
***CEO'S SPEECH AT THE FACTS BEHIND THE LISTING PRESENTATION OF VETIVA GRIFFIN
ETF 30 ON March 14, 2013 AT THE STOCK EXCHANGE BUILDING, MARINA - LAGOS***

-BY OSCAR ONYEMA, NSE CEO

Distinguished members of the High Table, Chartered Stockbrokers, Financial Analysts, Fund Managers Ladies and Gentlemen of the Press. On behalf of the Council, Management and Staff of The Nigerian Stock Exchange, I welcome the Board and Management of Vetiva Group to this Facts behind the Listing Presentation.

Let me first; congratulate the Vetiva Group for working diligently over the years and building this great organization. We congratulate the Managing Director of Vetiva Fund Managers Limited and his staff on the listing of the first equity-backed ETF in Nigeria. This is indeed a major milestone in the remodelling of the capital market landscape, and it marks the beginning of a new era in product offerings for investors in particular, and the market in general.

ETFs have experienced astounding success as the fastest growing investment product of the last 20 years. Global assets grew to \$2.25 trillion in 2013, registering over 28% Year-on-Year growth. Out of the total growth, new cash flows contributed 14.7% (+\$259bn), while the remaining 13.5% came from asset price increases. In 2013, ETFs accounted for 27% of all equities trading in the US.

Collective investment schemes are not new to our market. Today, there are over 20 mutual funds on memorandum listing on the NSE, but with ETFs, investors get the diversification offered by mutual funds, along with the intra-day price discovery of equities, all in one product.

The Griffen 30 ETF tracks the NSE 30 Index – which is comprised of the top 30 companies in terms of market capitalization and liquidity. The index serves as the flagship benchmark for the market and could be seen as a basis for creating ETFs – like the Griffen 30 ETF, and other types of investment products, to broaden the range of financial instruments traded on The NSE and on other exchanges.

I would like to highlight some key facts with regards to this offer:

The **Offer size** is 100,000,000 units (At a unit price equal to 1/100th of the value of the NSE 30 Index on the day preceding the Subscription)

The Subscription rate: 159.4% (all of which was absorbed). 6 applications for 159,400,000 units valued at ₦2,941,874,901.20 were received in connection with the offer.

Additionally, the Underlying Portfolio will be held within the VG 30 ETF Trust for the benefit of Unit holders. It is anticipated that the VG 30 ETF Trust will distribute semi-annually on any net income available for distribution within the VG 30 ETF Trust and that Holders will participate on a pro rata basis in such distributions. However, there can be no guarantee that Holders will receive semi-annual distributions. Also, No PFA invested in the offer and the index licensing fees for the first quarter has been paid.

Investors who prefer to trade in an equity type consult, can get instant equity diversification with this ETF product. In recognition of the immense potential inherent in ETFs, the Exchange has created other tradable indices to track various sectors of the market and we look forward to working with issuers such as Vetiva to roll them out.

We are excited for the Management and Staff of the Vetiva Group on this landmark occasion. We admire your professionalism, and your faith in the market encourages us to continue to work diligently to develop the sophistication of our market. This listing, of course, is just the beginning; we look forward to many more products from you. I also thank everyone within and outside the Exchange that was in one way or the other involved in the listing of this ETF.

The NSE is evolving to meet the needs of our valued customers, and to achieve the highest level of competitiveness. With your continued support and cooperation, we shall remain dedicated to championing the acceleration of Africa's economic development.



**THE Nigerian
STOCK EXCHANGE**

Thank you.

Oscar Onyema

Chief Executive Officer