



# The Nigerian Capital Market Online Trading Portals Ranking Report

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## Executive Summary

What the future holds with the introduction of an online approach to stock trading in any Capital Market can best be described as promising as evidences from the Nigerian Stock Exchange experiences after the launch of the X-Gen trading engine in Q3 2013 and the subsequent official debut of online trading portals in early 2014 buttress this fact.

At the Nigerian Stock Exchange Market Data Workshop which held in October 2016, the display of new trends and developments in stock trading, driven by modern technology, from various market vendors further reflects and gives an insight to the positive contribution which the upgrade to the X-Gen trading engine has brought to stock trading within the Nigerian capital market space.

Despite the current negative trend which permeates market activities, the switch to online trading has aided a few brokerage firms to drop their brokerage commissions capped at 1.35% by market regulators to about 1% while some even went as low as 0.75% and 0.25% respectively.

With modern technology dictating trading activities, market is only in for swell times while more of such platforms are still expected to come on board considering the number of active brokerage firms registered in the market to those that have launched an online portal.

**Do feel free to share your opinions/observations and feedbacks with us via [research@proshareng.com](mailto:research@proshareng.com)**

**Thank you.**

**For: Proshare Editorial Board**



**Olufemi AWOYEMI**

CEO Proshare



**Reshu BAGGA**

COO Proshare

# RANKING CRITERIA AND RESULTS



## RANKING CRITERIA

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

### Technology



### Accessibility



### Service



### Fees & Benefits



## RANKING RESULTS

The results of the online trading portal survey carried out between November 4 and November 22, 2016 are as presented below.

Out of the 340 responses;

50.6%

21.0%

5.6%

3.8%

3.8%

3.3%

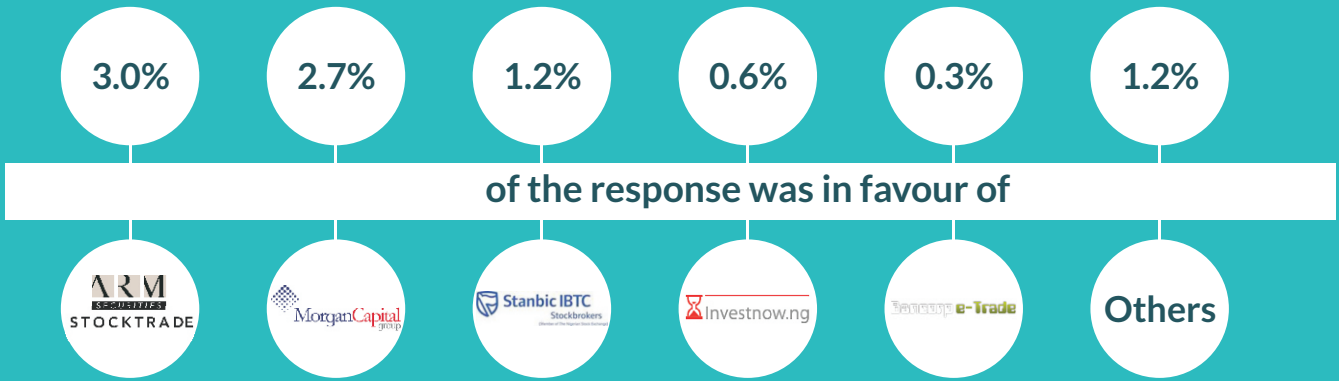
3.0%

of the response was in favour of



# RANKING RESULTS

Out of the 340 responses;



However, no survey response was obtained in favour of 3 platforms



# PLATFORM DISCOVERY

Users/Respondents were able to discover the various platforms they used through the following means



By Hear-say



Online



Through  
Advert



At an Event



On Proshare  
Website

## FEATURES – SOUGHT AFTER

Respondents asserted that they seek the followings from the various platforms.



Easy Trade  
Execution



Quality  
Research



Knowledge



Market  
Data



Others

## FEATURES – MOST PREFERRED

Respondents asserted that they preferred the following features most on the various platforms.



