



## DEBT MANAGEMENT OFFICE

NIGERIA

## FGN BONDS

### HIGHLIGHTS FOR THE WEEK

October 6 -10, 2014

Table I

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
October 6,2014	Public Holiday			
October 7,2014				
October 8,2014	528	81,745	81,745,520	90,600,252,981
October 9,2014	1,014	134,654	134,654,400	147,044,504,066
October 10,2014	814	122,906	122,906,382	134,768,214,019
<b>Total</b>	<b>2,356</b>	<b>339,305</b>	<b>339,306,302</b>	<b>372,412,971,066</b>

Source: Central Bank of Nigeria

Figures are for Over-The-Counter Deals Only

Table II: FGN Bond MTM Prices as at October 10,2014

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	4.00% FGN APR 2015	23-Apr-15	0.53	96.19	11.54
2	13.05% FGN AUG 2016	16-Aug-16	1.85	101.00	12.40
3	15.10% FGN APR 2017	27-Apr-17	2.55	105.30	12.59
4	9.85% FGN JUL 2017	27-Jul-07	2.80	93.53	12.65
5	9.35% FGN AUG 2017	31-Aug-17	2.89	92.18	12.65
6	10.70% FGN MAY 2018	30-May-18	3.64	94.39	12.66
7	16.00% FGN JUN 2019	29-Jun-19	4.72	111.65	12.63
8	7.00% FGN OCT 2019	23-Oct-19	5.04	79.33	12.68
9	16.39% FGN JAN 2022	27-Jan-22	7.30	117.30	12.67
10	14.20% FGN MAR 2024	14-Mar-24	9.43	108.40	12.65
11	15.00% FGN NOV 2028	28-Nov-28	14.13	115.66	12.59
12	12.49% FGN MAY 2029	22-May-29	14.61	99.33	12.59
13	8.50% FGN NOV 2029	20-Nov-29	15.11	72.69	12.58
14	10.00% FGN JUL 2030	23-Jul-30	15.78	82.30	12.60
15	12.1493% FGN JUL 2034	18-Jul-34	19.77	98.35	12.37

Source: Financial Markets Dealers Quotation (FMDQ OTC)

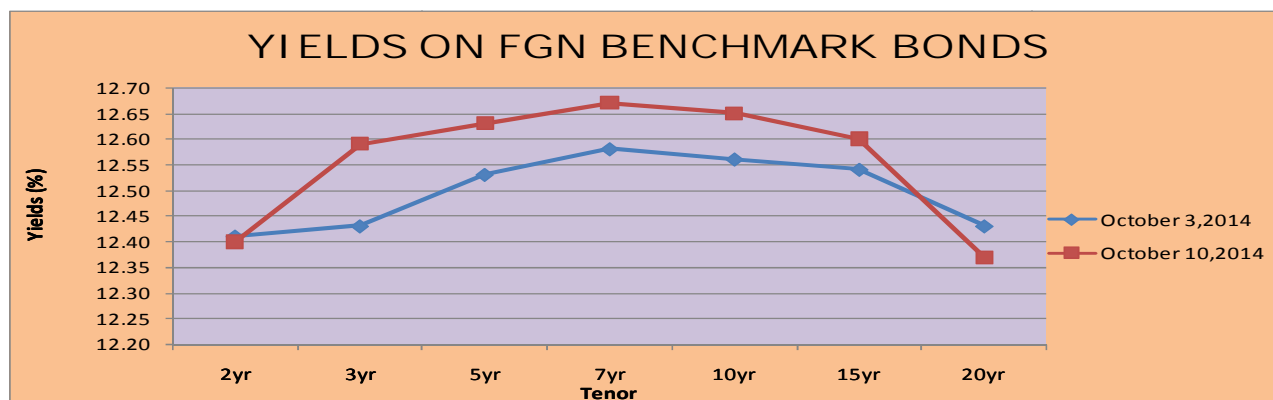
\*\*TTM means Term to Maturity

WOW Change*	
Tenor	Change in yields (BPs)**
2yr	(1.00)
3yr	16.00
5yr	10.00
7yr	9.00
10yr	9.00
15yr	6.00
20 yr	(6.00)

\*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 October 6 – October 10, 2014

In the week under review, perhaps due to the fact that markets were open for 3 days compared to 4 days in the previous week, total Face Value of FGN Bonds traded decreased by 8.89% from ~~₦~~372.41bn to ~~₦~~339.30bn, while Consideration declined by 11.85% to ~~₦~~389.91bn compared to ~~₦~~422.48bn in the previous week. Number of Deals however, increased from 2,333 to 2,356. Yields on the 3 to 15-Year FGN Benchmark Bonds increased by 6-16bps while those of the 2- Year and 20-Year Benchmarks recorded price appreciation with a corresponding reduction in Yields by 1 and 6bps respectively. The almost steady rise in Bond Yields may be partly attributed to profit taking activities by some market players, reduced participation by foreign investors due to developments in the international markets and global economy.

During the week, the Debt Management Office released the Fourth Quarter FGN Bonds Auction Calendar in which it proposed to raise ~~₦~~65.00 - ~~₦~~95.00bn through a re-opening of Benchmark Bonds. Also, the Central Bank of Nigeria (CBN) on behalf of the Federal Government of Nigeria offered ~~₦~~131.83bn Nigerian Treasury Bills (NTBs or Bills) comprising ~~₦~~20.15bn 91-Day Bills, ~~₦~~43.90bn 182-Day Bills and ~~₦~~46.90bn 364-Day Bills. Out of the Total Subscription of ~~₦~~84.80bn that was received, a total of ~~₦~~64.85bn was sold made up of: ~~₦~~17.19bn 91-Day Bills, ~~₦~~17.36bn 182-Day Bills and ~~₦~~30.30bn 364-Day Bills. The Marginal Rate of 9.95% for the 91-Day Bill was the same as the previous Auction held on September 24, 2014, while the Marginal Rates of 10.30% and 10.79% for the 182-Day and 364-Day Bills respectively, at the NTB Auction were higher than the 10.10% and 10.35% recorded at the previous Auction. The short-fall of ~~₦~~66.983bn was taken up by the CBN.

Similar to the under-subscription at the NTB Auction, the CBN received high Bid Rates at its OMO Auctions during the week. Consequently, it sold only ~~₦~~27.87bn OMO Bills out of ~~₦~~90.00bn on Offer for which it received total subscriptions of ~~₦~~174.30bn. The high demand recorded was backed by strong market liquidity from OMO maturities of ~~₦~~132.97bn in the review week.

Overnight Interbank Rate remained fairly stable week on week at 10.50% on October 3, 2014 to 10.58% on October 10, 2014.