regulators Contacted	Nil	Nil	Nil	6	6	6	6
No of Tech Service Providers Contacted	Nil	Nil	Nil	Nil	4	4	4
No of WealthTech Companies Contacted	Nil	Nil	Nil	Nil	Nil	15	15
No of Responses from WealthTech Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Source: Proshare Research

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2021 Ranking Summary

CMOs

The responses from the 2021 customer service survey favoured Meritrade, Investment-One Easy Trade and Cordros TradeButton as they emerged 1st, 2nd and 3rd respectively

Table 2:

2021 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	12th	12th	12th	12th
APTTrade	10th	8th	8th	9th
ARMStocktrade	7th	7th	6th	7th
ASAM eTrade	11th	10th	11th	10th
Bancorp eTrade	12th	14th	15th	13th
Cashcraft	15th	17th	15th	15th
CityTrade	8th	9th	9th	8th
Cordros TradeButton	2nd	2nd	2nd	2nd
DominionNG Online	Not Ranked	17th	19th	15th
GTI Online Trader	Not Ranked	14th	14th	Not Ranked
Investment -One Easytrade	1st	3rd	3rd	3rd
Investnow	3rd	5th	5th	5th
LeadTrader	5th	6th	7th	6th
Meritrade	3rd	1st	1st	1st
MorganCapital i-trade	9th	11th	10th	10th
Mytradebook	5th	4th	4th	4th
Stanbic IBTC e-Trade	Not Ranked	13th	13th	Not Ranked
TRW E-Trader	Not Ranked	Not Ranked	15th	Not Ranked
WSTC eTrader	12th	14th	15th	13th

Source: Proshare Research

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FX Trading Platforms

The responses from the 2020 customer service survey favoured ForexTime, Eagle Global Markets and HotForex as they emerged 1st, 2nd and 3rd respectively.



Table 3:

FX TRADING PLATFORMS				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Eagle Global Markets	2nd	2nd	2nd	2nd
ForexTime	1st	1st	1st	1st
HotForex	Not Ranked	2nd	3rd	2nd

Source: Proshare Research

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2020 Ranking Summary

CMOs

The responses from the 2020 customer service survey favoured Meritrade, Investment-One Easy Trade and Cordros TradeButton as they emerged 1st, 2nd and 3rd respectively.

Table 4:

2020 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	12th	12th	12th	12th
APTTrade	10th	8th	8th	9th
ARMStocktrade	7th	7th	6th	7th
ASAM eTrade	11th	10th	11th	10th
Bancorp eTrade	12th	14th	15th	13th
Cashcraft	15th	17th	15th	15th
CityTrade	8th	9th	9th	8th
Cordros TradeButton	2nd	2nd	2nd	2nd
DominionNG Online	Not Ranked	17th	19th	15th
GTI Online Trader	Not Ranked	14th	14th	Not Ranked
Investment -One Easytrade	1st	3rd	3rd	3rd
Investnow	3rd	5th	5th	5th
LeadTrader	5th	6th	7th	6th
Meritrade	3rd	1st	1st	1st
MorganCapital i-trade	9th	11th	10th	10th



Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Mytradebook	5th	4th	4th	4th
Stanbic IBTC e-Trade	Not Ranked	13th	13th	Not Ranked
TRW E-Trader	Not Ranked	Not Ranked	15th	Not Ranked
WSTC eTrader	12th	14th	15th	13th

Source: Proshare Research

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FX Platforms

The responses from the 2020 customer service survey favoured ForexTime, Eagle Global Markets and HotForex as they emerged 1st, 2nd and 3rd respectively.

Table 5:

FX PLATFORMS				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Eagle Global Markets	2nd	2nd	2nd	2nd
ForexTime	1st	1st	1st	1st
HotForex	Not Ranked	2nd	3rd	2nd

Source: Proshare Research

Online TRADING | Proshare.

2019 Ranking Summary

CMOs

The responses from the 2019 customer service survey favoured Mytradebook, Meritrade and InvestNow as they emerged 1st, 2nd and 3rd respectively.

Table 6



Table 6:

2019 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	5th	5th	5th	5th
APTTrade	7th	6th	9th	9th
ARMStocktrade	11th	10th	11th	11th
Bancorp eTrade	13th	12th	13th	13th
CapEx Trade	Not Ranked	13th	Not Ranked	Not Ranked
CityTrade	9th	9th	7th	7th
Cordros TradeButton	2nd	4th	3rd	4th
Easytrade	12th	11th	12th	12th
Investnow	3rd	3rd	2nd	3rd
LeadTrader	7th	9th	7th	8th
Meritrade	3rd	1st	3rd	1st
MorganCapital i-trade	6th	7th	6th	6th
Mytradebook	1st	2nd	1st	2nd
Stanbic IBTC e-Trade	10th	8th	10th	10th

Source: Proshare Research

Online TRADING | Proshare.

FX Platforms

The responses from the 2019 customer service survey favoured Eagle Global Markets, ForexTime and HotForex as they emerged 1st, 2nd and 3rd respectively.

Table 7:

FX PLATFORMS				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Alpari	Not Ranked	4th	Not Ranked	Not Ranked
Eagle Global Markets	1st	1st	1st	1st
ForexTime	2nd	1st	2nd	Not Ranked
HotForex	3rd	3rd	3rd	2nd

Source: Proshare Research

Online TRADING | Proshare.

2018 Ranking Summary

The responses from the 2018 customer service survey favoured Mytradebook, Meritrade and EasyTrade as they emerged 1st, 2nd and 3rd respectively.

Table 8:

2018 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	7th	4th	5th	4th
APTTrade	9th	7th	8th	9th
ARMStocktrade	13th	11th	13th	13th
ASAM eTrade	8th	10th	9th	8th
Bancorp eTrade	Not Ranked	15th	Not Ranked	Not Ranked
CityTrade	6th	5th	5th	5th
Cordros TradeButton	4th	6th	4th	5th
Easytrade	3rd	3rd	3rd	3rd
GTI Online	14th	14th	13th	14th
Investnow	11th	12th	11th	11th
LeadTrader	9th	9th	10th	10th
Meritrade	2nd	2nd	2nd	2nd
MorganCapital i-trade	5th	8th	7th	7th
Mytradebook	1st	1st	1st	1st
TRW e-Trader	14th	Not Ranked	13th	14th
Stanbic IBTC e-Trade	12th	12th	12th	12th
WSTC eTrader	14th	15th	13th	14th

Source: Proshare Research

Online TRADING | Proshare.

Table 9

2017 Ranking Summary

The responses from the 2017 customer service survey favoured Meritrade, EasyTrade and Mytradebook as they emerged 1st, 2nd and 3rd respectively.

Table 9:

2017 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	Not Ranked	7th	Not Ranked	7th
APTTrade	Not Ranked	4th	4th	4th
CityTrade	Not Ranked	7th	Not Ranked	7th
Easytrade	1st	3rd	2nd	2nd
Investnow	4th	5th	Not Ranked	5th
LeadTrader	4th	7th	6th	Not Ranked
Meritrade	2nd	1st	1st	1st
MorganCapital i-trade	Not Ranked	5th	5th	Not Ranked
Mytradebook	3rd	2nd	3rd	3rd
TRW e-Trader	Not Ranked	Not Ranked	6th	5th
Stanbic IBTC e-Trade	Not Ranked	Not Ranked	Not Ranked	7th

Source: Proshare Research

H2 2016 Ranking Summary

The Customers Survey done before the release of our H2 2016 report favoured Meritrade, EasyTrade, Afrinvestor, CordrosTradeButton, and APTeTrade the most.

Table 10:

H2 2016 RANKING SUMMARY				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	4th	3rd	3rd	3rd
APTTrade	5th	4th	4th	3rd
ARMStocktrade	7th	9th	8th	7th



Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Bancorp e-trade	Not Ranked	11th	12th	10th
Cordros TradeButton	3rd	6th	5th	3rd
Easytrade	2nd	2nd	2nd	2nd
Investnow	Not Ranked	Not Ranked	11th	10th
LeadTrader	5th	4th	7th	6th
Meritrade	1st	1st	1st	1st
MorganCapital i-trade	9th	8th	8th	9th
Mytradebook	8th	7th	6th	8th
Stanbic IBTC e-Trade	10th	10th	10th	10th

Source: Proshare Research

Online TRADING | **Proshare.**

H1 2016 Ranking Summary

The Customer Survey Results of our H1 2016 report favoured EasyTrade, InvestNow, CordrosTradeButton, Meritrade and LeadTrader the most.

