



Nigeria Online Trading Ranking Report 2016



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Executive Summary: The rise of online securities trading portal in Nigeria

A move by capital market operators (CMOs), one log in the making did not come via fiat (an age old approach to decisions in the capital market) but was driven by the changes in social relations that underpins the nexus between markets and people.

Nigerians moved beyond the pre-global crisis transaction model faster than regulators did and the new model, one that embraced the role and place of social media and online deployment was accelerated by the central bank's move on a cashless economy and the growing activities of the telecommunications sector, the rise of e-commerce and the social acceptance of the convenience offered by online engagements meant that the retail market had found a new home.

The managers of the Nigerian Stock Exchange (NSE) recognized this trend and acted appropriately to capture same, evident in the launch of the **X-Gen** trading engine in Q3 2013.

At its commissioning in September 2013, the X-Gen was described as a veritable tool that will open up a wide range of opportunities while acting as a catalyst that will boost trading on the Exchange.

It proved just that; and allowed the market to recognize the possibilities, potential and opportunities available in harnessing the powers of technology, best practice models and consumer/customer needs to aggregate value. What the X-Gen did was unleash a new generation of services online defined by the rise of online trading platforms in the Nigerian Capital Market.

The first officially launched platform in Nigeria was the “**Meritrade**” powered by Meristem Securities Limited on March 5, 2014, followed by “**LeadTrader**” from Lead Securities & Investment Ltd on April 8, 2014.

Subsequently in the same year, other online platforms like “**i-Trade**” from MorganCapital Securities, “**Bancorp e-Trade**” from Capital Bancorp Plc, “**InvestNow**” from UBA Capital and “**Afrinvestor**” from Afrinvest Securities Ltd hit the Nigerian Capital Market Space for trading activities.

Other online portal have since caught up to the trend and we currently have in the market platforms such as “**Easytrade**” from InvestmentOne; “**Mytradebook**” from Greenwich Trust Ltd; “**WSTC eTrader**” from WSTC Financial Services; “**APTTrade**” from APT Securities Ltd; “**GTION-line Trader**” from GTI Securities; “**TRW E-Trader**” from TRW Stockbrokers; “**Cordros TradeButton**” from Cordros Capital and “**ARM Stocktrade**” from ARM Securities Limited.

It is the expectation of Proshare that in the next few months and year, online trading will be a common tool that will spurn a new drive for on-time, real-time investment information services that will build on the back of a realization that capital market activities is not restricted to quoted equities alone but includes OTC securities, bonds, ETFs, Options, Derivatives, and all other capital market activities a developing economy like Nigeria needs and deserves. We are so

confident of this as discussions in and around the market shows and overwhelming acceptance of the need to talk about CMO's as securities facilitators rather than stockbrokers.

For this and more, the move(s) to date deserves commendation from all involved in the market.

To provide a veritable and sustainable means of encouraging this positive growth, inspire innovation and provide a clear basis for accessing service providers, we have worked on a survey and research backed report which should provide a holistic ranking of these new initiatives and platforms for the investing public.

We seek not to grant awards but simply provide a basis upon which we can engage, encourage and enable continuous development of capital market tools and platforms to support the consumers role in the new Nigeria we expect to emerge.

This, the report we have presented here should at a minimum offer a first-hand feedback or health check on the brokerage industry and its foray into the use of technology to redefine its business and open a new path to the new market that inspired Proshare 10.0.

At the very minimum, it will serve as a guide to investor(s) in locating and making the best broker dealer choice when considering trading in the Nigerian Capital Market online.

The report includes a customer survey analysis of the service, technicality, accessibility and responsiveness of these platforms, as well as the fees and benefits of each broker. The report further details comments from customers as well as our independent observations and recommendations for broker's consideration.

With technology listed as one of the five broad areas of minimum operating standards expected in the operations of all Broker Dealers in the Nigerian capital market, it is expected that more online trading portals will still be launched considering the number of brokerage houses currently operating in the market.

Do feel free to share your opinions/observations and feedback with us via market@proshareng.com. Thank you.

