



DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
August 18-22, 2014

Table I

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
August 11,2014	228	42,594	42,594,400	47,568,166,642
August 12,2014	358	48,079	48,078,600	54,931,145,008
August 13,2014	309	62,144	62,143,800	60,212,743,878
August 14,2014	476	64,720	64,720,000	73,707,610,424
August 15,2014	500	55,509	55,509,600	63,166,421,122
Total	1,871	273,046	273,046,400	299,586,087,074

Source: Central Bank of Nigeria

Figures are for Over-The-Counter Deals Only

Table II: FGN Bond MTM Prices as at August 22, 2014

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	9.25% FGN SEP 2014	28-Sept-14	0.10	99.81	10.80
2	4.00% FGN APR 2015	23-Apr-15	0.67	95.65	10.90
3	13.05% FGN AUG 2016	16-Aug-16	1.98	103.25	11.17
4	15.10% FGN APR 2017	27-Apr-17	2.68	109.00	11.11
5	9.85% FGN JUL 2017	27-Jul-07	2.93	96.88	11.12
6	9.35% FGN AUG 2017	31-Aug-17	3.03	95.55	11.12
7	10.70% FGN MAY 2018	30-May-18	3.77	98.60	11.15
8	16.00% FGN JUN 2019	29-Jun-19	4.85	117.60	11.19
9	7.00% FGN OCT 2019	23-Oct-19	5.17	83.49	11.30
10	16.39% FGN JAN 2022	27-Jan-22	7.43	122.40	11.78
11	14.20% FGN MAR 2024	14-Mar-24	9.56	112.65	11.94
12	15.00% FGN NOV 2028	28-Nov-28	14.27	116.09	12.54
13	12.49% FGN MAY 2029	22-May-29	14.75	99.34	12.58
14	8.50% FGN NOV 2029	20-Nov-29	15.25	72.34	12.63
15	10.00% FGN JUL 2030	23-Jul-30	15.92	84.70	12.20
16	12.1493% FGN JUL 2034	18-Jul-34	19.90	100.15	12.13

Source: Financial Markets Dealers Quotation (FMDQ OTC)

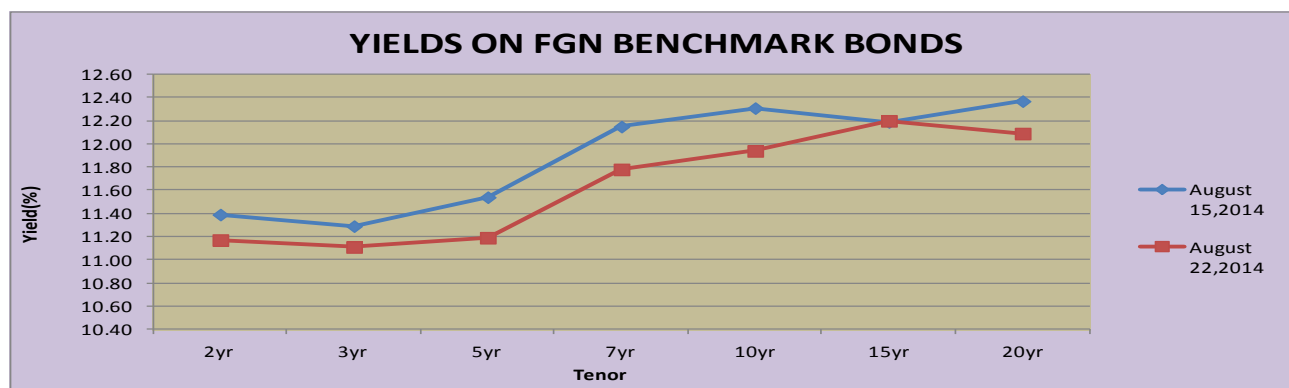
**TTM means Term to Maturity

WOW Change*	
Tenor	Change in yields (BPs)**
2yr	(22.00)
3yr	(18.00)
5yr	(35.00)
7yr	(37.00)
10yr	(37.00)
15yr	1.00
20 yr	(28.00)

*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 August 18 – August 22, 2014

In the week under review, the Total Face Value of FGN Bonds traded and Consideration fell marginally by 1.75% and 3.05% respectively from ₦273.93bn and ₦309.01bn to ₦273.04bn and ₦299.58bn compared to the week of August 11-15, 2014. Number of Deals, however, increased from 1,235 to 1,871. Yields on FGN Bond Benchmarks decreased by 18-37 bps, except the 15 Year Benchmark whose Yield increased marginally by 1bps.

During the week, a Nigerian Treasury Bills Auction (NTBs or Bills) was held at which the amount offered and allotted was ₦70.65bn made up of ₦40.65bn 91-Day Bills and ₦30.00bn 182-Day Bills. Total Subscription at the Auction was ₦122.13bn or 1.73 times the amount offered. In comparison, to the last NTB Auction, which took place on August 6, 2014, the Marginal Rate for the 91-Day Bill fell to 9.90% from 10.00% while that of the 182-Day Bill remained flat at 10.20%. The high subscription level at the Auction compared to the previous Auction of August 6, 2014 and the drop in FGN Bond Yields during the week indicate that demand for FGN Securities was relatively high, boosted by liquidity inflows from the release by the Federal Accounts Allocation Committee (FAAC) of about ₦630.00bn to the three tiers of Government. Also, ₦146.37bn 147-Day OMO Bills matured during the week, which further increased liquidity in the system as there were no mop-ups through OMO Auctions during the week.

The increased liquidity in the system which was responsible for the high Subscription at the NTBs Auction, also accounted for the drop in Yields on FGN Bonds and the decline in the Interbank Rate from 12.00% to 10.83% week-on-week.

A major development recorded in the review week was the announcement by J.P. Morgan of the inclusion of Nigeria's 14.20% FGN MAR 2024 (10-Year FGN Benchmark) in the J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) bringing the total number of FGN Bonds in the GBI-EM to six.

