

REVISED PRICING METHODOLOGY FOR EQUITIES (effective Monday, Aug 17, 2026)

Summary

The Securities and Exchange Commission (SEC) has approved the Nigerian Exchange Limited (NGX) Revised Pricing Methodology Framework for equities trading, effective Monday, 17 August 2026.

The reform replaces the previous uniform 100,000-unit minimum traded-quantity threshold with a group structure based on a security's prevailing share price. The goal is to ensure only transactions of material economic value move a stock's published price, while excluding small, non-economic trades from official price statistics.

Daily price movement (circuit-breaker) limits are unchanged; only the volume required to trigger a published price move has changed.

The change replaces the old uniform 100,000 units threshold with a group structure based on share price, trades that don't meet the threshold for their group still execute, but they're excluded from key market statistics last traded price, daily highs/low, 52-week highs/low, opening/closing prices, and the relevant indices.

Group	Price	Min. qty to move published price
A	₦1,000+	10,000 units
B	₦500-₦999.99	50,000 units
C	Below ₦500	100,000 units

Group A biggest relative easing This is where the impact is sharpest. As of mid June 2026, only a handful of stocks qualified for this group trading well above ₦9,000, and similarly priced counters. Under the old uniform rule to a small fraction of that. Fewer naira are now needed to shift these stocks, which mean more frequent price discovery but also more volatility and easier price manipulation risk at the margin if trading desks aren't careful

Stock	Price (₦)	Note
Seplat	11,363.90	Capital to move price down ~90% vs. old rule
Airtel	5,801.40	
Nestlé	2,750.00	
Presco	2,070.00	
Aradel	1,526.80	Threshold capital fell from ~₦167m to ₦16.7m
Dangote	1,034.00	Only just cleared ₦1,000 see boundary watch

Group B (₦500-₦999.99). A trader holding the minimum 50,000 units sees a N2,500 gain per 5-kobo ticks a moderate easing versus the old rule, with relatively price movement.

Stock	Price (₦)	Gap to ₦1,000	Directions
Dangote Cement	1,034.00	+3.4% (inside Group A)	Risk of falling back to Group B
MTN Nigeria	845.00	-15.5% (Group B)	Watching for rally into Group A
BUA Foods	845.10	-15.5% (Group B)	Watching for rally into Group A

Dangote Cement has only just crossed ₦1,000 a routine pullback drops it back to the 50,000-unit Group B threshold.

MTN Nigeria and BUA Foods are Nigeria's #1 and #3 companies by market cap; either crossing into Group A would meaningfully change how easily the ASI's largest constituents can move.

Group C (below ₦500) The bulk of the market most banking, insurance, and lower-priced consumer/industrial names. This threshold stays at 100,000 unit these stocks may experience low liquidity effects when capital rotates toward newly easier-to-move high priced names.

Practical implications to consider

1 Trading desks/algos: Order-slicing and execution strategies calibrated to the old flat 100,000-unit rule need re-tiering by security, especially for anything priced above ₦500 do this before Aug 17 given ASHON's operational-readiness notice.

2 Retail access to premium stocks will pull retail participation into previously hard to move since it now takes far less capital to influence a price tick.

3 Volatility risk Lower capital barriers in Group only about #10m is required to effect price moment in group A, mean prices will swing easily on smaller trades. Watching for the first few sessions post-implementation for any distortion rather than genuine price discovery.

4 Index portfolio marking sub threshold trades won't count toward closing prices or index levels, any internal valuation or NAV marking processes referencing NGX closing prices should confirm they're capturing the *published* threshold-compliant price, not raw last-trade data.

5 Price moment migration stock crossing ₦500 or ₦1,000 will jump grouping, changing its liquidity and volatility quickly, watch near boundary stocks

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