Table 11:

H1 2016 RANKING SUMMARY						
Portals	Ease of Navigation	Speed	Aesthetics	Accessibility	Customer Service Responsiveness	Enquiry Management
Investnow.ng	1st	5th	5th	6th	1st	1st
Easy Trade	1st	2nd	1st	3rd	1st	1st
Cordros	3rd	1st	2nd	2nd	3rd	4th
Meritrade	4th	2nd	4th	4th	5th	5th
Afrinvestor	5th	5th	5th	7th	6th	6th
LeadTrader	5th	5th	5th	1st	6th	1st
MorganCapital i-Trade	7th	4th	3rd	5th	4th	6th

Source: Proshare Research

Online TRADING | **Proshare.**

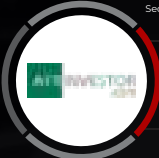

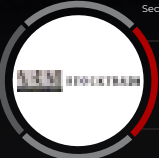

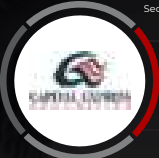



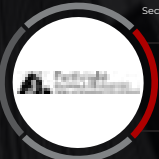
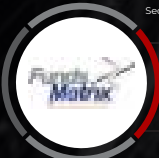
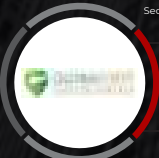
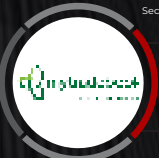








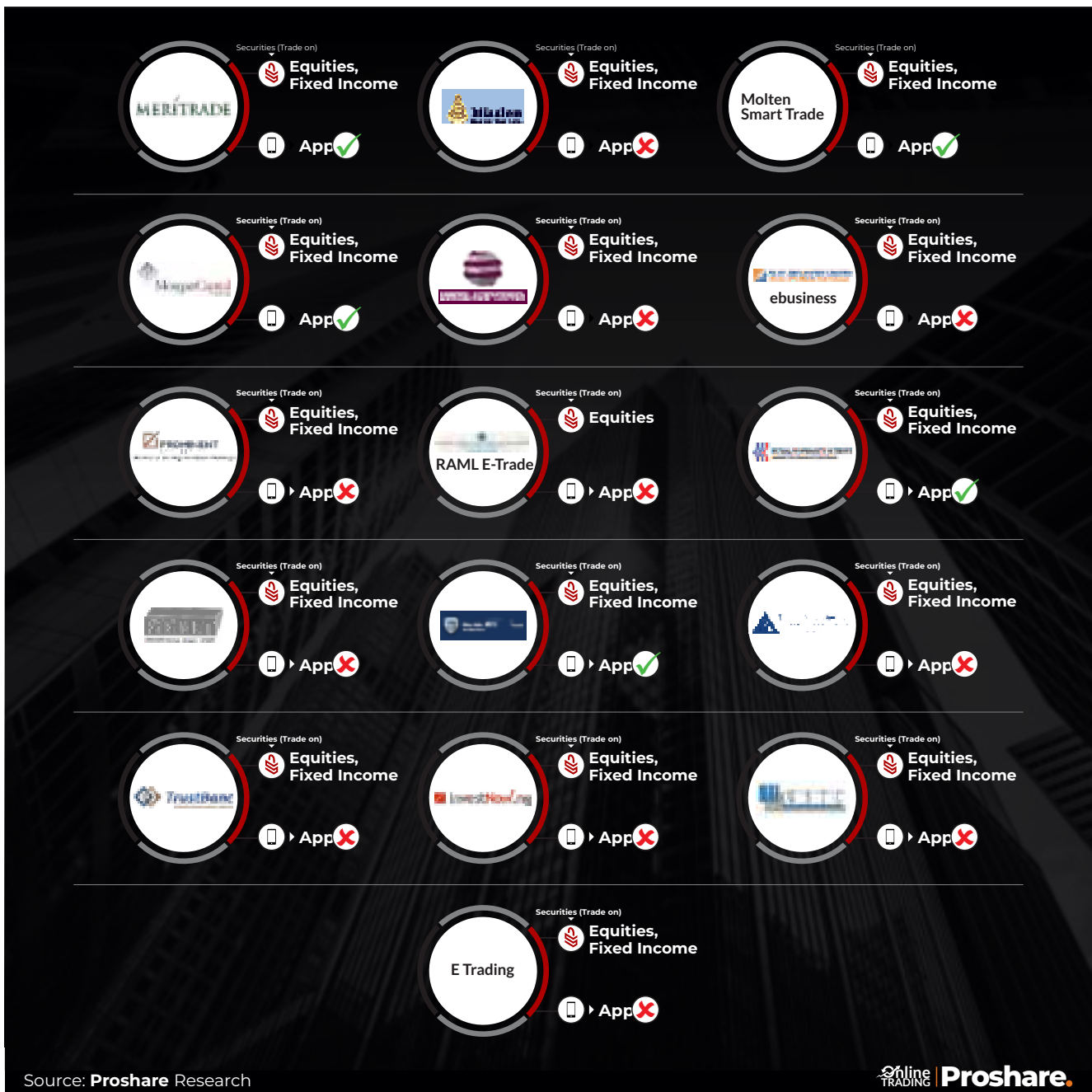
Operators

CMOs

The responses from the 2019 customer service survey favoured Mytradebook, Meritrade and InvestNow as they emerged 1st, 2nd and 3rd respectively.

Table 12:

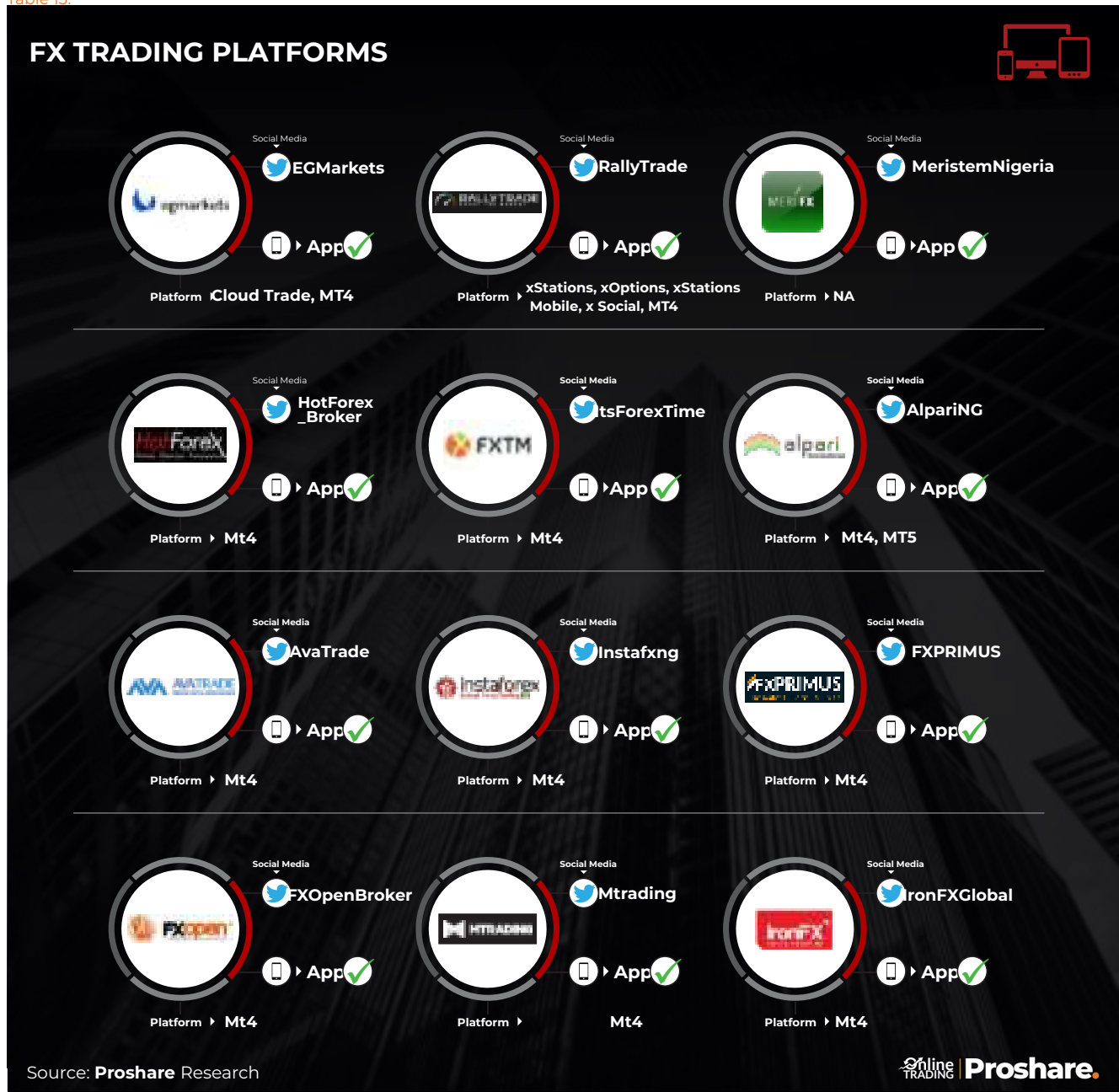
CMOs WITH ONLINE TRADING PLATFORMS		
 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>
 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>
 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>
 <p>Securities (Trade on)</p> <p>Equities</p> <p>App ✗</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>
 <p>Securities (Trade on)</p> <p>Equities</p> <p>App ✗</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>
 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✓</p>	 <p>Securities (Trade on)</p> <p>Equities, Fixed Income</p> <p>App ✗</p>