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RANKING CRITERIA AND RESULTS



The criteria for ranking online trading platforms in Nigeria are:



The results of the customer survey carried out between July 13 and July 22, 2016 are as presented below of all the responses obtained;

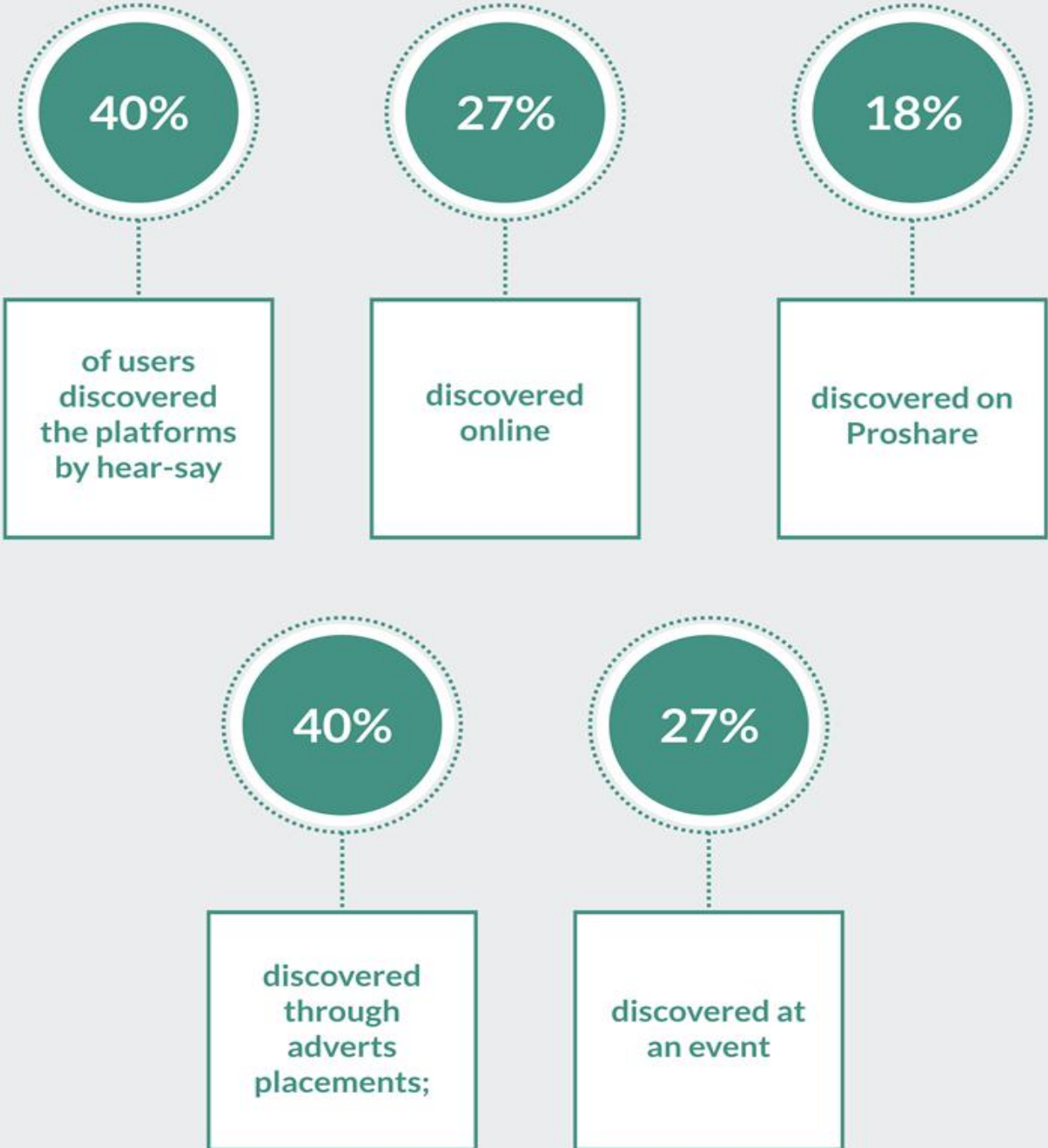


No response was obtained in favour of the other 8 platforms.