Research  
Reports



Tools on the  
platforms



Ability  
to trade other  
securities



Low  
Commission



Others

# TECHNOLOGY – SPEED OF EXECUTION

Respondents'/users' experience in relation to speed of execution is presented below.



Very Fast



Fast



Slow



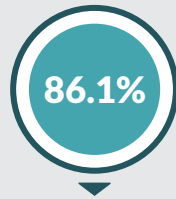
Very Slow

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

1st	2nd	3rd	4th
5th	5th	7th	8th
	9th	10th	

# TECHNOLOGY – ACCESSIBILITY ON MOBILE

Respondents'/users' experience in relation to how they find the platforms accessible on mobile devices.



Accessible on Mobile Device



Not Accessible on Mobile Device

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



# BROKER SERVICE – CUSTOMER SERVICE/EXPECTATION

Respondents'/Users' Experience in Relation to How Well Their Needs Were Met.



Very Well Met



Well Met



Not So Well Met



Not Met At All

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

1st

The logo for MeritTrade by Meristem, featuring a green square with a white feather icon and the text 'MERITRADE BY MERISTEM' in white.

2nd

The logo for Easy Trade instantly, featuring an orange rounded rectangle with the text 'Easy Trade instantly' in white.

3rd

The logo for AFRINVESTOR.com, featuring a green square with the text 'AFRINVESTOR.com' in white.

4th

The logo for aP, featuring the letters 'a' and 'P' in a stylized, overlapping red and blue font.

5th

The logo for CORDROS, featuring a red stylized 'C' icon followed by the text 'CORDROS' in black.

6th

The logo for mytradebook, featuring a green circular icon with a white 'M' and the text 'mytradebook a product of GREENWICH' in green.

7th

The logo for LeadTrader, featuring a red square with a white 'L' and 'T' inside, and the text 'LeadTrader' in red below it.

8th

The logo for ARM SECURITIES STOCKTRADE, featuring the text 'ARM SECURITIES STOCKTRADE' in black.

8th

The logo for MorganCapital group, featuring a grid of dots and the text 'MorganCapital group' in black.

10th

The logo for Stanbic IBTC Stockbrokers, featuring a blue shield icon and the text 'Stanbic IBTC Stockbrokers (Member of The Nigerian Stock Exchange)' in blue.

11th

The logo for Investnow.ng, featuring a red hourglass icon and the text 'Investnow.ng' in black.

12th

The logo for BancaCorp e-Trade, featuring the text 'BancaCorp e-Trade' in black.

# BROKER SERVICE – CUSTOMER SERVICE RESPONSIVENESS

Respondents'/Users' Experience in Relation to Brokers' Responsiveness to Enquiries/Complaints



