



DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
December 1-5, 2014

Table I

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
December 1,2014	456	72,329	72,329,228	79,074,280,998
December 2,2014	344	57,238	57,238,490	62,830,025,235
December 3,2014	558	90,565	90,565,644	98,845,372,732
December 4,2014	552	76,684	76,684,200	88,641,619,124
December 5,2014	452	67,422	67,422,230	73,629,538,933
Total	2,262	364,149	364,149,792	403,020,837,022

Source: Central Bank of Nigeria

Figures are for Over-The-Counter Deals Only

Table II: FGN Bond MTM Prices as at December 5,2014

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%) 5/12/2014	Yields (%) 28/11/2014
1	4.00% FGN APR 2015	23-Apr-15	0.38	96.25	14.28	13.72
2	13.05% FGN AUG 2016	16-Aug-16	1.70	98.90	13.76	13.65
3	15.10% FGN APR 2017	27-Apr-17	2.39	102.50	13.82	14.03
4	9.85% FGN JUL 2017	27-Jul-07	2.64	91.49	13.79	14.02
5	9.35% FGN AUG 2017	31-Aug-17	2.74	90.12	13.79	13.99
6	10.70% FGN MAY 2018	30-May-18	3.48	91.61	13.81	13.78
7	16.00% FGN JUN 2019	29-Jun-19	4.57	107.05	13.86	13.54
8	7.00% FGN OCT 2019	23-Oct-19	4.88	76.32	13.82	13.45
9	16.39% FGN JAN 2022	27-Jan-22	7.15	111.75	13.74	13.37
10	14.20% FGN MAR 2024	14-Mar-24	9.27	103.80	13.46	13.17
11	15.00% FGN NOV 2028	28-Nov-28	13.98	110.81	13.28	12.80
12	12.49% FGN MAY 2029	22-May-29	14.46	94.96	13.28	12.77
13	8.50% FGN NOV 2029	20-Nov-29	14.96	69.24	13.28	12.75
14	10.00% FGN JUL 2030	23-Jul-30	15.63	77.70	13.44	13.02
15	12.1493% FGN JUL 2034	18-Jul-34	19.62	93.00	13.15	13.15

Source: Financial Markets Dealers Quotation (FMDQ OTC)

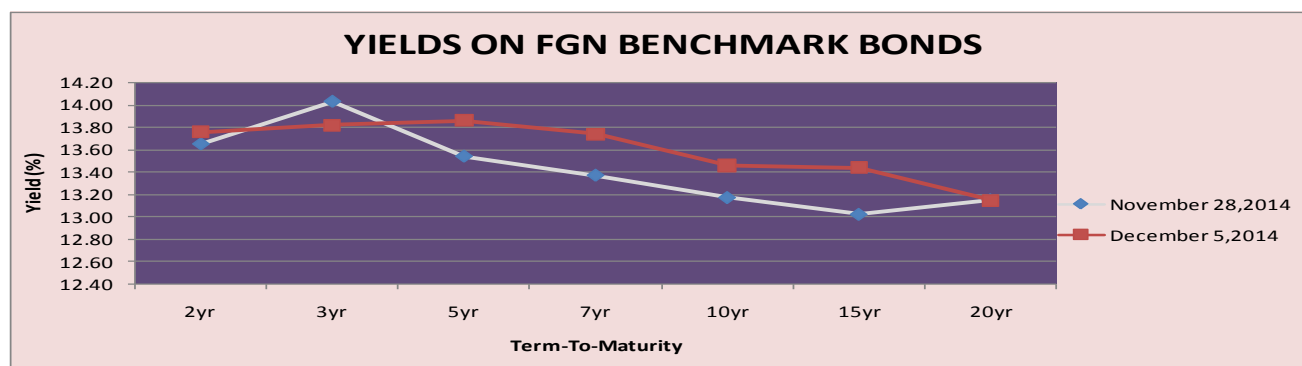
***TTM means Term to Maturity*

WOW Change*	
Tenor	Change in yields (BPs)**
2yr	11.00
3yr	(21.00)
5yr	32.00
7yr	37.00
10yr	29.00
15yr	42.00
20 yr	0.00

**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 1-5, 2014

In the week under review, trading activities increased over their respective levels in the previous week of November 24-28, 2014. Total Face Value of FGN Bonds traded during the week was ₦364.14bn and 39.70% higher than ₦260.65bn recorded last week, while Consideration increased by 47.95% from ₦272.39bn to ₦403.02bn. Number of Deals increased from 1,666 to 2,362. During the week, FGN Bond Yields inched up, once again, and Yields on the FGN Benchmark Bonds increased by 11-42bps, except for the 3-Year Benchmark whose Yield fell due to high demand for the bond by the Pension Funds, and that of the 20-Year Benchmark which closed flat week-on-week. The rise in Bond Yields was triggered by Bond sales by some operators to raise monies to fund other obligations, in view of tight liquidity in the market in the review week.

Market liquidity had further declined during the week, as a result of the monthly 75% Cash Reserve Ratio (CRR) debit on Public Sector deposits by the Central Bank of Nigeria (CBN) on Wednesday, December 3, 2014. Banks were debited for about ₦320.00bn, bringing the total monies withdrawn via CRR debit in the past two weeks to over ₦800.00bn. Since there were no compensating inflows from maturing securities during the week, market liquidity was extremely tight. In reaction, the Overnight Interbank Rate rose from 13.41% on November 28, 2014 to 25.42% on December 5, 2014.

The liquidity squeeze also caused a rise in the Marginal Rates at the Nigerian Treasury Bills (NTBs or "Bills") Auction held during the week. ₦129.17bn, Nigerian Treasury Bills was offered and sold at the Auction held on December 3, 2014 to refinance maturing obligations of the same amount. At the Auction, ₦27.85bn 91-Day Bills, ₦30.00bn 182-Day Bills and ₦71.32bn 364-Day Bills were offered, while ₦17.85bn, ₦18.00bn and ₦93.32bn were sold at Marginal Rates of 10.05%, 13.49% and 13.58% respectively. These were higher than the 9.99%, 10.80% and 12.49% recorded for the same tenors at the last Auction on November 19, 2014.