PLATFORM DISCOVERY



The platforms were discovered by various users through the following means





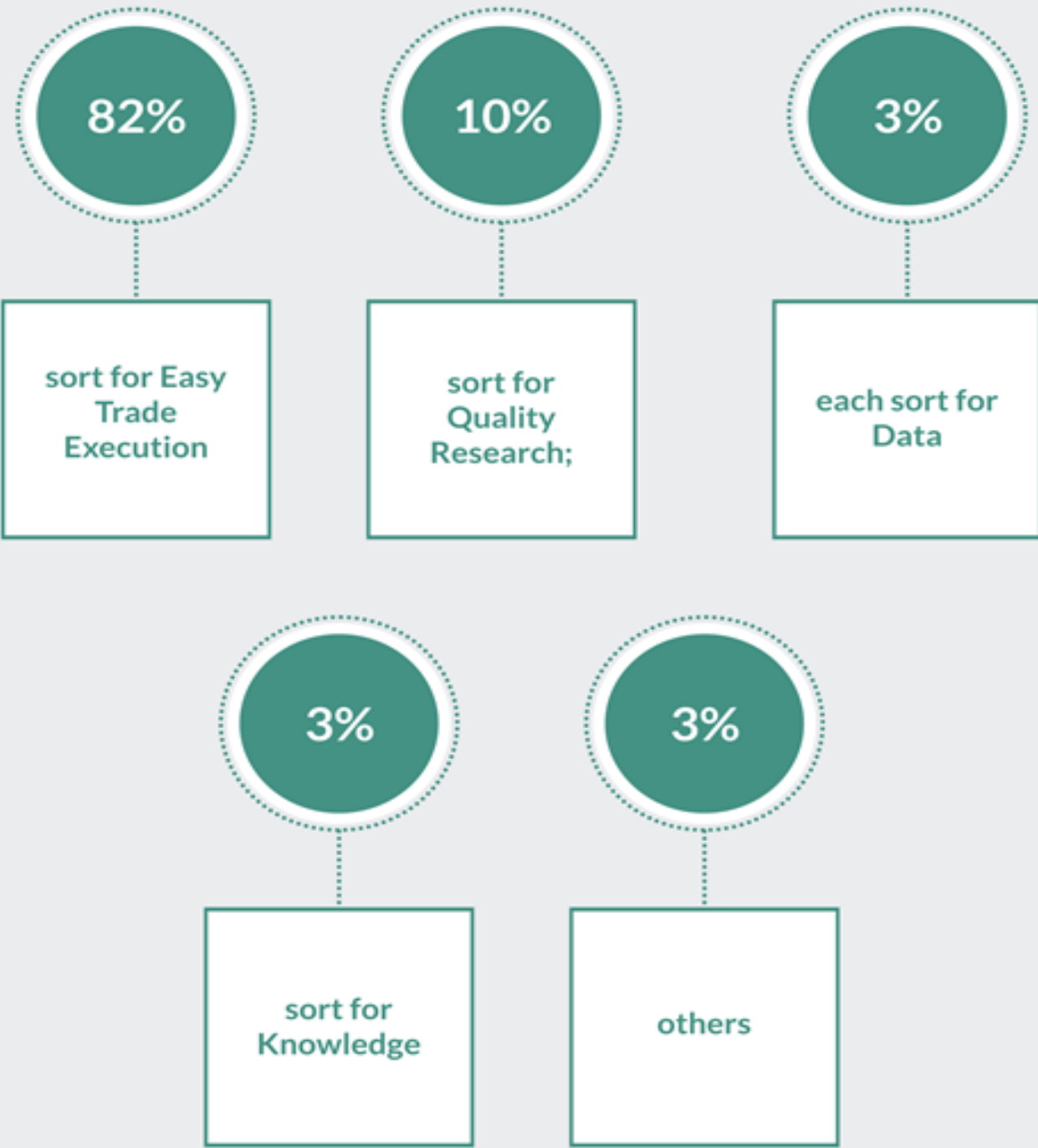
Below is a breakdown of the responses received with respect to the features loved most on the platforms



RESPONDENTS EXPECTATIONS ON PLATFORMS



Our respondents asserted that they sort for the followings from the various platforms



PLATFORM TECHNOLOGY RANKING (EASE OF NAVIGATION)



A representation of users' experience while navigating various brokers' online trading platforms.