Very Responsive



Fairly Responsive



Not So Responsive



Not Responsive At All

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

1st

2nd

3rd

4th

5th

6th

7th

8th

8th

10th

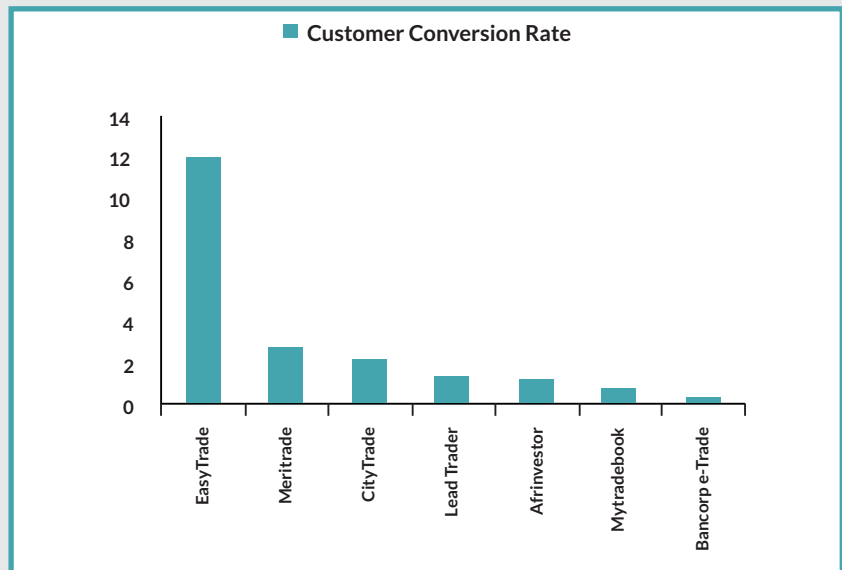
11th

12th

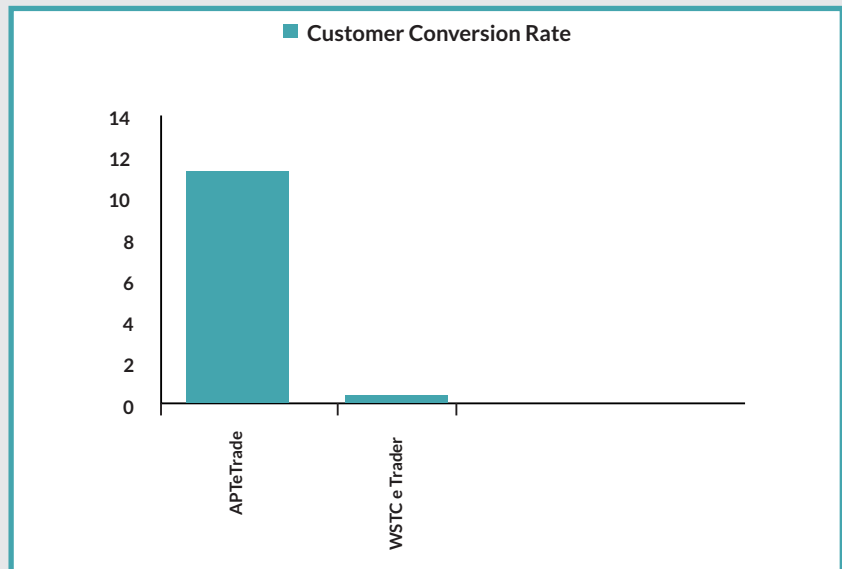
# SERVICE DELIVERY - CUSTOMER CONVERSION RATE

This is the average number of customers per day and is determined by the number of registered customers divided by the number of days the platform has been in existence.

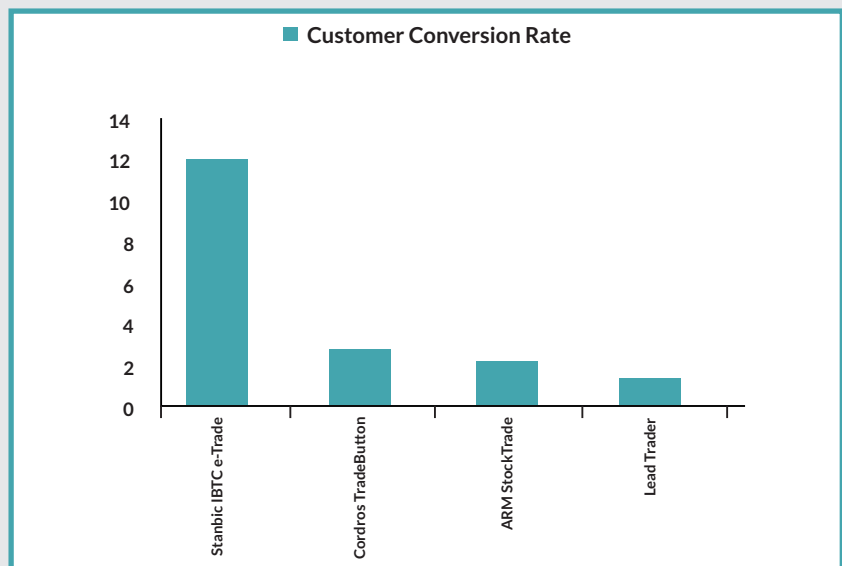
Customer Conversion Rate - Platforms Launched in 2014



Customer Conversion Rate - Platforms Launched in 2015



Customer Conversion Rate - Platforms Launched in 2016



# SERVICE DELIVERY - FEES AND BENEFITS

The brokerage fees, minimum initial deposits for account opening as well as securities being traded on the various platforms that responded to our letters and emails enquiries are presented below.

