



**DEBT MANAGEMENT OFFICE
NIGERIA**

PRESS RELEASE

**VISIT OF A DELEGATION FROM KENYA TO NIGERIA ON A STUDY TOUR OF THE
NIGERIAN DOMESTIC BOND MARKET**

In line with the global recognition of the effectiveness of Nigeria's Debt Management Office (DMO), the World Bank (WB) has requested the DMO to host a delegation of Kenyan Officials from that country's Central Bank, Capital Market Authority, and National Treasury & Debt Management Office on a Study Tour of the Nigerian Domestic Bond Market from **August 24 -27, 2015**. The main purpose of the Study Tour is for the delegation to gain insight into the developmental initiatives undertaken by the DMO which have led to the remarkable growth and development of Nigeria's Domestic Bond Market, considering the fact that up until 2003, when the DMO floated the 1st Federal Government of Nigeria (FGN) Bonds, the FGN Bond Market which is the pivot for the domestic bond market was in comatose for about two (2) decades.

2. The major areas of interest to the visiting delegation are as follows:

- Formulation of Issuance Strategies for Securities.
- Policies for Benchmark Building.
- Primary Dealer Market Maker Programme.
- Communication Strategies with market stakeholders.
- Price formation and dissemination in the Primary and Secondary markets.
- Types of secondary market architecture, price discovery and transparency.

3. The DMO has in the past hosted officials of various African countries on similar study tours and indeed provided attachments for some of the countries. The countries include Uganda, Sudan, Zambia and Zimbabwe. It is pertinent to emphasise that the hosting of officials of different countries on such study tours and provision of attachment programmes are an integral part of the DMO's strategic objective of making Nigeria a major destination for out-sourced debt management skills and

services. In order for the visiting officials to achieve maximum benefit from the study Tour, the DMO has packaged series of presentations on different areas of public debt management including the following:

- Building blocks for effective debt management – stakeholder relationship management, development of legislations, institutional arrangements/internal organisation.
- Development of strategies for optimally meeting Government financing needs.
- Auction methods of Government debt securities.
- The Primary Dealer Market Maker (PDMM) System which is the major plank for the vibrant Secondary FGN Bond Market.
- Portfolio management strategies including the annual Debt Sustainability Analysis (DSA) which forms an integral part of the country's annual budgeting process, the Medium Term Debt Strategy (MTDS) which serves as a compass for public debt management. It is imperative to note that the DSA for the year 2015 has just been concluded and the report is expected to be ready soon.

4. Part of the team's itinerary while in the country, will involve meetings in Lagos, with key stakeholders in the Nigerian Domestic Bond Market including the Central Bank of Nigeria, the Financial Market Dealers Quotation OTC Plc (FMDQ OTC Plc), the Financial Market Dealers Association (FMDA) and some senior Treasurers of Banks.

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