1st

 Investnow.ng

1st

 Easy Trade
instantly

3rd

 CORDROS

4th

 MERITRADE
BY MERISTEM

5th

 AFRINVESTOR
.com

5th

 LeadTrader

7th

 MorganCapital
group

PLATFORM TECHNOLOGY RANKING (SPEED)



Ranking is based on users' experience in relation to speed of execution.

1st



2nd



2nd



4th



5th



5th



7th



PLATFORM TECHNOLOGY RANKING (AESTHETICS)



A representation of survey responses based on most visually appealing platform.

1st



Easy Trade
instantly

2nd



CORDROS

3rd



MorganCapital
group

4th



MERITRADE
BY MERISTEM

5th



AFRINVESTOR
.com

5th



Investnow.ng

5th



LeadTrader

PLATFORM TECHNOLOGY RANKING (ACCESSIBILITY ON MOBILE)



Ranking is based on users' experience while assessing the platforms on mobile devices.

1st

LeadTrader

2nd

CORDROS

3rd

Easy Trade
instantly

4th

MERITRADE
BY MERISTEM

5th

MorganCapital
group

6th

Investnow.ng

7th

AFRINVESTOR
.com

BROKERS SERVICE (CUSTOMER SERVICE REPNONSIVENESS)



A representation of survey responses based on the responsiveness of brokers to their enquiries.

1st



Investnow.ng

1st



Easy Trade
instantly

3rd



CORDROS

4th



MorganCapital
group

5th



MERITRADE
BY MERISTEM

6th



AFRINVESTOR
.com

6th



LeadTrader

BROKERS SERVICE (ENQUIRY MANAGEMENT)



Ranking based on the ability of brokers to meet the needs of users of their platforms.

1st

Investnow.ng

1st

Easy Trade
Instantly

1st

LeadTrader

4th

CORDROS

5th

MERITRADE
BY MERISTEM

6th

MorganCapital
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SERVICE DELIVERY



Call Response time (in Seconds)

This was determined during mystery shopping calls to brokers



Customer Conversion Rate (average number of persons per day)

This is the number of registered customers divided by number of days in existence. Note: Number of registered customers was provided by brokers












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RANKING SUMMARY



	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.com	5th	5th	5th	7th	6th	6th
 LeadTrader	5th	5th	5th	1st	6th	1st
 MorganCapital Group	7th	4th	3rd	5th	4th	6th

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Conclusion & Recommendations

Conclusively, this report has enabled us see that an understanding of customers and their needs is essential in the development of products and services. Overall, the customer’s survey favoured EasyTrade, CordrosTradeButton and Meritrade as they bagged the 1st, 2nd and 3rd positions, respectively.

Furthermore, it is essential for brokers to understand that technology has a shelf life, thus upgrades are necessary and so is the introduction of value additions such as research materials and investor tools, in order to enhance user experience with the platform created.

RECOMMENDATIONS



	Ease of Navigation	Speed	Aesthetics	Accessibility	Customer Service Responsiveness	Enquiry Management
Investnow.ng	✓	Improve	Improve	Improve	✓	✓
CORDROS	✓	✓	✓	✓	✓	Improve
MERITRADE BY MERISTEM	Improve	✓	Improve	Improve	Improve	Improve
AFRINVESTOR.com	Improve	Improve	Improve	Improve	Improve	Improve
LeadTrader	Improve	Improve	Improve	✓	Improve	✓
MorganCapital Group	Improve	Improve	✓	Improve	Improve	Improve

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information we make
false **judgments**"



