

WEEKLY REVIEW OF NIGERIA'S USD500M 10-YEAR EUROBOND SECONDARY MARKET

PERFORMANCE

JANUARY 2-6, 2012

ISSUE STATISTICS

Issuer:	Federal Republic of Nigeria
Amount:	USD500m
Tenor:	10 Years
Coupon:	6.75%
Issue Yield:	7%
Issue Date:	January 28, 2011
Credit Rating:	BB-(Fitch) B+ (Standard & Poor's)
Maturity:	January 28, 2021

TABLE 1: WEEKLY SUMMARY

Date	Closing Price (US\$)	Closing Yield (%)
02-Jan-12	103.65	6.23
03-Jan-12	104.68	6.04
04-Jan-12	104.76	6.05
05-Jan-12	104.59	6.08
06-Dec-12	104.65	6.07

Source: Thomson Reuters

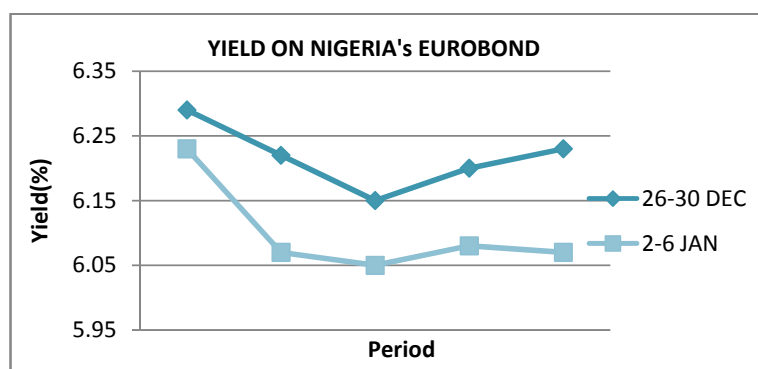


TABLE 2: WEEK ON WEEK COMPARATIVE ANALYSIS

Yield (%)				Price (US\$)				Average Yield (%)		Average Price (US\$)		Price History (US\$)	
Prev. Wk		Curr. Wk		Prev. Wk		Curr. Wk		Prev. Wk	Curr. Wk	Prev. Wk	Curr. Wk	Lowest (6.10.11)	Highest (20.5.11)
High	Low	High	Low	High	Low	High	Low						
6.29	6.15	6.23	6.05	104.06	103.06	104.68	103.49	6.21	6.01	103.59	104.41	95.770	113.285

PERFORMANCE UPDATE FOR THE WEEK

The yield on the Nigeria's Eurobond closed the week at 6.07% from an opening yield of 6.23 % (16 basis points), while the price rose from US\$103.65 to US\$104.65. The average yield was 6.10% compared to last week's average of 6.21%, while the average price was US\$104.83 during the week compared to US\$103.59 for the preceding week. The better performance could be attributed to investors reacting to the improved rating of Nigeria by Standard & Poor's (S&P) from "stable" to "positive" in December 2011.

The performance of bonds in the international market was varied. While the yields on bonds issued by the US and Germany fell, those of Spain and Italy who are enmeshed in sovereign debt crisis rose. The positive net inflow of USD 162m into emerging markets dedicated bond funds (compared to net outflow of USD 450m the previous week) led to a reduction in the yields of some emerging market sovereign bonds including Ghana and Gabon.