FX Trading Platforms

The responses from the 2019 customer service survey favoured Mytradebook, Meritrade and InvestNow as they emerged 1st, 2nd and 3rd respectively.

Table 13:

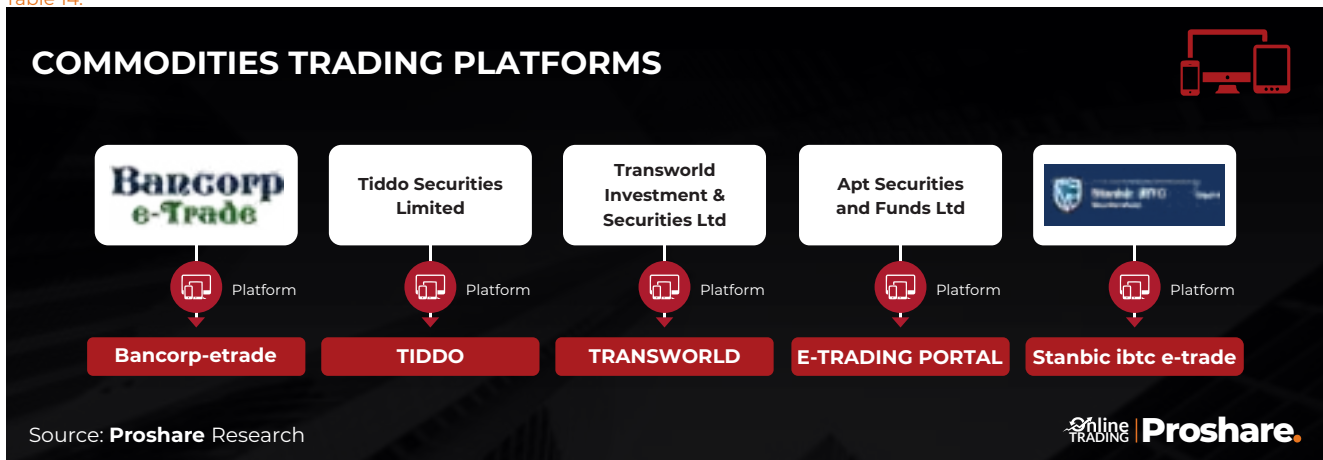


Commodities Trading Platforms



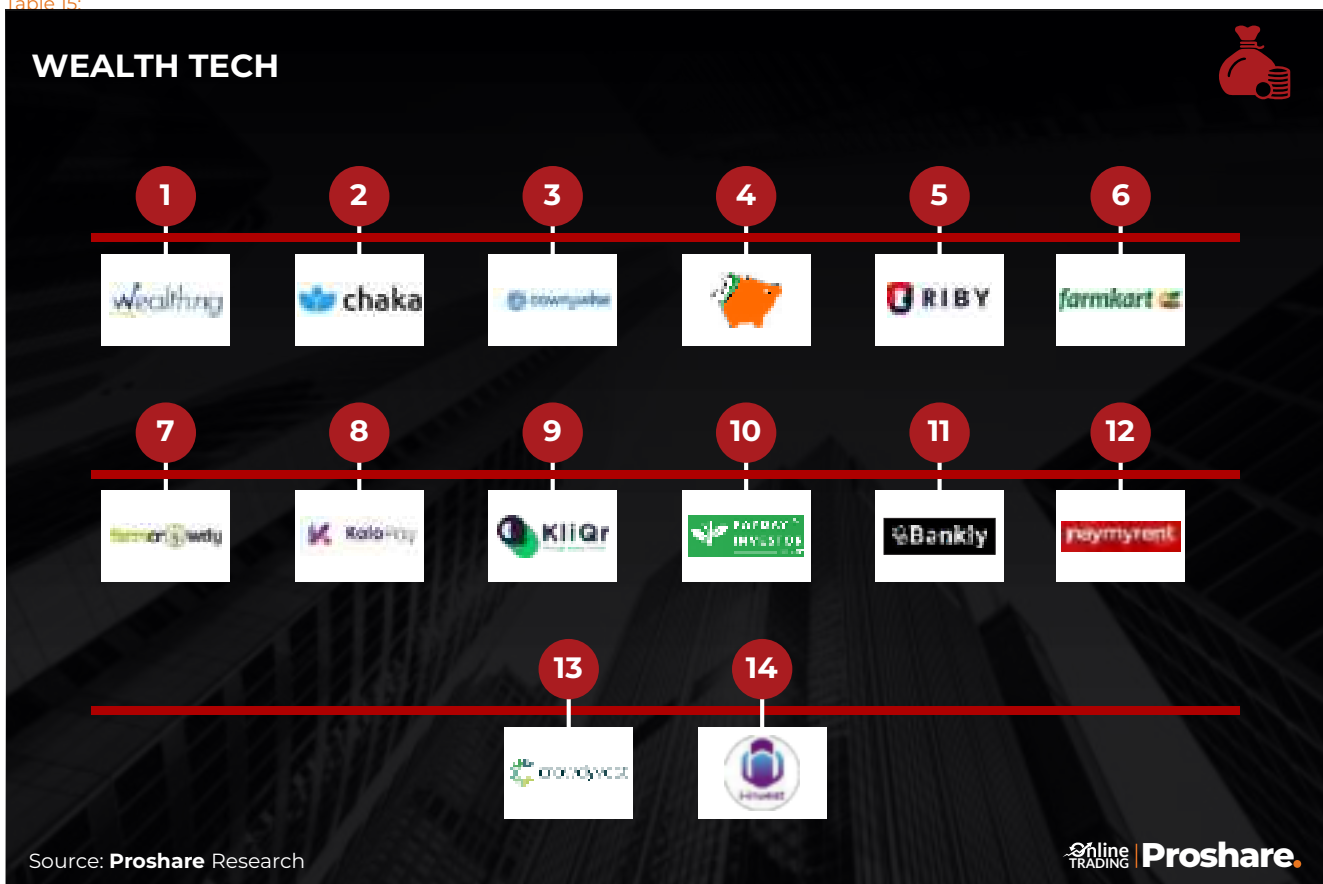
Commodities Trading Platforms

Table 14:



Wealth Tech

Table 15:



Ranking Criteria and Results – The Survey

RANKING CRITERIA

For this report, the criteria used for ranking online trading platforms in Nigeria fall under the categories listed below;



Online TRADING | **Proshare.**

RANKING RESULTS

The results of the online trading portal survey carried out between September 01 and October 31, 2022, are as presented below.

