



DEBT MANAGEMENT OFFICE
NIGERIA
FGN BONDS
HIGHLIGHTS FOR THE WEEK
 December 9, 2013 – December 13, 2013

Table I: Summary of Trading Report*

Description	Details
Average Price	1,054.13
Highest Price	1,239.12
Lowest Price	828.48
Highest Priced Bond	9.85% FGN JUL 2017
Lowest Priced Bond	10.00% FGN JUL 2030
Highest Traded Bond	16.39% FGN JAN 2022
Lowest Traded Bond	10.50% FGN MAR 2014
Highest Traded Volume	24,135,970
Lowest Traded Volume	45,900
No. of Bonds Traded	9
No. of Transactions	436

NB: Price is per 1000 Units of the Bond

Table II: Trading Statistics*

Date	No of Deals	Volume '000	Value N'000	Consideration N'000
December 9,2013	121	21,035	21,035,970	23,264,674,995
December 10,2013	66	11,300	11,300,000	11,351,670,624
December 11,2013	56	18,457	18,457,970	18,863,074,094
December 12,2013	92	13,548	13,548,000	14,849,714,066
December 13,2013	101	27,185	27,185,900	28,153,253,709
Total	436	91,525	91,527,840	96,482,387,488

Table III: FGN Bond MTM Prices as at December 13, 2013

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	4.00% FGN APR 2015	23-Apr-15	1.36	88.93	13.01
2	13.05% FGN AUG 2016	16-Aug-16	2.68	100.09	12.92
3	15.10% FGN APR 2017	27-Apr-17	3.37	105.83	12.79
4	9.35% FGN AUG 2017	31-Aug-17	3.72	89.68	12.81
5	10.70% FGN MAY 2018	30-May-18	4.46	92.81	12.77
6	16.00% FGN JUN 2019	29-Jun-19	5.55	112.47	12.72
7	7.00% FGN OCT 2019	23-Oct-19	5.86	76.45	12.75
8	16.39% FGN JAN 2022	27-Jan-22	8.13	117.47	12.80
9	15.00% FGN NOV 2028	28-Nov-28	14.96	113.04	12.96
10	12.49% FGN MAY 2029	22-May-29	15.44	96.53	12.97
11	8.50% FGN NOV 2029	20-Nov-29	15.94	69.83	12.98
12	10.00% FGN JUL 2030	23-Jul-30	16.62	79.48	12.99

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**

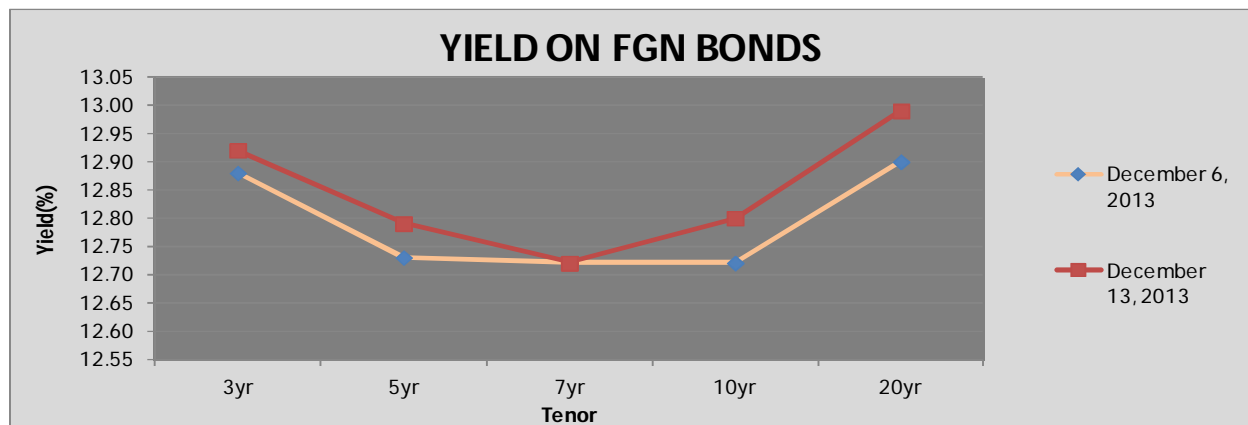
****TTM means Term to Maturity**

SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF December 9 – December 13, 2013

The Face Value of FGN Bonds traded during the week decreased by 13.34% from ₦101.24 bn to ₦91.52 bn, while Consideration declined by 7.99% from ₦104.86 bn to ₦96.52 bn. Number of Deals also fell from 462 to 436 Deals and Number of Bonds traded from 12 to 9 within the same period. The decline in trading activity may be indicative of the slowdown in financial markets associated with year-ends.

During the week, the Debt Management Office held its monthly FGN Bond Auction, in which ₦75.00bn FGN Bonds were offered and sold. The Marginal Rates for the 13.05% FGN AUG 2016 (3 – year FGN Benchmark) and the 10% FGN JUL 2030 (20 – Year FGN Benchmark) which were offered at the Auction were 12.90% and 13.20% respectively. These were higher than the Marginal Rates of 12.55% and 12.98% respectively, recorded for the same Bonds at the November 2013 FGN Bond Auction. The increased Marginal Rates may be due to reduced demand by investors and was reflected in the Total Subscription at the Auction which was ₦133.39 bn or 1.77 times the ₦75.00 bn offered as opposed to ₦139.79 bn or 2.15 times the ₦65.00 bn offered at the November 2013 Bond Auction. The higher Marginal Rates appeared to have impacted on the secondary market Yields for FGN Bonds, as the Yields for the FGN Benchmark Bonds rose from 4-9bps except the 7 – year Benchmark which remained flat.

The Central Bank of Nigeria (CBN) redeemed ₦158.62 bn OMO Bills and also conducted OMO Auctions during the week. Similar to the FGN Bond Auctions, the OMO Auctions during the week also recorded relatively lower subscription levels. Total Subscription received for the ₦50.00 bn OMO Bills was ₦65.72 bn or 1.31 times the offer amount, while Total Subscription recorded at the previous week's OMO Auction was ₦334.67 bn or 2.39 times the ₦140.00 bn OMO Bills offered. Only ₦27.61 bn OMO Bills was sold from the ₦50.00 bn OMO Bills offered by the CBN, this week, due to high Bid Rates quoted by Bidders. The net effect of the FGN Bond Auctions and the OMO activities was a net injection of ₦56.01 bn into the financial system. The net liquidity was offset by the withdrawal of ₦69.00 bn by the Nigerian National Petroleum Corporation. Consequently, Overnight Interbank Rate rose week-on-week to 12.08% from 11.00%.



WOW Change*	
Tenor	Change in yields (BPs)**
3yr	4.00
5yr	6.00
7yr	0.00
10yr	8.00
20yr	9.00

*WOW = Week Over Week

**BPs = Basis Point

*** Only Benchmark Bonds were used

***BENCHMARK FGN BONDS	
Bond Name	Tenor Benchmark
13.05% FGN AUG 2016	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

