



Opening Remarks for the 6th Building African Financial Markets (BAFM) Capacity Building Seminar

**Delivered by Mr. Oscar N. Onyema, OON
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Thank you Karim, for your warm welcome.

Distinguished guests, colleagues and partners from across the continent and beyond:

A very good morning to you all.

On behalf of ASEA, I join the CEO of the Casablanca Stock Exchange, Mr. Karim Hajj in welcoming you all to the 2017 Building African Financial Markets (BAFM) capacity-building seminar. I am sure that I speak for most of us when I say it is a great pleasure to be here in the beautiful city of Casablanca for the 6th edition of this seminar. I am particularly pleased that this year's edition of the BAFM is holding in North Africa, following last year's maiden West African edition which marked the first time the seminar held outside of South Africa. Indeed this reflects ASEA's efforts to expand its reach and participation across all regions of the continent.

This seminar is the first major outing of ASEA in 2017. For many of us here, 2016 was a challenging year. Against the backdrop of sustained lower commodity prices, weakening currencies, slower than expected global growth and heightened political uncertainty; capital-raising activity in African stock markets declined by up to 33% (in USD terms) over the previous year. The subdued activity mirrored global developments, as the World Federation of Exchanges (WFE) reported that 2016 saw the slowest start to the year for global equity markets in over a decade.

I highlight these issues not to paint a picture of uncertainty, but for us to recognize firstly, that African financial markets remain inextricably linked to the global economy and must respond flexibly to emerging trends in economic and policy developments. And secondly, because a number of these conditions will continue to influence the performance of our markets in the near term. Thus, presenting challenges to our businesses, but also making this an opportune time to take a step back and re-strategize on how best to grow our markets and build resilience and competitiveness under diverse economic conditions.

Indeed this seminar affords each and every one of us here the opportunity to do just that. This year's theme "Global best practices to enhance the African capital markets" is simple yet apt. It captures the essence of the BAFM - a forum to share insights and best-in class practices that will stimulate the growth of African financial markets. Accordingly, over the next two days, we will discuss a range of topics

critical to our industry including, regulation, corporate governance, market infrastructure and technology, with a focus on policies, procedures and structural recommendations that can be adopted or adapted in our various markets to unlock new opportunities. It is not a one size fits all approach. Ultimately we must all evaluate recommendations from the sessions against the complexities of our own market structure, the needs of our ecosystem and the level of market development, in order to determine the levers that will yield the greatest liquidity or competitive advantage for a particular market.

African exchanges have made significant strides, increasingly adopting international standards and joining global associations such as the WFE with whom ASEA shares a common vision, and which now counts five (5) African exchanges in its membership. However, there is more to do to increase the competitiveness and sustainability of the African capital market, which requires concerted efforts of the entire capital market community as well governments and policymakers.

On its part, ASEA has undertaken various initiatives to align itself and member exchanges with the highest global standards including: (i) a partnership with the African Development Bank (AfDB) to develop financial market infrastructure and products for African exchanges, amongst other areas of cooperation; (ii) partnership with leading global index provider FTSE, to develop the ASEA FTSE Pan-Africa index; (iii) transformation of the ASEA website to a world-class platform for disseminating market news and statistics (including live market feeds) to the global investment community; and (iv) collaborations with leading global institutions such as the Chartered Financial Analyst (CFA) Institute, the Chartered Institute for Securities & Investment (CISI), amongst other areas.

On a final note, I would like to take this opportunity to extend my appreciation to our sponsors - Bloomberg, the London Stock Exchange Group (LSEG) and MacroClear - as well as our media partners. I must acknowledge the presence of the Moroccan Authority of Capital Markets and Casablanca Finance City Authority – we are grateful for your support and participation. To my good friend Karim and the entire team at the Casablanca Stock Exchange and ASEA secretariat who have worked tirelessly to put this seminar together – I thank you very much for your efforts in making this a very successful event. Building the African financial market is our collective responsibility, hence we must seek out knowledge that empowers each of us to remove impediments to the advancement of our market. I have no doubt that the discussions over the next two days will provide us a greater perspective and learnings which will help us advance the development of our markets and leave us better positioned to unlock our continent's growth potential.

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