

SFNG EQUITY INDEX SERIES
LIQUIDITY RULE CHANGE

February 29th, 2016: SF Markets announces a temporary liquidity rule change for the SFNG Equity Index Series.

Liquidity

To ensure that liquidity remains an important factor for index qualification, SF Markets constantly monitors the average daily trading value (ADTV) of securities and can adapt its liquidity screening to reflect any significant changes in the market. Over the last 6 months and following the last semi-annual review carried out in September 2015, Nigerian equity stocks have experienced depreciating levels in trading volumes and as a result, SF Markets has utilized its discretionary right as stated under Rule 5.8.1 of the SFNG Equity Index Series Guide to apply a temporary liquidity rule change for the SFNG Equity Index Series 2016 March Review.

Liquidity Rule Change

Liquidity criteria for the SFNG Equity Index Series is based on a 6-month ADTV of a stock. The average monthly trading is calculated by taking the daily traded value (price x volume) of a security for the whole month and dividing that figure by the number of trading days in the month.

Current Liquidity Rule for SFNG Equity Index Series:

Index	Securities must have a minimum 6-Month ADTV of or greater than:	Liquidity Band
SFNG Blue-Chip 30 Index	15,000,000 Naira	1
SFNG Mid Cap 40 Index	1,000,000 Naira	2
SFNG Small Cap Index	100,000 Naira	3
SFNG Broad Share Index	100,000 Naira	3
SFNG Micro Cap Index	No liquidity screening	4
SFNG Total Share Index	No liquidity screening	4

New Liquidity Rule for SFNG Equity Index Series (Applicable for the next 6 months):

Index	Securities must have a minimum 6-Month ADTV of or greater than:	Liquidity Band
SFNG Blue-Chip 30 Index	9,750,000 Naira	1
SFNG Mid Cap 40 Index	750,000 Naira	2
SFNG Small Cap Index	100,000 Naira	3
SFNG Broad Share Index	100,000 Naira	3
SFNG Micro Cap Index	No liquidity screening	4
SFNG Total Share Index	No liquidity screening	4

Please note that the new temporary liquidity rule for the SFNG Equity Index Series will be applicable for the upcoming SFNG Equity Index Series 2016 March Review and observed for the next 6 months, up and until the SFNG Equity Index Series 2016 September Review, when it will be further reviewed and assessed if it will be adopted as a permanent rule.

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