Out of the 596 responses;



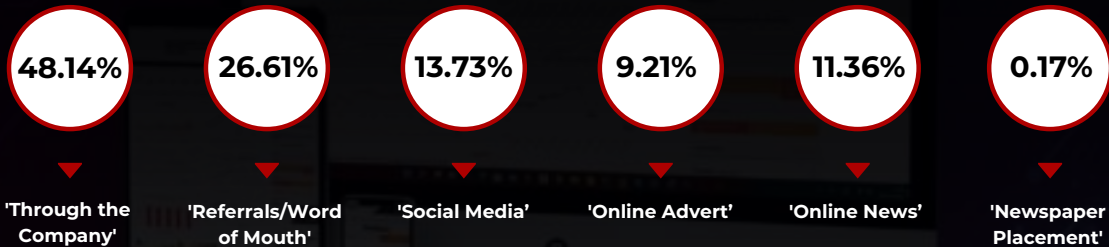
However, about 16.28% of the responses were in favour of others while no response was obtained in favour of CapEx Trade, TRW e-Trader and WSTC e-Trader.

Online TRADING | **Proshare.**

PLATFORM DISCOVERY



Users/Respondents discovered the various platforms they use through the following means:

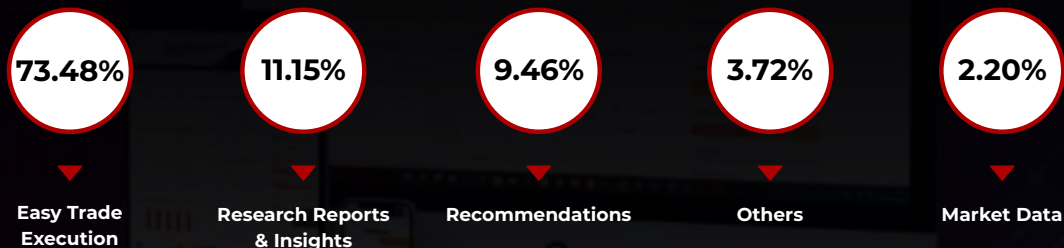


Online TRADING | Proshare.

FEATURES – SOUGHT AFTER/EXPECTATIONS



Respondents said that they chose the various platforms based on the following:

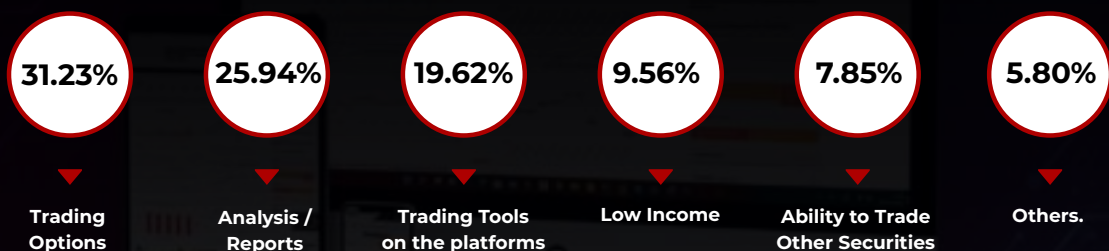


Online TRADING | Proshare.

FEATURES – MOST LIKED



Respondents said that they like the following features most on the various platforms:



Online TRADING | Proshare.

FEATURES – SERVICE IMPROVEMENT



Respondents said that brokers can engage in the following to improve on their services:

28.06%

Ability to Trade
Other Securities

25.13%

Lower
Commission

17.04%

Better Research
Reports

15.32%

Improved
Trade Execution
Tools

7.57%

Others

6.88%

Lower Minimum
Initial Deposit
Requirements

Online
TRADING | Proshare.

ONLINE TRADING EXPERIENCE



Respondents' feedback on whether their online trading experience changed their perspective about trading and investing in the Nigerian Capital Market is as presented below:

81.66%

Asserted
'Yes'

16.64%

Asserted
'No'

Online
TRADING | Proshare.

FREQUENCY OF TRADING



Respondents' feedback on how often they trade in the Nigerian Financial Market is as presented below:

54.42%

When they Get an
Insight About a Stock
or Investment Offer

16.03%

Daily

14.86%

When Their Broker
Advises To Do So

14.69%

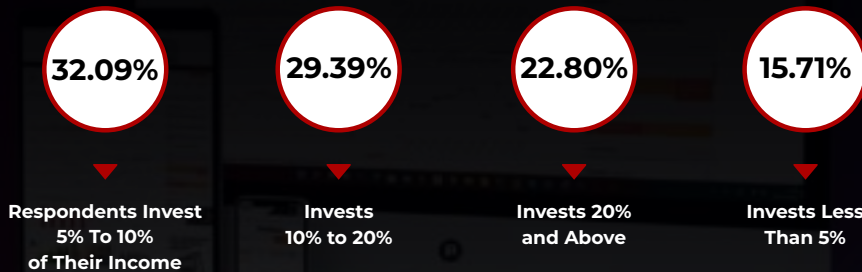
Others

Online
TRADING | Proshare.

PERCENTAGE OF INCOME INVESTED



Respondents' were asked questions about the percentage of their income invested. Their responses are presented below:

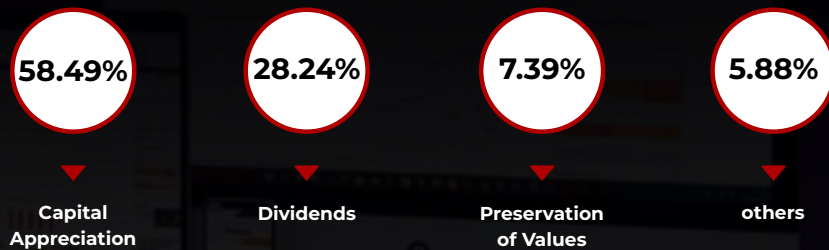


Online TRADING | Proshare.

INVESTMENT EXPECTATIONS



Respondents' were asked questions about their expectations when choosing an investment. Their responses are presented below:

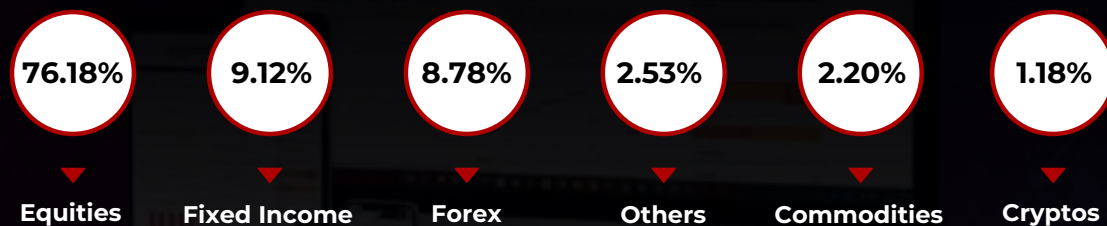


Online TRADING | Proshare.

