



**DEBT MANAGEMENT OFFICE  
NIGERIA  
FGN BONDS  
HIGHLIGHTS FOR THE WEEK  
AUGUST 13 – AUGUST 17, 2012**

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

Description	Details
Average Price	₦949.42
Highest Price	₦1,019.25
Lowest Price	₦736.63
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	9.45% FGN JAN 2013
Highest Traded Volume	40,650,000
Lowest Traded Volume	1,500
No. of Bonds Traded	13
No. of Transactions	704

NB: Price is per 1000 Units of the Bond

**Table II: Trading Statistics\***

Date	No of Deals	Volume'000	Value ₦'000	Consideration ₦'000
August 13, 2012	176	32,933	32,933,211	31,211,836.333
August 14, 2012	165	17,500	17,500,000	15,631,002.287
August 15, 2012	58	13,050	13,050,000	12,750,156.131
August 16, 2012	182	26,156	26,156,500	23,016,683.969
August 17, 2012	123	39,100	39,100,000	39,618,904.173
<b>Total</b>	<b>704</b>	<b>128,739</b>	<b>128,739,711</b>	<b>122,228,582.892</b>

**Table III: FGN Bond MTM Prices as at August 17, 2012**

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	10.50% FGN NOV 2013	28-Nov-13	1.28	94.19	15.64
2	10.50% FGN NOV 2014	18-Mar-14	1.58	93.04	15.60
3	10.75% FGN MAR 2014	30-Mar-14	1.62	93.26	15.60
4	9.20% FGN JUN 2014	29-Jun-14	1.87	90.00	15.56
5	9.25% FGN SEP 2014	28-Sept-14	2.12	88.85	15.63
6	4.00% FGN APR 2015	23-Apr-15	2.68	75.61	15.44
7	15.10% FGN APR 2017	27-Apr-17	4.70	98.01	15.69
8	9.35% FGN AUG 2017	31-Aug-17	5.04	77.90	15.89
9	10.70% FGN MAY 2018	30-May-18	5.79	81.05	15.80
10	16.00% FGN JUN 2019	29-Jun-19	6.87	101.78	15.55
11	7.00% FGN OCT 2019	23-Oct-19	7.19	63.17	15.73
12	16.39% FGN JAN 2022	27-Jan-22	9.45	104.95	15.37
13	15.00% FGN NOV 2028	28-Nov-28	16.29	104.07	14.34
14	12.49% FGN MAY 2029	22-May-29	16.77	88.73	14.27
15	8.50% FGN NOV 2029	20-Nov-29	17.27	63.63	14.19
16	10.00% FGN JUL 2030	23-Jul-30	17.94	73.50	14.09

**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 AUGUST 13 – AUGUST 17, 2012.

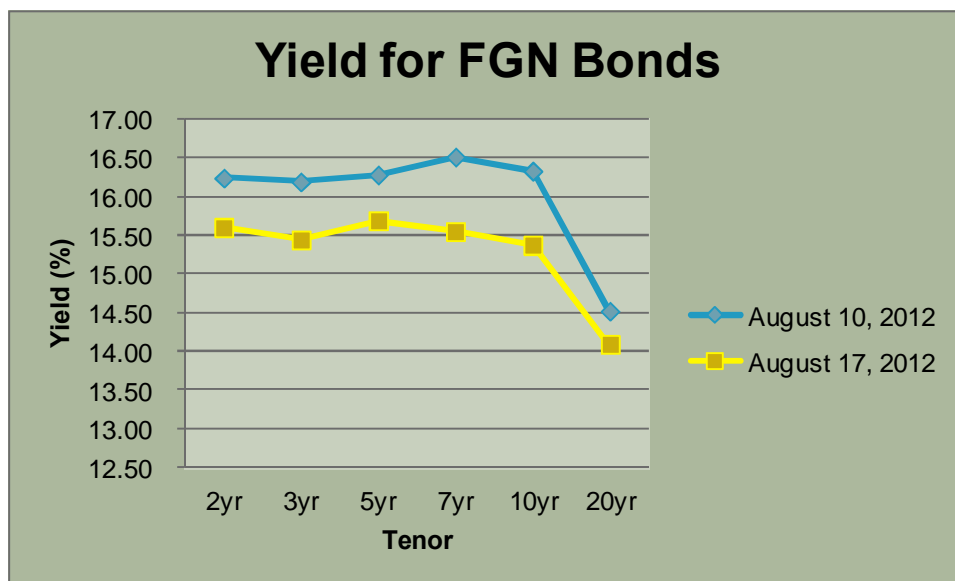
The Face Value of FGN Bonds traded during the week increased by 16.61% from ₦110.399bn in the previous week (August 6-10, 2012) to ₦128.739bn. Consideration also increased by 18.09% from ₦103.501bn to ₦122.228bn within the same period. 13 bonds were traded in 704 deals versus 9 bonds traded in 762 deals last week. Trading activities increased during the week due to improved liquidity in the system.

During the week, the Federation Accounts Allocation Committee (FAAC) released the sum of ₦526.227 billion to the three tiers of Government as July, 2012 revenue allocation. The funds from FAAC added to the liquidity in the system, leading to a decline in the Overnight Interbank Rate from 28.00% on August 13, 2012 to 23.5% on August 16, 2012.

The DMO on behalf of the Federal Government offered and sold ₦75bn in FGN Bonds to the public in 5-year (15.10% FGN APR 2017), 7-year (16.00% FGN JUN 2019) and 10-year (16.39% FGN JAN 2022) tenors at Marginal Rates of 16.3254%, 16.1400% and 15.9000% respectively. All the Bonds offered at the Auction were re-opening of existing issues. Total Subscription was N249.11bn or 3.32 times the amount offered. At the July 2012 FGN Bond Auction, the same Bonds were issued at Marginal Rates of 16.1990%, 16.5900% and 16.3031% respectively. Total subscription was N119.88bn or 1.60 times the amount offered.

During the week, J.P. Morgan announced that with effect from October 1, 2012, FGN Bonds would be included in its widely used Government Bond Index – Emerging Markets (GBI-EM). The Notice of inclusion of FGN Bonds in the GBI-EM was responsible for the high level of subscription at the August 2012 FGN Bond Auction, lower Marginal Rates for the 7 and 10-year Bonds offered at the Auction, as well as the higher level of secondary market activities.

The increased demand from foreign investors and improved liquidity from FAAC inflow led to a general decline in Bond yields across all tenors during the week.



### WOW Change\*\*

Tenor	Change in yields (BPs)***
2yr	(64)
3yr	(75)
5yr	(59)
7yr	(96)
10yr	(96)
20yr	(43)

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