



**DEBT MANAGEMENT OFFICE
NIGERIA**

FGN BONDS

HIGHLIGHTS FOR THE WEEK

November 11 2013 – November 15, 2013

Table I: Summary of Trading Report*

Description	Details
Average Price	1,054.06
Highest Price	1,239.40
Lowest Price	829.76
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	9.25% FGN SEP 2014
Highest Traded Volume	39,420,500
Lowest Traded Volume	1,600,000
No. of Bonds Traded	9
No. of Transactions	513

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
November 11,2013	42	17,522	17,522,304	18,229,856,530
November 12,2013	48	14,765	14,765,000	15,174,225,816
November 13,2013	134	29,329	29,329,000	31,843,264,084
November 14,2013	119	20,300	20,300,000	21,999,275,140
November 15,2013	170	37,150	37,150,010	38,256,449,348
Total	513	119,066	119,066,314	125,503,070,918

Table III: FGN Bond MTM Prices as at November 15, 2013

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	4.00% FGN APR 2015	23-Apr-15	1.44	88.63	12.79
2	13.05% FGN AUG 2016	16-Aug-16	2.75	100.93	12.55
3	15.10% FGN APR 2017	27-Apr-17	3.45	106.86	12.47
4	9.35% FGN AUG 2017	31-Aug-17	3.79	90.35	12.51
5	10.70% FGN MAY 2018	30-May-18	4.54	93.59	12.50
6	16.00% FGN JUN 2019	29-Jun-19	5.62	113.50	12.50
7	7.00% FGN OCT 2019	23-Oct-19	5.94	77.03	12.52
8	16.39% FGN JAN 2022	27-Jan-22	8.21	118.63	12.61
9	15.00% FGN NOV 2028	28-Nov-28	15.04	113.84	12.85
10	12.49% FGN MAY 2029	22-May-29	15.52	97.18	12.87
11	8.50% FGN NOV 2029	20-Nov-29	16.01	70.27	12.89
12	10.00% FGN JUL 2030	23-Jul-30	16.70	79.92	12.91

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**

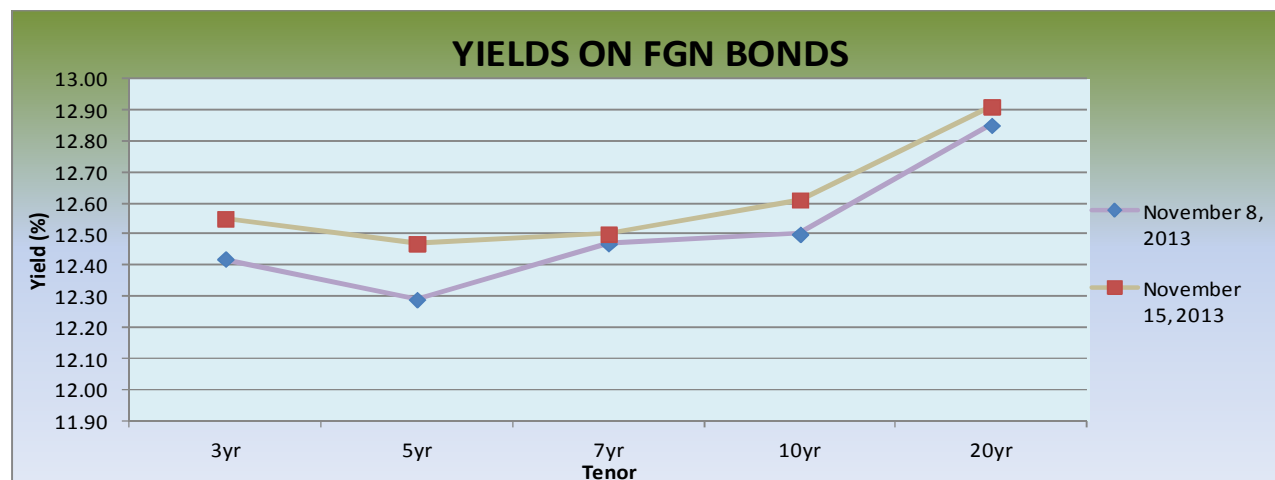
SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF November 11 – November 15, 2013

In the week under review, the Total Face Value and Consideration of FGN Bonds traded declined by 32.26% and 33.75% respectively. Total Face Value dropped from ₦175.78 bn to ₦119.06 bn while Consideration fell from ₦189.45 bn to ₦125.50 bn. The Number of Deals also declined to 515 from 909 Deals and 9 Bonds were traded compared to 13 bonds in the previous week. Several factors may have been responsible for the reduced FGN Bond activity in the week under review, one of which was the usual market apprehension prior to the meetings of the Monetary Policy Committee (MPC) of the Central Bank of Nigeria. The MPC Meeting will hold on November 15-16, 2013. The other reasons were the reduced financial system liquidity resulting from the FGN Bond Auction, the net effect of OMO activities during the week and withdrawal of about USD420.00 mn from the banking system by the Nigerian National Petroleum Corporation.

At the FGN Bond Auction on November 13, 2013, ₦65.00 bn FGN Bonds comprising ₦35.00 bn 13.05% FGN AUG 2016 (3 – year FGN Benchmark) and ₦30.00 bn 10% FGN JUL 2030 (20 – Year FGN Benchmark) were sold at lower Marginal Rates than the previous Auction held in October 2013. The 3 and 20 – year FGN Benchmarks were sold at Marginal Rates of 12.55% and 12.98% respectively as against 13.05% and 13.26% at the October 2013 FGN Bond Auction. The decline in Marginal Rates may be related to the lower Inflation figure reported by the National Bureau of Statistics (7.8% in October 2013 as against 8.0% recorded in September 2013), the relatively smaller amounts of Bonds offered at the recent Auctions and higher demand for Government Securities.

The CBN also sold ₦136.27bn 147 – Day OMO Bills which was about ₦80.00 bn higher than the offer amount of ₦50.00 bn on November 14, 2013. When compared to the ₦94. 90 bn OMO Bills which matured on the same day, the net effect was an outflow of ₦41.37 bn.

Given the reduced liquidity in the system during the week, Overnight Inter Bank Rates rose from 11.00% on November 8, 2013 to 14% on November 15, 2013. Similarly, week-on week Yields on the FGN Bond Benchmarks increased by 6-18 bps.



WOW Change*	
Tenor	Change in yields (BPs)**
3yr	13.00
5yr	18.00
7yr	3.00
10yr	11.00
20yr	6.00

***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