SECURITIES TRADED

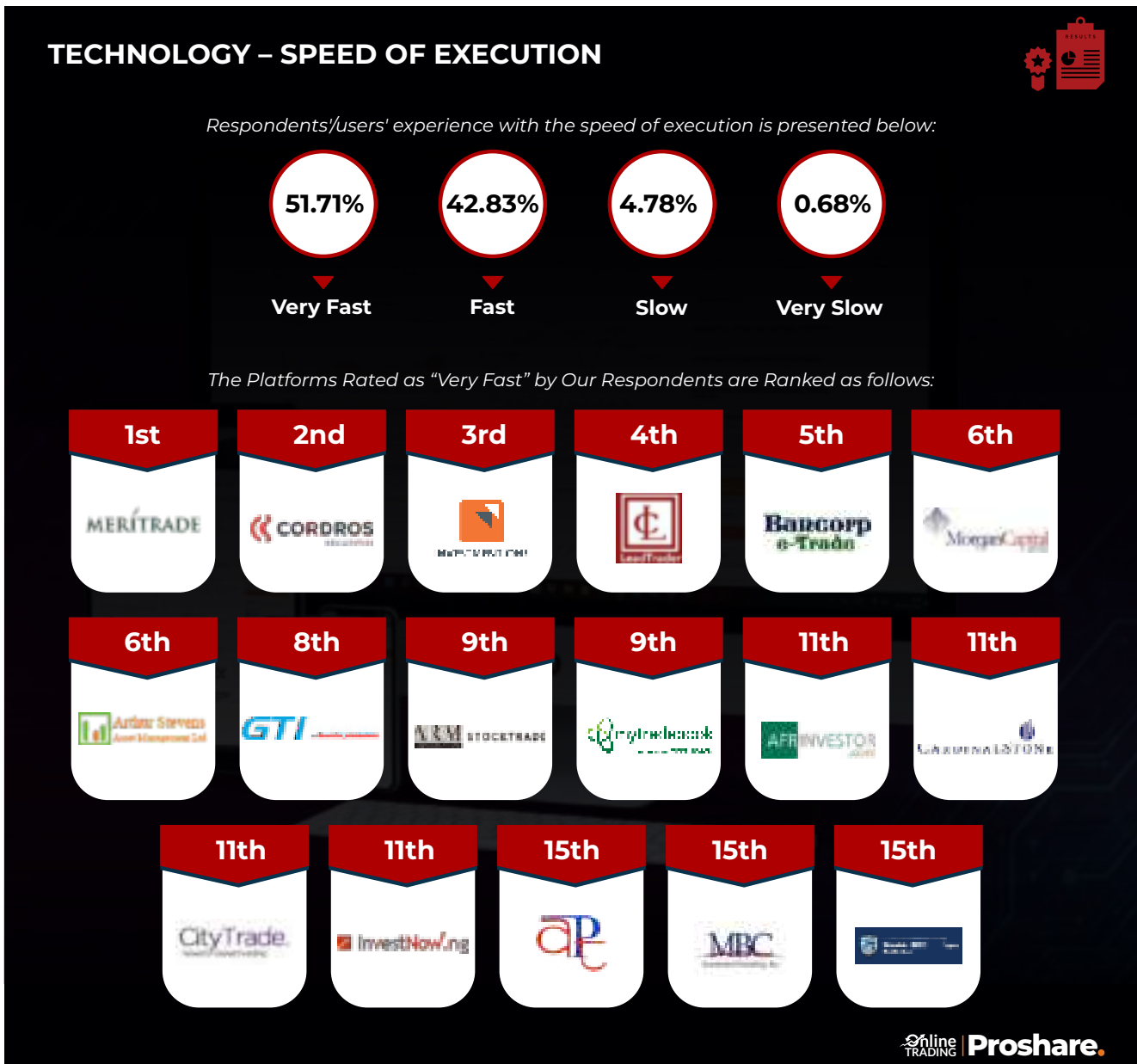


Respondents' were asked questions about what securities they trade using the various platforms, their responses are presented below



Online TRADING | Proshare.

The Ranking - CMOs



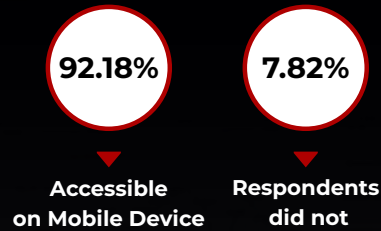
Technology – Accessibility on Mobile



TECHNOLOGY – ACCESSIBILITY ON MOBILE



Respondents/users' experience about how they find the platforms accessible on mobile devices:



The Platforms that received "Yes" by our respondents are ranked as follows:



Online TRADING | **Proshare.**

Nigeria's Banking Industry:

The Case for Redefining Tier 1 Banks.

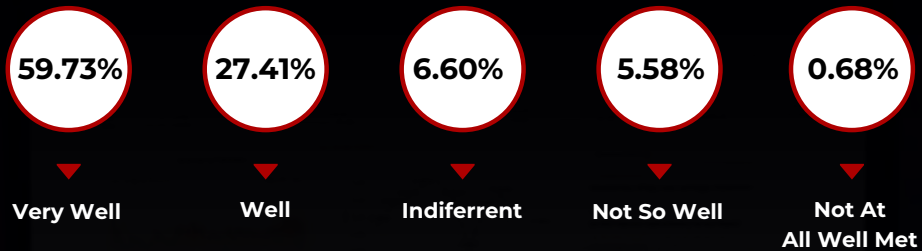
www.proshare.co

Download

Proshare

BROKER SERVICE – CUSTOMER SERVICE / EXPECTATION

Respondents'/Users' Experience concerning How Well Their Needs were met:



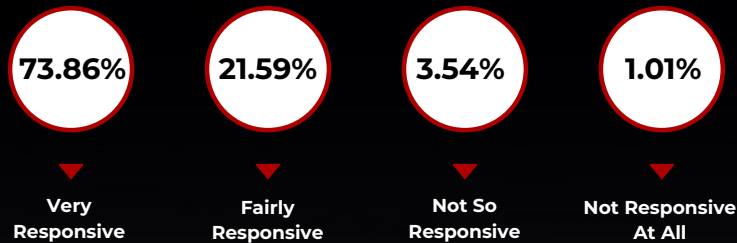
The Platforms that received "Very Well" by our respondents are ranked as follows:





BROKER SERVICE – CUSTOMER SERVICE RESPONSIVENESS

Respondents/Users' Experience to Brokers' Responsiveness to Enquiries/Complaints:



The Platforms that received "Very Responsive" by our respondents are ranked as follows:



Online TRADING | Proshare.

Service Delivery - **Customer Conversion Rate**

This is the percentage of total online customers to the total number of customers and is determined by the number of online customers divided by the number of registered customers.

Also, this is based on the latest responses received from the CMOs based on our correspondence for the 2020 ranking report review.

CardinalStone and MorganCapital iTrade have the highest percentage of customers relative to those using the online platform. Investment-One followed closely while Imperial Asset has the least percentage.

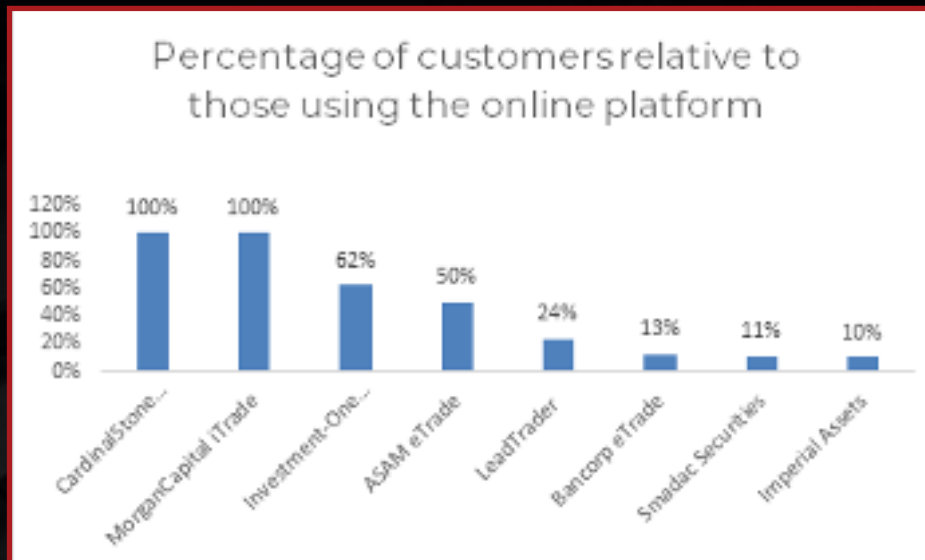
It is pertinent to state that the rate at which brokerage firms are converting their traditional customers to their various online platforms can be responsible for the low rates recorded by the majority of the firms.

Customers' Conversion – **Traditional to Online**

Chart 2:



CUSTOMER CONVERSION RATE

Source: Nigerian CMOs, **Proshare** researchOnline TRADING | **Proshare.**

Service Delivery – **Fees and Benefits**

The brokerage fees on the various platforms that responded to our operators survey are presented below.