Brand Name	Powered by	Ability to Trade other securities	Minimum Initial Deposit (N)	Brokerage Fee	Re-search
Afrinvestor	Afrinvest Securities	No - Equities Only	0	1.35%	YES
APTTrade	APT Securities	Yes - Equities, NASD OTC Shares	10,000	1.35%	YES
ARM StockTrade	ARM Securities	Yes - Equities & Bonds	50,000	1.00%	YES
Bancorp e-Trade	Capital Bancorp Plc	Equities, Bonds and ETF	1,000	1.35%	YES
CityTrade	CSL Stockbrokers	Yes - Equities	0	1.00%	YES
Cordros TradeButton	Cordros Capital	No - Equities Only	50,000	1.00%	YES
EasyTrade	Investment One	Yes - Equities, NASD & Bonds	0	1.35%	YES
LeadTrader	Lead Securities & Investment Limited	Yes - Equities, NASD OTC Shares	50,000	0.75%	YES
Meritrade	Meristem Nigeria	No - Equities Only	10,000	1.35%	YES
Mytradebook	Greenwich Trust	No response received	10,000	0.75%	YES
Stanbic IBTC e-Trade	Stanbic IBTC Stockbrokers	Yes - Equities, NASD OTC Shares, Bonds	5,000,000	1.00%	YES
TRW E-Trader	TRW Stockbrokers	Yes - Equities, Bonds, ETFs	5,000	0.75% & N2,500 Annual Sub.	YES
WSTC eTrader	WSTC Financial Services	No - Equities Only	1,000,000	1.35%	YES

# RANKING SUMMARY

The brokerage fees, minimum initial deposits for account opening as well as securities being traded on the various platforms that responded to our letters and emails enquiries are presented below.

Brand Names	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	4th	3rd	3rd	3rd
APTeTrade	5th	4th	4th	3rd
ARMStocktrade	7th	9th	8th	7th
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

**\*NB: Platforms Noted as “Not Ranked” Were Not Picked/Graded by Our Respondents**

# RANKING SUMMARY FROM PREVIOUS REPORT

Results from our previous online trading ranking report reveals that the customer's survey favoured more EasyTrade, InvestNow, CordrosTradeButton, Meritrade and LeadTrader.

Brand Names	Ease of Navigation	Speed	Aesthetics	Accessib-ility	Service Responsi-veness	Enquiry Manage-ment
Investnow	1st	5th	5th	6th	1st	1st
Easytrade	1st	2nd	1st	3rd	1st	1st
Cordros TradeButton	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

## Our Methodology

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

### SURVEY

We carried out a customer survey for **18 days**. The aim of this was to get direct feedback from customers that make use of the various platforms. Out of all the platforms available to customers in the market, we got responses for only **thirteen(13) platforms**.

### LIAISON WITH ALL THE BROKERS

In order to obtain accurate information from the various brokerage firms, we sent out letters and emailed the same content to the brokerage firms. Out of all the brokers contacted, only **13** responded to our letters and emails.

They include *Meristem Securities, Stanbic IBTC Stockbrokers, Lead Securities, CSL Stockbrokers, Afrinvest, Investment-One, Cordros capital, WSTC Financial Services, APT securities, Capital Bancorp, Greenwich Trust, TRW Stockbrokers and ARM Securities*.

We arrived at our customer conversion rates for all the platforms ranked in this report by obtaining the numbers of registered users for each platform from the affected brokerage firms and rated them in relation to their official launch date to the market.

## Conclusion and Recommendations

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

Furthermore, this has given us the opportunity to know which platform best meets customers market service needs.

