



DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
December 15-19, 2014

Table I

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
December 15,2014	190	23,649	23,649,424	25,174,085,622
December 16,2014	567	79,965	79,965,810	89,945,494,578
December 17,2014	400	115,823	115,823,656	116,354,519,098
December 18,2014	96	22,840	22,840,000	23,055,628,623
December 19,2014	401	128,009	128,009,178	130,381,189,558
Total	1,654	370,288,068	370,288,068	385,450,917,489

Source: Central Bank of Nigeria

Figures are for Over-The-Counter Deals Only

Table II: FGN Bond MTM Prices as at December 19,2014

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%) 19/12/2014	Yields (%) 12/12/2014
1	4.00% FGN APR 2015	23-Apr-15	0.34	97.01	13.01	13.49
2	13.05% FGN AUG 2016	16-Aug-16	1.66	96.45	15.52	14.75
3	15.10% FGN APR 2017	27-Apr-17	2.35	99.35	15.41	14.54
4	9.85% FGN JUL 2017	27-Jul-07	2.60	88.46	15.38	14.53
5	9.35% FGN AUG 2017	31-Aug-17	2.70	87.04	15.39	14.53
6	10.70% FGN MAY 2018	30-May-18	3.44	87.66	15.44	14.49
7	16.00% FGN JUN 2019	29-Jun-19	4.53	101.50	15.52	14.45
8	7.00% FGN OCT 2019	23-Oct-19	4.84	71.79	15.48	14.42
9	16.39% FGN JAN 2022	27-Jan-22	7.11	104.50	15.32	14.31
10	14.20% FGN MAR 2024	14-Mar-24	9.23	95.50	15.11	14.19
11	15.00% FGN NOV 2028	28-Nov-28	13.94	110.47	13.32	12.90
12	12.49% FGN MAY 2029	22-May-29	14.42	95.73	13.15	12.77
13	8.50% FGN NOV 2029	20-Nov-29	14.92	70.75	12.98	12.64
14	10.00% FGN JUL 2030	23-Jul-30	15.59	74.50	14.07	13.41
15	12.1493% FGN JUL 2034	18-Jul-34	19.58	84.00	14.64	13.30

Source: Financial Markets Dealers Quotation (FMDQ OTC)

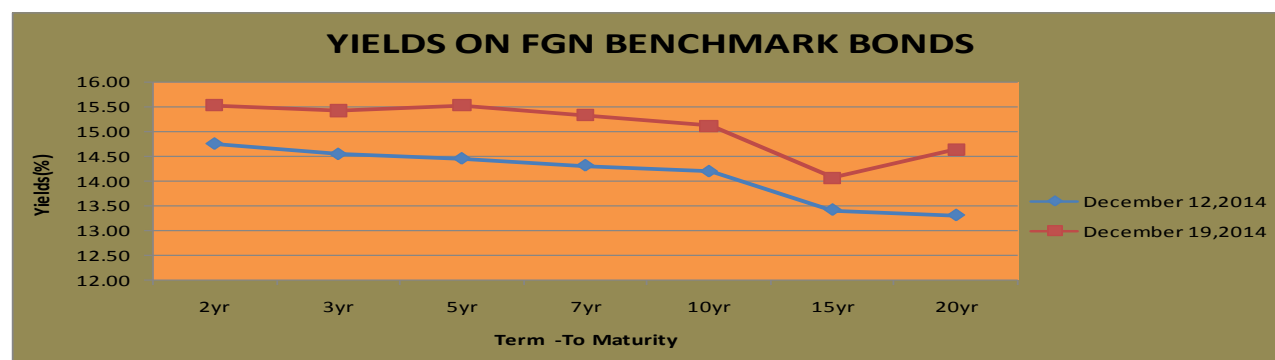
***TTM means Term to Maturity*

WOW Change*	
Tenor	Change in yields (BPs)**
2yr	72.00
3yr	87.00
5yr	107.00
7yr	101.00
10yr	92.00
15yr	66.00
20 yr	134.00

**Week Over Week*

*** Basis Points*

***BENCHMARK FGN BONDS	
Bond Name	Tenor Benchmark
13.05% FGN AUG 2016	2yr
15.10% FGN APR 2017	3yr
16.00% FGN JUN 2019	5yr
16.39% FGN JAN 2022	7yr
14.20% FGN MAR 2024	10 yr
10.00% FGN JUL 2030	15 yr
12.1493% FGN JUL 2034	20 yr



SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF December 15-19, 2014

In the week under review, Total Face Value of FGN Bonds traded during the week increased by 8.15% from ₦342.37bn to ₦370.28bn, while Consideration increased by 6.45% from ₦362.09bn to ₦385.45bn. Number of Deals, on the other hand decreased from 2,040 to 1,654.

During the week, the Debt Management Office held its monthly FGN Bond Auction, in which ₦65.00bn FGN Bonds were offered. The Marginal Rates for the 13.05% FGN AUG 2016 (3 – year FGN Benchmark), 10-Year (14.20% FGN MAR 2024) and the 20-Year (12.1493% FGN JUL 2024) which were offered at the Auction were 15.49%, 15.20% and 15.49% respectively. These were higher than the Marginal Rates of 10.05%, 13.49% and 13.58% respectively, recorded for the same Bonds at the November, 2014 FGN Bond Auction. The increased Marginal Rates may be due to reduced demand by investors and was reflected in the Total Subscription at the Auction which was ₦93.60bn or 1.40 times the ₦65.00 bn offered as opposed to ₦104.41 bn or 1.60 times the same amount offered at the last FGN Bond Auction. The average increase of 302bps in Marginal Rates appeared to have impacted on the secondary market Yields for FGN Bonds, as Yields on the FGN Benchmark Bonds rose by 66-134bps week-on-week. Similarly, Marginal Rates also increased at the Nigerian Treasury Bills Auction (NTBs or Bills) held during the week. ₦195.59bn NTBs were offered comprising ₦33.89bn 91-Day Bills, ₦51.30bn 182-Day Bills and ₦110.40bn 364-Day Bills. These were sold at Marginal Rates of 11.00%, 13.85% and 15.99% as against 10.05%, 13.49% and 13.58% respectively at the last NTB Auction held on December 3, 2014. The Auction was a refinancing of maturing obligations of the same amount.

Market liquidity position improved compared to the past three weeks due to statutory disbursements of ₦628.77bn to the three tiers of Government by the Federal Accounts Allocation Committee on December 15 – 16, 2014 which propped up liquidity. As a result, Overnight Interbank Rate which rose as high as 65.96% midweek from its closing rate of 25.37% in the previous week, fell to close at 15.17% on Friday, December 19, 2014.