



**DEBT MANAGEMENT OFFICE  
NIGERIA  
FGN BONDS  
HIGHLIGHTS FOR THE WEEK  
May 27, 2013 – May 31, 2013**

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

Description	Details
Average Price	1,103.18
Highest Price	1,318.31
Lowest Price	812.26
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	10.70% FGN MAY 2018
Highest Traded Volume	35,685,337
Lowest Traded Volume	200,000
No. of Bonds Traded	9
No. of Transactions	661

NB: Price is per 1000 Units of the Bond

**Table II: Trading Statistics\***

Date	No of Deals	Volume'000	Value ₦'000	Consideration ₦'000
May 27, 2013	161	32,160	32,160,000	38,050,439,742.85
May 28, 2013	84	20,593	20,592,815	25,361,726,686.09
May 29, 2013	<b>PUBLIC HOLIDAY</b>			
May 30, 2013	280	34,047	34,047,009	33,746,480,010.03
May 31, 2013	136	26,801	26,801,500	28,163,965,594.56
<b>Total</b>	<b>661</b>	<b>113,601</b>	<b>113,601,324</b>	<b>125,322,612,033.53</b>

**Table III: FGN Bond MTM Prices as at May 31, 2013**

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	9.20% FGN JUN 2014	29-Jun-14	1.08	97.26	11.97
2	9.25% FGN SEP 2014	28-Sept-14	1.33	96.81	11.90
3	4.00% FGN APR 2015	23-Apr-15	1.90	86.51	12.18
4	15.10% FGN APR 2017	27-Apr-17	3.91	108.01	12.44
5	9.35% FGN AUG 2017	31-Aug-17	4.25	91.93	11.81
6	10.70% FGN MAY 2018	30-May-18	5.00	95.60	11.89
7	16.00% FGN JUN 2019	29-Jun-19	6.08	114.68	12.48
8	7.00% FGN OCT 2019	23-Oct-19	6.40	78.86	11.80
9	16.39% FGN JAN 2022	27-Jan-22	8.67	121.44	12.29
10	15.00% FGN NOV 2028	28-Nov-28	15.51	117.57	12.42
11	12.49% FGN MAY 2029	22-May-29	15.99	100.39	12.43
12	8.50% FGN NOV 2029	20-Nov-29	16.48	72.65	12.44
13	10.00% FGN JUL 2030	23-Jul-30	17.16	82.74	12.45

**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**

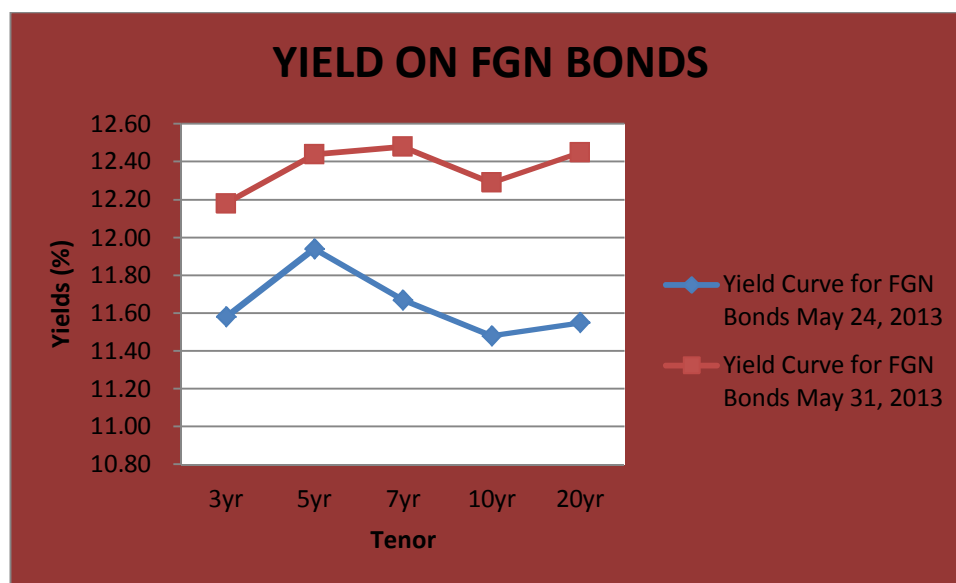
**\*\*TTM means Term to Maturity**

## SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF May 27, 2013 – May 31, 2013

In the week under review, the Total Face Value and Consideration of FGN Bonds traded stood at N113.60bn and N125.32bn respectively. Compared to the previous week (May 20-May 24, 2013), Total Face Value and Consideration decreased by 45.55% and 48.49% from their respective figures of N208.63bn and N243.28bn. While the number of Bonds traded were the same as the previous week (9 Bonds), the number of deals fell to 661 from 1,288 deals the previous week. The decrease was partially due to the four-day trading week which was as a result of the public holiday.

The major driver of activities in the market during the week was the reaction of foreign investors to the expectation of a reduction in quantitative easing by the Federal Reserve Bank (FRB) which could lead to higher interest rates in the international capital markets. This expectation led to a sell-off of FGN Bonds by foreign investors. As would be expected, in the absence of new liquidity in the market, Bond Prices dropped leading to higher Yields. The Yields for all FGN Benchmark Bonds rose by 50 to 90bps leading to an upward shift in the Yield Curve. The outcome of the meeting of the Federal Open Market Committee of the FRB on June 18, 2013, would determine if investors expectations of higher interest rate were valid.

Meanwhile, the liquidity in the system was lower than prior weeks due to previous mop-up activities of the Central Bank of Nigeria (CBN), the FGN Bond Auction in May 2013 and fairly large Foreign Exchange sales through WDAS. The CBN OMO activity during the week was not severe as the net mop-up was N54.11bn (N252.505bn new issues and N198.395bn maturities). The CBN offered N320bn of Bills at OMO but received N295.826bn in Total Subscription. The tenors of Bills offered was 70-178 Days while the Stop Rates of 12.14% to 12.30% were similar to those of the past weeks. The Overnight Interbank Rate rose to 13.5% from 10.50% the previous week.



WOW Change*	
Tenor	Change in yields (BPs)**
3yr	60.00
5yr	50.00
7yr	81.00
10yr	81.00
20yr	90.00

**\*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