



**DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
SEPTEMBER 3 – SEPTEMBER 7, 2012**

Table I: Summary of Trading Report*

Description	Details
Average Price	₦1,017.78
Highest Price	₦1,144.17
Lowest Price	₦720.25
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	9.20% FGN JUN 2014
Highest Traded Volume	71,940,000
Lowest Traded Volume	1,000,000
No. of Bonds Traded	10
No. of Transactions	993

NB: Price is per 1000 Units of the Bond

Table II: Trading Statistics*

Date	No of Deals	Volume'000	Value ₦'000	Consideration ₦'000
September 3, 2012	176	69,142	69,142,468	68,709,832.735
September 4, 2012	292	62,303	62,303,095	63,581,634.770
September 5, 2012	195	37,485	37,485,100	35,459,255.011
September 6, 2012	192	29,140	29,140,000	31,489,459.908
September 7, 2012	138	25,200	25,200,000	28,000,437.319
Total	993	223,270	223,270,663	227,240,619,744

Table III: FGN Bond MTM Prices as at September 7, 2012

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	10.50% FGN NOV 2013	28-Nov-13	1.22	96.33	13.82
2	10.50% FGN NOV 2014	18-Mar-14	1.53	95.53	13.84
3	10.75% FGN MAR 2014	30-Mar-14	1.56	95.77	13.84
4	9.20% FGN JUN 2014	29-Jun-14	1.81	92.73	13.86
5	9.25% FGN SEP 2014	28-Sept-14	2.06	92.04	13.82
6	4.00% FGN APR 2015	23-Apr-15	2.62	78.74	13.93
7	15.10% FGN APR 2017	27-Apr-17	4.64	103.55	14.02
8	9.35% FGN AUG 2017	31-Aug-17	4.98	84.15	13.86
9	10.70% FGN MAY 2018	30-May-18	5.73	88.22	13.72
10	16.00% FGN JUN 2019	29-Jun-19	6.81	110.80	13.51
11	7.00% FGN OCT 2019	23-Oct-19	7.13	69.82	13.78
12	16.39% FGN JAN 2022	27-Jan-22	9.39	117.80	13.04
13	15.00% FGN NOV 2028	28-Nov-28	16.24	122.38	11.86
14	12.49% FGN MAY 2029	22-May-29	16.72	105.09	11.78
15	8.50% FGN NOV 2029	20-Nov-29	17.21	76.49	11.70
16	10.00% FGN JUL 2030	23-Jul-30	17.88	88.15	11.58

**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**

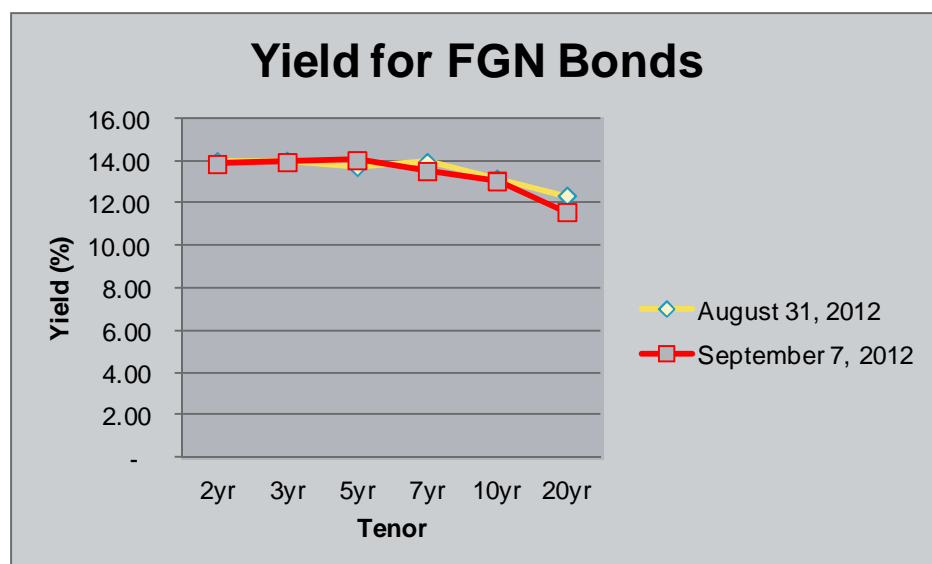
****TTM means Term to Maturity**

SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF SEPTEMBER 3 - 7, 2012.

The Face Value of FGN Bonds traded during the week increased by 40.27% from ₦159.171bn in the previous week (August 27 - 31, 2012) to ₦223.270bn. Consideration also increased by 46.93% from ₦154.656bn to ₦227.240bn within the same period. 10 bonds were traded in 993 deals versus 9 bonds traded in 745 deals last week. Trading activities rose during the week due to demand from foreign investors, whose appetite for FGN Bonds has increased since the announcement by JP Morgan of the inclusion of FGN Bonds in its Emerging Market Index.

On September 5, 2012, the Central Bank of Nigeria (CBN) on behalf of the Federal Government offered and sold N142.971bn in Nigerian Treasury Bills (NTBs) with tenors of 91, 182 and 364 days at rates of 13.64%, 13.80% and 13.87% respectively. Total Subscription was N430.750bn or 3.01 times the amount offered. Bid rates ranged between 12.00% - 17.69%. Proceeds from the Auction were used to refinance maturing obligations. At the previous Auction on August 22, 2012, NTBs with tenors of 91 and 182 days were sold at Marginal Rates of 14.00% and 15.08% respectively. Total subscription was N136.92bn or 2.70 times the amount offered. The decline in the Marginal Rates and higher subscription level at the September 5, 2012 NTBs Auction were indications of higher demand particularly from foreign investors.

Although the CBN mopped up N213.597bn in liquidity from the system during the week through Open Market Operations (OMO), liquidity was sustained by cash inflows from foreign investors which kept the Overnight Interbank Lending Rate stable at 13.50% between August 31 and September 7, 2012. The increased demand from foreign investors for Bonds pushed yields lower across the board, except for the 5-year Benchmark Bond that rose marginally.



WOW Change **

Tenor	Change in yields (BPs)***
2yr	(14)
3yr	(7)
5yr	31
7yr	(42)
10yr	(11)
20yr	(77)

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