

## New e-platform links 7 African capital markets with \$1.5tn market capitalisation

Cross-border securities trading among seven African stock exchanges is now possible thanks to the launch of a new trading link.



Source: [Fxabay](#)

Dubbed the AELP trading link, the e-platform - launched by the African exchanges linkage project (AELP) - connects the exchanges' 2,000 companies with a market capitalisation of approximately \$1.5tn.

The AELP link trading platform incorporates stock-market integration, an order routing system, and market and order-book data sharing.

AELP is a joint initiative of the African Development Bank and the African securities exchanges association (Asea). Through a grant from Korea-Africa economic co-operation trust fund (KOAFEC), the bank is funding Asea's phased rollout of the project.

The launch took place on 7 December 2022 on the sidelines of the Asea 2022 annual general meeting and annual conference, which is taking place in Abidjan, Cote d'Ivoire, from 7 to 9 December 2022.

Executives from African stock exchanges, the African Development Bank, institutional investors, stockbrokers, and the

investor community attended the launch.

## New era of African capital markets

Edoh Kossi Amenounve, Asea's president, said: "With AELP, we are entering a new era of African capital markets where all our members will gradually transact cross-border trades from one African securities exchange to another. This project represents a great opportunity for investors and issuers across the continent."

The first phase of the AELP will connect seven stock exchanges across 14 African countries: Morocco, Egypt, Nigeria, Kenya, Mauritius, South Africa and the West Africa Economic and Monetary Union, which comprises Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo. The AELP trading link went live on 18 November following a beta testing period. The system is being deployed in partnership with DirectFN Ltd.

AELP also provides training programmes targeting financial market practitioners on cross-border investment practices, and investment rules across the participating markets. Capacity-building programmes have benefitted financial market regulators, stockbrokers (security dealers), custodians, central bankers, and other stakeholders.



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The African Development Bank and ASEA have also jointly supported the establishment of the African Stockbrokers and Securities Dealers Association as a pioneering pan-African platform for collaboration between security dealers on capital markets integration and financial products innovation.

The African Development Bank's manager for Capital Markets Development, Ahmed Attout, said: "It is our pleasure to partner with Asea through this process culminating in the operationalisation of the African Exchanges Linkage Project Link Trading Platform."

The AELP is a transformational project that aligns with the African continental free trade agreement's objective of establishing a liberalised market to aid the movement of capital, facilitate investments and deepen the continent's economic integration.

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