Table 16:

FEES AND BENEFITS



Brand Name	Powered by	Brokerage Fee
CardinalStone Securities	CardinalStone Securities	1% of Consideration per executed trade
MorganCapital iTrade	MorganCapital Group	0.50%
ASAM eTrade	Arthur Steven Asset Mgmt	1.35%
LeadTrader	Lead Securities	0.75% for All Online trade and 1.35% for Paper trade orders.
Bancorp eTrade	Capital Bancorp Plc	Negotiable
Smadac Securities	Smadac Securities	Negotiable. From 1.35% to 0.20%
Imperial Assets	Imperial Assets Managers	Online traders-0.75%

Source: **CEOs, Proshare** ResearchOnline TRADING | **Proshare.**

2022 Ranking Summary

CMOs

Meritrade, Cordros TradeButton and Investment-One EasyInvest emerged as 1st, 2nd and 3rd respectively.

Table 17:

2022 RANKING SUMMARY - CMOs				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	11th	10th	12th	10th
APTTrade	15th	16th	16th	16th
ARMStockTrade	9th	10th	9th	10th
ASAMeTrade	6th	5th	6th	6th
Bancorp eTrade	5th	6th	5th	5th
CardinalStone	11th	14th	12th	14th
CityTrade	11th	14th	12th	14th
Cordros TradeButton	2nd	2nd	2nd	2nd
FBNQuest	Not Ranked	16th	Not Ranked	Not Ranked
GTI Online Trader	8th	7th	7th	7th
Investment-One Easy Invest	3rd	3rd	3rd	3rd
InvestNow	11th	10th	10th	10th
LeadTrader	4th	4th	4th	4th
MBC	15th	16th	16th	Not Ranked
Meritrade	1st	1st	1st	1st
MorganCapital iTrade	6th	7th	7th	8th
MyTradeBook	9th	10th	12th	9th
Stanbic IBTC iTrade	15th	9th	10th	13th
Tiddo Securities	Not Ranked	16th	Not Ranked	Not Ranked

Source: CMOs, Proshare Research

Online TRADING | Proshare.

FX Trading Portals 

FX Trading Portals

RANKING RESULTS



Out of the 596 responses;

1.01%

0.50%

0.34%

of the responses were in favour of



However, no response was obtained in favour Alpari

Online TRADING | Proshare.

TECHNOLOGY – SPEED OF EXECUTION



The Platforms Rated as "Very Fast" by Our Respondents are Ranked as follows.

1st



2nd



2nd



Online TRADING | Proshare.

TECHNOLOGY – ACCESSIBILITY ON MOBILE



The Platforms Rated as "Very Fast" by our Respondents are Ranked as follows.

1st



2nd



3rd



4th



5th

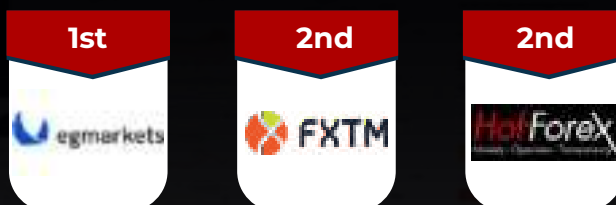


Online TRADING | Proshare.

CUSTOMER SERVICE/EXPECTATION



The Platforms that received "Very Well" by our respondents are ranked as follows.

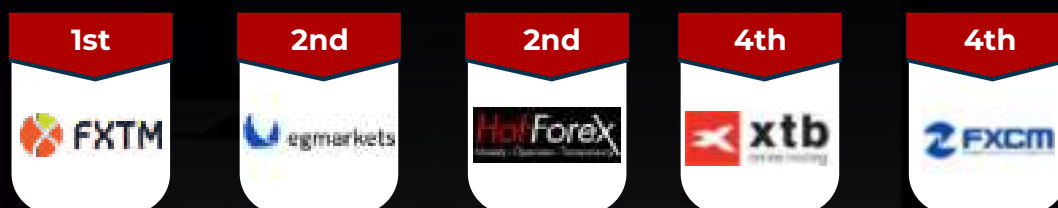


Online TRADING | Proshare.

CUSTOMER SERVICE RESPONSIVENESS



The Platforms that received "Very Responsive" by our respondents are ranked as follows



Online TRADING | Proshare.

2022 Ranking Summary

FX Platform

ForexTime, Eagle Global Market and HotForex emerged as 1st, 2nd and 3rd respectively.

Table 18:

RANKING REPORT SUMMARY



Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Eagle Global Markets	2nd	3rd	1st	2nd
ForexTime	1st	1st	2nd	1st
FXCM	Not Ranked	4th	Not Ranked	4th
HotForex	Not Ranked	2nd	2nd	2nd
XTB	2nd	4th	Not Ranked	4th

Source: CMOs, Proshare research

Online TRADING | Proshare.

Fintech Portals

RANKING RESULTS

Out of the 596 responses;

1.01%

0.67%

0.50%

of the responses were in favour of

bamboo

trove

CowryWise

Online TRADING | Proshare.

TECHNOLOGY – SPEED OF EXECUTION

The Platforms Rated as “Very Fast” by Our Respondents are Ranked as follows.

1st

HANTEC
MARKETS

2nd

trove

3rd

bamboo

3rd

Chaka

3rd

CowryWise

3rd

exness

3rd

i-invest

3rd

wealthing

3rd

yachoo

Online TRADING | Proshare.

TECHNOLOGY – ACCESSIBILITY ON MOBILE

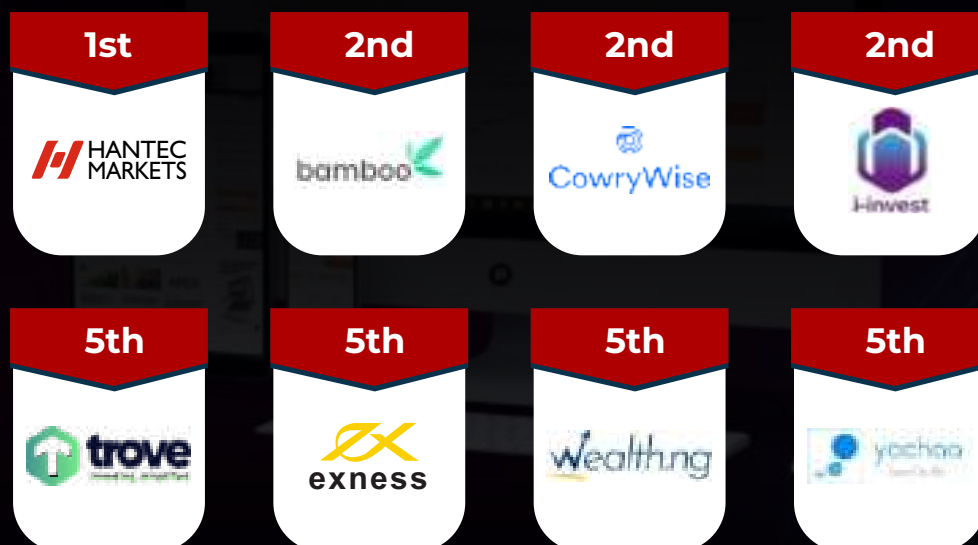
The Platform (s) that received “Yes” by our respondents are ranked as follows.



Online TRADING | **Proshare.**

CUSTOMER SERVICE/EXPECTATION

The Platforms that received “Very Well” by our respondents are ranked as follows.



Online TRADING | **Proshare.**

CUSTOMER SERVICE RESPONSIVENESS



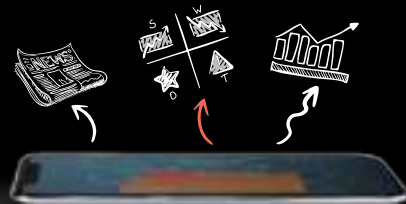
The Platforms that received "Very Responsive" by our respondents are ranked as follows



Online TRADING | **Proshare.**

Market Intelligence.