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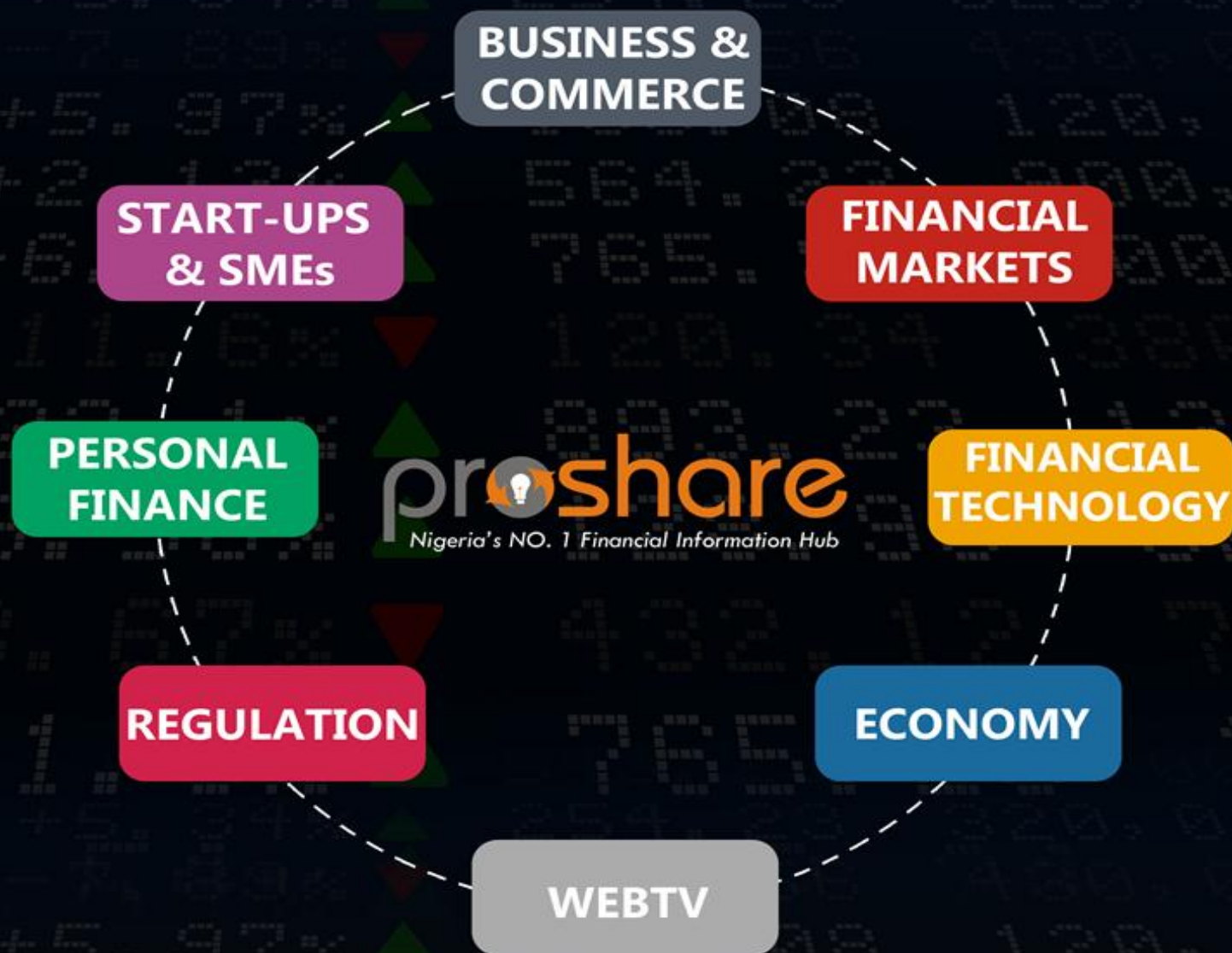
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MARKETS

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30. [Service levels in Nigeria's Capital Market is improving – May' 14 SSS Report](#)

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2. [Meritrade Platform is Innovative and World Class - The Nigerian Investor Q1/E3](#)
3. [The Key Economic Benefit of LeadTrader is Transparency](#)
4. [MorganCapital Launches i-Trade; a cost-effective online, real-time trading platform - TNI Q3/E1](#)
5. [Afrinvest Securities Launches Online Trading Portal - AFRINVESTOR - TNI Q4/E4](#)
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