



**DEBT MANAGEMENT OFFICE**  
**NIGERIA**  
**FGN BONDS**  
**HIGHLIGHTS FOR THE WEEK**  
**July 22, 2013 – July 26, 2013**

**Table I: Summary of Trading Report\***

Description	Details
Average Price	1,056.85
Highest Price	1,233.05
Lowest Price	804.01
Highest Priced Bond	16.39% FGN JAN 2022
Lowest Priced Bond	10.00% FGN JUL 2030
Highest Traded Bond	16.39% FGN JAN 2022
Lowest Traded Bond	8.50% FGN NOV 2029
Highest Traded Volume	87,146,220
Lowest Traded Volume	300,000
No. of Bonds Traded	11
No. of Transactions	1,613

NB: Price is per 1000 Units of the Bond

**Table II: Trading Statistics\***

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
July 22, 2013	437	67,056	67,056,280	66,449,622,516.26
July 23, 2013	148	20,718	20,718,802	23,610,076,361.99
July 24, 2013	219	31,710	31,710,000	34,151,927,109.15
July 25, 2013	416	54,210	54,210,516	58,027,217,973.78
July 26, 2013	393	49,594	49,594,071	53,744,528,363.59
<b>Total</b>	<b>1,613</b>	<b>223,288</b>	<b>223,289,669</b>	<b>235,983,372,324.770</b>

**Table III: FGN Bond MTM Prices as at July 26, 2013**

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	9.25% FGN SEP 2014	28-Sept-14	1.18	95.28	13.72
2	4.00% FGN APR 2015	23-Apr-15	1.74	84.95	14.03
3	15.10% FGN APR 2017	27-Apr-17	3.76	103.63	13.81
4	9.35% FGN AUG 2017	31-Aug-17	4.10	85.15	14.25
5	10.70% FGN MAY 2018	30-May-18	4.85	88.15	14.15
6	16.00% FGN JUN 2019	29-Jun-19	5.93	108.92	13.74
7	7.00% FGN OCT 2019	23-Oct-19	6.25	73.65	13.35
8	16.39% FGN JAN 2022	27-Jan-22	8.51	113.59	13.64
9	15.00% FGN NOV 2028	28-Nov-28	15.35	108.40	13.67
10	12.49% FGN MAY 2029	22-May-29	15.83	92.40	13.67
11	8.50% FGN NOV 2029	20-Nov-29	16.33	66.45	13.68
12	10.00% FGN JUL 2030	23-Jul-30	17.00	75.93	13.68

**Sources: 1. Central Securities Clearing System (Tables I and II)**

**2. Financial Markets Dealers Association (Table III)**

**\*Figures are for Over-The-Counter Deals Only**

**\*\*TTM means Term to Maturity**

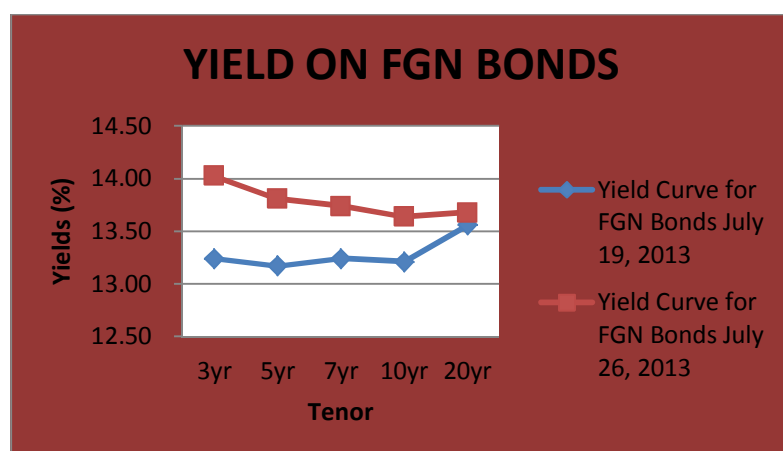
## SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF July 22, 2013 – July 26, 2013

The Face Value of FGN Bonds traded during the week increased by 72.04% from N129.79bn in the previous week (July 15-July 19, 2013), to N223.29bn. Consideration also increased by 58.31% from N148.95bn to N235.98bn within the same period. 11 FGN Bonds were traded in 1,613 deals versus 7 FGN Bonds in 1,032 deals traded in the previous week. Trading on the first day of the week was very high but slowed down on the next two days due to the Monetary Policy (MPC) Committee meetings but picked up thereafter.

The MPC's decision to retain subsisting monetary policy tools and exchange rate policy except the Cash Reserve Requirement (CRR) at the same levels gave some direction to the market. Firstly, the new CRR of 50% on public sector deposits implies a reduction in liquidity and higher interest rates going forward. Secondly, the retention of the official exchange rate at USD1/N155 plus or minus 3% suggests a commitment by the Central Bank of Nigeria to maintain exchange rate stability.

Against this background, Yields on FGN Bonds rose by between 12 to 79bps while the Bid Rates at the Nigeria Treasury Bills (NTB) Auction held in July 24, 2013 were higher than those for the last Auction on July 10, 2013, although the Marginal Rates were similar for the 91 and 182 days tenors. N114.89bn NTBs, (a refinancing of maturing obligation) were offered and fully allotted in tenors of 91, 182, and 364 days at Marginal Rates of 11.60%, 12.75% and 13.338% respectively for which a total subscription N299.312bn was received. An additional amount of N81.79bn was sold to non-competitive bidders.

The higher yields on FGN Bonds and CBN's commitment to exchange rate stability are said to have attracted foreign investors into the market and to some extent, pension funds. These were the primary reasons for the increase in trading after the MPC's Communique. The OMO maturities of N56.216bn increased the level of liquidity resulting in a decline in Overnight Interbank Rate from 11% the previous week to 10.50% at the close of the week.



WOW Change*	
Tenor	Change in yields (BPs)**
3yr	79.00
5yr	64.00
7yr	50.00
10yr	43.00
20yr	12.00

**\*WOW = Week Over Week**

**\*\*BPs = Basis Point**

**\*\*\* Only Benchmark Bonds were used**

***BENCHMARK FGN BONDS	
Bond Name	Tenor Benchmark
4.00% FGN APR 2015	3yr
15.10% FGN APR 2017	5yr
16.00% FGN JUN 2019	7yr
16.39% FGN JAN 2022	10yr
10.00% FGN JUL 2030	20yr