... fill the **knowledge** gaps



www.proshare.co

2022 Ranking Summary

Fintech Platform

Hantec, Bamboo and Trove emerged as 1st, 2nd and 3rd respectively.

Table 19:

2022 RANKING SUMMARY – FINTECH PLATFORM				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Bamboo	3rd	2nd	2nd	3rd
Chaka	3rd	6th	Not Ranked	6th
ComX	Not Ranked	7th	Not Ranked	Not Ranked
Cowrywise	3rd	4th	2nd	5th
Exness	3rd	7th	5th	6th
Hantec Market	1st	1st	1st	1st
I-invest	3rd	4th	2nd	3rd
Sankore	Not Ranked	7th	Not Ranked	Not Ranked
Trove	2nd	3rd	5th	2nd
Wealthng	3rd	7th	5th	6th
Yochaa	3rd	7th	5th	6th
Ziing	Not Ranked	7th	Not Ranked	Not Ranked

Source: Proshare Research

Regulatory Technology

The regulatory technology section focuses on 'The Regulators' concerning the trading engines they adopted to serve the market as an 'Exchange'

The Exchanges identified and written to were;

- ❑ The Securities and Exchange Commission
- ❑ The Nigerian Stock Exchange
- ❑ NASD Plc
- ❑ The FMDQ OTC Plc
- ❑ Nigeria Commodity Exchange; and
- ❑ AFEX Commodities Exchange Limited

No Response was received from any of the six identified bodies.

Below is the summary of the previous response from the regulators:

Table 20:

REGULATOR RESPONSE						
Exchange	Platform Launched	Benefits & Features	Service Improvement (Last One Year)	Upgrades	Registered Users	Service Provider
AFEX	November 2017	Portfolio Diversification		1	6944	N/A
		An efficient market where price transparency and discovery is priority.				
		Product classes that suit different investors of various risk appetite.				
NASD	April 9, 2018	The new platform has a matching engine which automatically matches trades and is a significant upgrade from our current platform.	We rebuilt our data portal giving it a whole new look and feel with added features.	Coming Soon	238	Proprietary Built
		The new system has a FIX feature, which means Brokers will be able to access our new trading platform from their system without having to log on to our website if they have the required application.	We now have API's which can be integrated into any Broker's system providing valuable information.			
			We introduced the NASD crowdfunding platform (VentureRamp) which provides a platform for enterprises to raise funds from the public.			
			We registered 2 new arms of our business NASD Services Limited and NASD Technologies Limited to ensure we continue to deliver optimum value to our stakeholders.			

Source: Proshare Research

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Tech Service Providers

The technology solutions service providers section focuses on the firms that power the trading platforms of the various operators in the market through software solutions.

The service providers identified and written to are;

- InfoWARE Ltd
- Global Trybe Solutions
- Zanibal Cloud Business Solutions
- Calm Global Info Tech Ltd

Afterwards, the response was only received from one of the four identified bodies and that is InfoWARE.



Below is the summary of the response from the service providers.

Table 20:

SERVICE PROVIDERS				
SN	Service Provider	Benefits & Features	Service Improvement (Last One Year)	Operators Served/Clients
1	InfoWARE	<p>InfoWARE ERP transforms all critical enterprise Investment bank functions from finance, Equity and Fixed Income trading, Loans to Portfolio and Wealth management and to customer service and marketing.</p> <p>It enables businesses to transact, analyze and predict in real time in an increasingly unpredictable world.</p> <p>It offers the latest in security, analytics, and data integration capabilities for all types of businesses—structured and unstructured.</p> <p>It also helps companies integrate with smart, insight-driven applications based on real-time data.</p> <p>This application are available both in the cloud, and on-premise designed and tested to run with TLS 1.3 security framework while most others are still running on 1.2.</p>	Development of the IDIA mobile app and GrowMyKudi upgrade for investment enthusiasts.	150+

Source: Infoware

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Regulatory Efficiency Through the Lens of **Technology**.

Efficiency in the capital market is measured by the ability of securities prices to reflect the current state of information in the market. Efficiently regulating information and market activities have become more challenging on rising trading scales and emerging technologies. While technological development has increased the efficiency of large trading, the scale and speed of technology development have become a new concern for regulatory efficiency. Technological development has increased trading accessibility, automated matching system, cross-border trading, and information symmetry. But it also raises concerns around regulating the multiple trading platforms that trailed the tech evolution. The development has particularly given rise to an influx of unregistered investment platforms that partner with registered brokerage firms to operate in the country. This has threatened the credibility and safety of investment in the Nigerian capital market.

The Securities and Exchange Commission (SEC) modified its consolidated rules and regulations to evaluate the sub-brokers requirements for digital platforms to increase the efficiency of regulation relating to tech development. The change has partially resolved the problems, particularly for the equity markets. However, the proliferation of dubious trading platforms undermines the regulatory thrust of the commission.

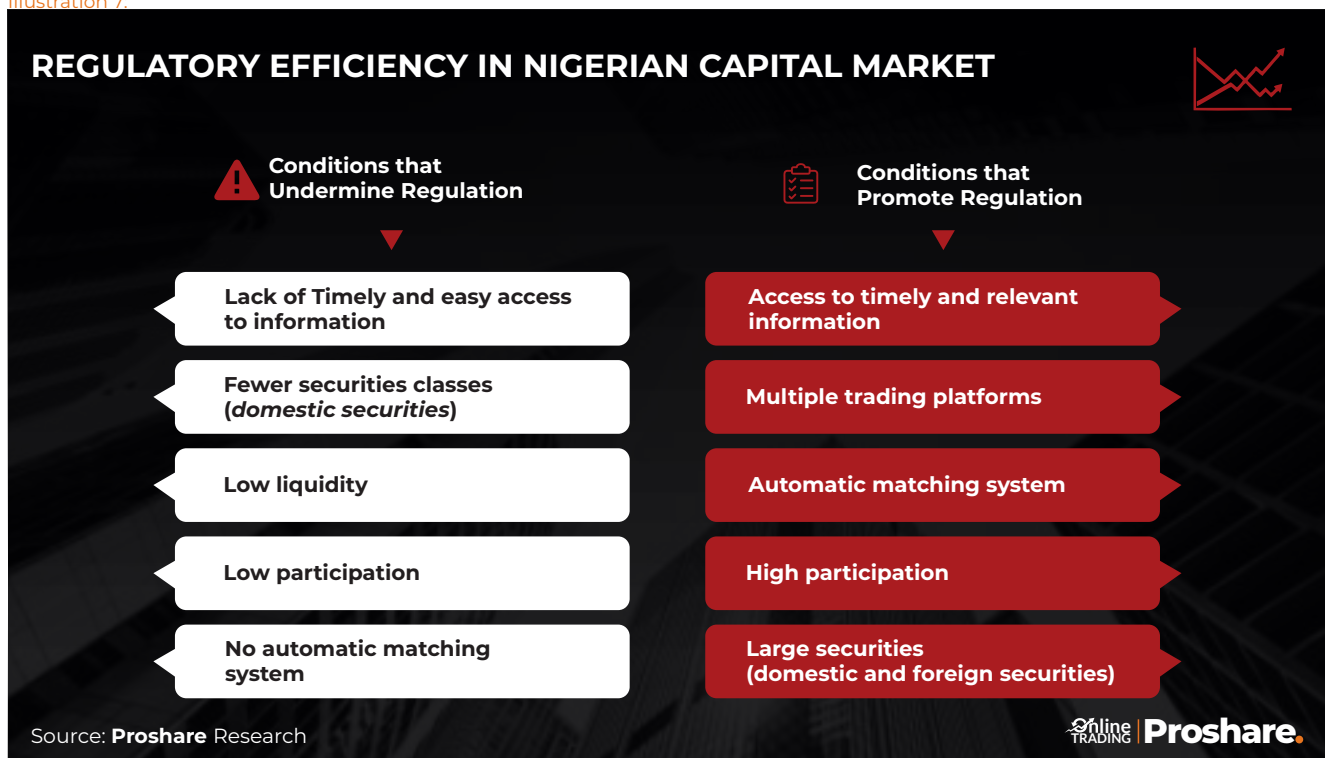
Also, despite the halt in approval for cryptocurrency trading in the country, investors' participation in the market has increased significantly on the back of decentralised technology, reflecting the limitations of traditional regulatory efforts. However, it highlights the prospects of decentralised regulation, where operators in the market self-regulate each trading in real-time. For instance, in contrast to cryptocurrencies, which support real-time transactions, allowing investors to convert assets to cash readily, liquidity conversion for online transactions on the Nigerian capital market is still relatively high at T+3 for settlement time. Contemporary investors prefer liquid assets. Hence, the preference for tech-enabled securities and platforms appears to be boosting the growth of the cryptocurrency market.

