



**DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
JULY 23 – JULY 27, 2012**

Table I: Summary of Trading Report*

Description	Details
Average Price	₦944.52
Highest Price	₦1,080.76
Lowest Price	₦977.22
Highest Priced Bond	16.39% FGN JAN 2022
Lowest Priced Bond	7.00% FGN OCT 2019
Highest Traded Bond	16.39% FGN JAN 2022
Lowest Traded Bond	9.35% FGN AUG 2017
Highest Traded Volume	33,600,000
Lowest Traded Volume	600,000
No. of Bonds Traded	10
No. of Transactions	1,698

NB: Price is per 1000 Units of the Bond

Table II: Trading Statistics*

Date	No of Deals	Volume'000	Value ₦'000	Consideration ₦'000
July 23, 2012	452	80,870	80,870,000	72,540,360.651
July 24, 2012	446	55,720	55,720,000	52,710,965.802
July 25, 2012	344	31,150	31,150,000	30,045,190.051
July 26, 2012	259	39,465	39,465,122	39,439,940.656
July 27, 2012	197	22,345	22,345,000	22,077,503.317
Total	1,698	229,550	229,550,122	216,813,960.478

Table III: FGN Bond MTM Prices as at July 27, 2012

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	10.50% FGN NOV 2013	28-Nov-13	1.34	94.12	15.51
2	10.50% FGN NOV 2014	18-Mar-14	1.64	92.91	15.53
3	10.75% FGN MAR 2014	30-Mar-14	1.67	93.14	15.53
4	9.20% FGN JUN 2014	29-Jun-14	1.92	89.77	15.55
5	9.25% FGN SEP 2014	28-Sept-14	2.17	88.66	15.59
6	4.00% FGN APR 2015	23-Apr-15	2.74	74.88	15.61
7	15.10% FGN APR 2017	27-Apr-17	4.75	95.58	16.46
8	9.35% FGN AUG 2017	31-Aug-17	5.10	77.51	15.96
9	10.70% FGN MAY 2018	30-May-18	5.84	80.23	16.02
10	16.00% FGN JUN 2019	29-Jun-19	6.93	98.24	16.42
11	7.00% FGN OCT 2019	23-Oct-19	7.24	61.49	16.22
12	16.39% FGN JAN 2022	27-Jan-22	9.51	100.28	16.33
13	15.00% FGN NOV 2028	28-Nov-28	16.35	100.87	14.85
14	12.49% FGN MAY 2029	22-May-29	16.83	86.09	14.74
15	8.50% FGN NOV 2029	20-Nov-29	17.33	61.67	14.64
16	10.00% FGN JUL 2030	23-Jul-30	18.00	71.53	14.49

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

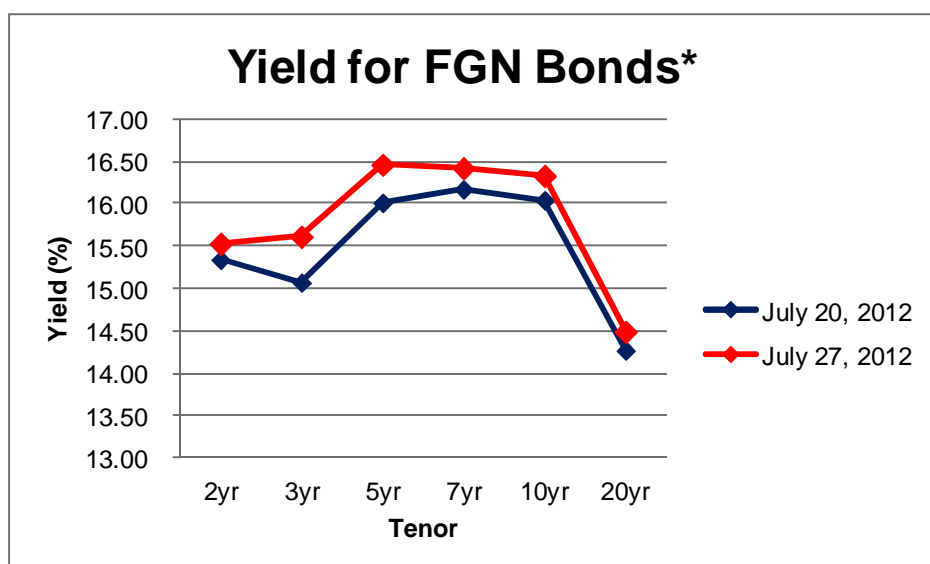
**TTM means Term to Maturity

SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF JULY 23 – JULY 27, 2012.

The Face Value of FGN Bonds traded during the week increased by 103.21% from ₦112.961bn in the previous week (July 16 - 20, 2012) to ₦229.550bn. Consideration also increased by 101.17% from ₦107.777bn to ₦216.813bn within the same period. 10 bonds were traded in 1,698 deals versus 11 bonds traded in 786 deals last week. Trading activities were high in the first half of the week as operators speculated about the outcome of the Monetary Policy Committee (MPC) scheduled for July 23 – 24, 2012.

The Central Bank of Nigeria (CBN) on behalf of the Federal Government offered and sold ₦154.888bn in Nigerian Treasury Bills (NTBs) for tenors of 91-days, 182-days and 364-day at Marginal Rates of 13.9475%, 14.9400% and 15.600% respectively. Total subscription was ₦448.41bn or 2.90 times the amount offered. Bid rates ranged between 12.50% - 17.70%. At the previous auction on July 12, 2012, two tenors of 91-day and 182-day NTBs were offered and sold at Marginal Rates of 13.75% and 14.88% respectively. Although, the Marginal Rates at the NTB Auction during the week were slightly higher than the previous Auction, in absolute terms, the total subscription was higher (₦448.41bn compared to ₦290.22bn) reflecting increased liquidity in the system. The higher liquidity level was also observed in the Interbank Market where rates dropped. The Call Rate, for example, dropped from a range of 14.50% – 17.00% at the start of the week to 12.75% - 14.50% at the close of week. The higher liquidity was due to the release of ₦754bn to the three tiers of Government by the Federation Accounts Allocation Committee (FAAC).

The increase in the Cash Reserve Ratio (CRR) from 8.00% to 12.00% by the CBN at the MPC Meeting, which banks had to comply with within the week, led to a reduction in liquidity resulting in higher yields on NTBs and FGN Bonds by the close of the week.



WOW Change**

Tenor	Change in yields (BPs)***
2yr	19
3yr	54
5yr	45
7yr	25
10yr	29
20yr	22

* Only Benchmark Bonds were used
 **WOW = Week Over Week
 ***BPs = Basis Point