Largely, responses from the customer service survey used in this report favoured Meritrade, EasyTrade and Afrinvestor as they emerged 1st, 2nd and 3rd respectively while we encourage other platforms to engage in further improvement of their platforms.

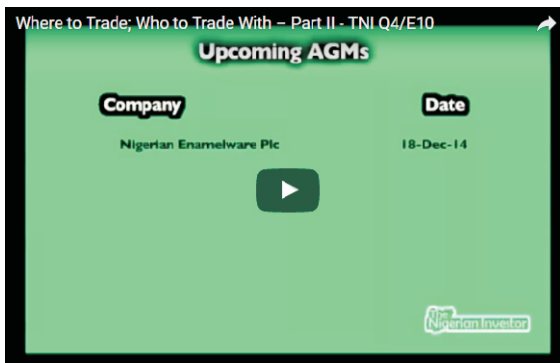
Brand Names	Speed of Execution	Accessibility on Mobile	Customer Service /Expectation	Customer Service Responsiveness
Afrinvestor	Improve	OK	OK	OK
APTeTrade	Improve	Improve	Improve	OK
ARMStocktrade	Improve	Improve	Improve	Improve
Bancorp e-trade	Not Ranked	Improve	Improve	Improve
Cordros TradeButton	OK	Improve	Improve	OK
Easytrade	OK	OK	OK	OK
Investnow	Not Ranked	Not Ranked	Improve	Improve
LeadTrader	Improve	Improve	Improve	Improve
Meritrade	OK	OK	OK	OK
MorganCapital i-trade	Improve	Improve	Improve	Improve
Mytradebook	Improve	Improve	Improve	Improve
Stanbic IBTC e-Trade	Improve	Improve	Improve	Improve

### Related News

1. The Nigerian Online Trading Report
2. Market Sustains Negative Sentiment in November; Proshare Migrates WebTV to its Main Hub -Nov' 16 SSS
3. NSE Trade Smart and Online Trading - TNI Q4/E8
4. InvestNow.NG – The Online Trading Portal beyond Equities Trading - TNI Q4/E7
5. Afrinvest Securities Launches Online Trading Portal -Afrinvestor
6. Paradigm Shift in Financial Services Emerges as New Trading Platforms Debut - Our Take
7. MorganCapital Launches i-Trade; a cost-effective online, real-time trading platform - TNI Q3/E1
8. Meritrade Platform is Innovative and World Class - The Nigerian Investor Q1/E3
9. Market Braces Up for Improved Liquidity in African Financial Markets - April '16 SSS Report
10. Market Maintains Positive stance in March 2016; MERIFX Diversifies Market - March '16 SSS Report

## Related Videos

Where to Trade; Who to Trade With – Part II



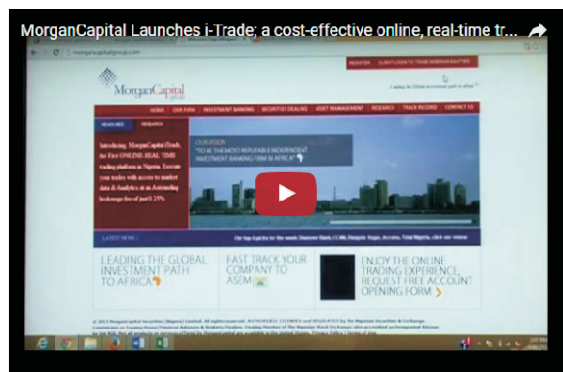
Meritrade Platform is Innovative and World Class - The Nigerian Investor Q1/E3



Where to Trade; Who to Trade With – Part II



Meritrade Platform is Innovative and World Class - The Nigerian Investor Q1/E3



## Project Team

**Reshu Bagga**

coo@proshareng.com

**Grace 'Jare-Ajuwon**

market@proshareng.com

**Saheed Kiaribe**

research@proshareng.com

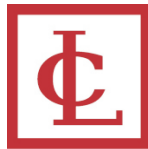
**Isaac Osagie**

webcontrol@proshareng.com

**Oluwaseun Idowu**

graphics@proshareng.com

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