Generally, technological adoption has made regulation more effective and efficient than the traditional trading era (see illustration 7 below). It has accelerated trading and participation in the capital market. However, the regulation must be stringent to keep up with technological advancement to achieve a more credible, speedy, and efficient market. Nigerian Exchange Group (NGX) plans to use blockchain for stock settlement in 2023, and the SEC proposed regulatory framework should improve the performance of the Nigerian capital market.

Illustration **7** 



Illustration 7:



...intelligent Investing.



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Methodology.



Methodology.

In the process of carrying out this independent research, we adopted the following methodologies.

Survey

We carried out a customer survey for 60 days which opened on September 1, 2022 and closed on October 31, 2022. The aim of this was to get direct feedback from customers that make use of the various platforms. Out of all the 198 Active NGX Members, 14 Wealth Tech Firms and 12 FX Trading platforms we contacted, we got responses from 8 NGX Members only.

Liaison with all the CMOs, FinTech and FX Trading Platforms

We conducted a survey to get information from the various operators. The survey links were shared with all operators via e-mail after uploading on Survey Monkey.

Out of all the brokers/firms in existence, only 8 responded to our operators' survey.

They include Arthur Steven Asset Mgmt, CardinalStone Securities, Capital Bancorp, Imperial Asset Managers Ltd, Investment-One Securities, Lead Securities, MorganCapital Securities and Smadac Securities Ltd

We arrived at our customer conversion rates for all the platforms ranked in this report by obtaining the numbers of total customers relative to online customers. A division of these two numbers gave us the percentage in the chart above.

Conclusion and Recommendations





Conclusion and Recommendations.



Conclusion and Recommendations.

Conclusion

The outcome of this online trading ranking report has enabled us to have an understanding of customers/user's experience and expectations of online trading platforms presently available in the Nigerian Capital Market.

Furthermore, this has allowed us to know which platform best meets the customer's market service needs.

Largely, responses from the customer service survey used in this report favoured Meritrade, Investment-One Easy Trade and Cordros TradeButton as they emerged 1st, 2nd and 3rd respectively.

For FX trading platforms, ForexTime, Eagle Global Market and HotForex as they emerged 1st, 2nd and 3rd respectively while Hantec Market, Bamboo and Trove emerged as 1st, 2nd and 3rd in that order in the overall ranking of the various platforms based on the three broad category of CMOs, FX and Fintech trading platforms.

We encourage other platforms that are not among the top three under the broad three categorization mentioned above to engage in further improvement of their platforms.

Recommendations

Illustration 22:

TRADING PORTALS PERFORMANCE ASSESSMENT -CMOs				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	Improve	Improve	Improve	Improve
APTTrade	Improve	Improve	Improve	Improve
ARMStockTrade	Improve	Improve	Improve	Improve
ASAMeTrade	Improve	Improve	Improve	Improve
Bancorp eTrade	Improve	Improve	Improve	Improve
CardinalStone	Improve	Improve	Improve	Improve
CityTrade	Improve	Improve	Improve	Improve
Cordros TradeButton	OK	OK	OK	OK
FBNQquest	Not Ranked	Improve	Not Ranked	Not Ranked



Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
GTI Online Trader	Improve	Improve	Improve	Improve
Investment-One Easy Invest	OK	OK	OK	OK
InvestNow	Improve	Improve	Improve	Improve
LeadTrader	Improve	Improve	Improve	Improve
MBC	Improve	Improve	Improve	Not Ranked
Meritrade	OK	OK	OK	OK
MorganCapital iTrade	Improve	Improve	Improve	Improve
MyTradeBook	Improve	Improve	Improve	Improve
Stanbic IBTC iTrade	Improve	Improve	Improve	Improve
Tiddo Securities	Not Ranked	Improve	Not Ranked	Not Ranked

Source: CMOs, Proshare research

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FX Trading Platforms

Table 23:

FX TRADING PLATFORMS				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Eagle Global Markets	OK	OK	OK	OK
ForexTime	OK	OK	OK	OK
FXCM	Not Ranked	Improve	Not Ranked	Improve
HotForex	Not Ranked	OK	OK	OK
XTB	OK	Improve	Not Ranked	Improve

Source: CMOs, Proshare research

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Table 24:

FinTech Trading Platforms

Table 24:

FINTECH TRADING PLATFORMS				
Portals	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Bamboo	OK	OK	OK	OK
Chaka	OK	Improve	Not Ranked	Improve
ComX	Not Ranked	Improve	Not Ranked	Not Ranked
Cowrywise	OK	Improve	OK	Improve
Exness	OK	Improve	Improve	Improve
Hantec Market	OK	OK	OK	OK
I-invest	OK	Improve	OK	OK
Sankore	Not Ranked	Improve	Not Ranked	Not Ranked
Trove	OK	OK	Improve	OK
Wealthng	OK	Improve	Improve	Improve
Yochaa	OK	Improve	Improve	Improve
Ziing	Not Ranked	Improve	Not Ranked	Not Ranked

Source: CMOs, Proshare research

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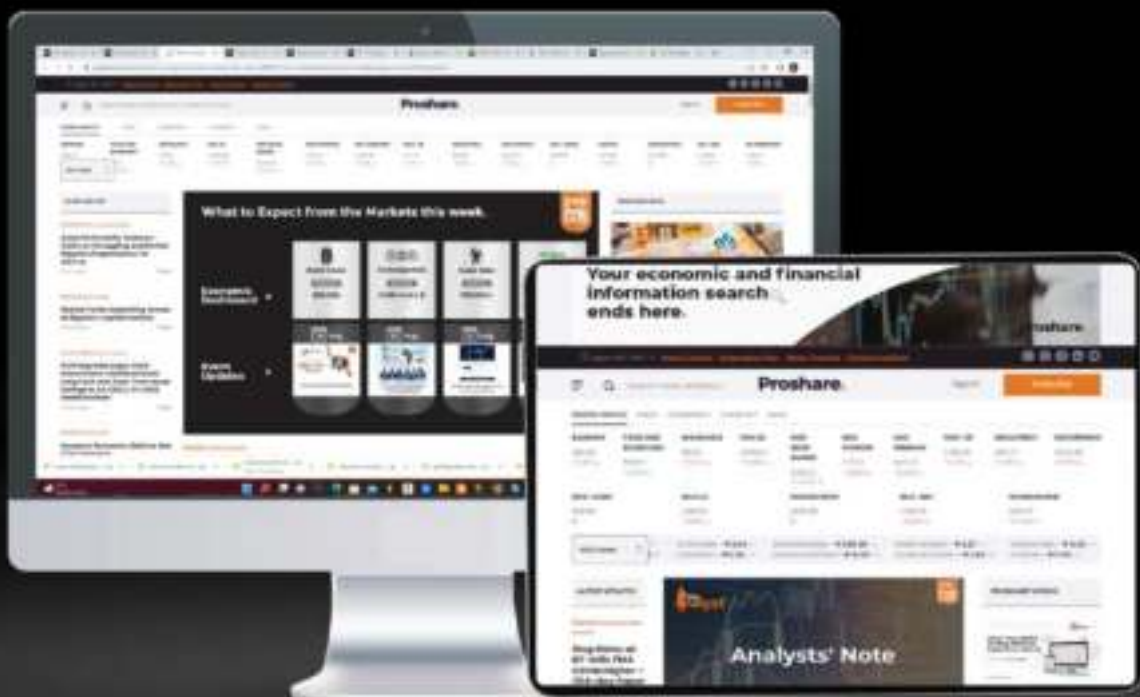


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