



**DEBT MANAGEMENT OFFICE**  
**NIGERIA**  
**FGN BONDS**  
**HIGHLIGHTS FOR THE WEEK**  
 July 15, 2013 – July 19, 2013

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

Description	Details
Average Price	1,147
Highest Price	1,220.60
Lowest Price	751.85
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	72,512,162
Lowest Traded Volume	100,000
No. of Bonds Traded	7
No. of Transactions	1,032

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
July 15, 2013	197	24,485	24,485,000	27,610,766,613
July 16, 2013	150	18,985	18,985,000	21,964,880,215
July 17, 2013	169	18,758	18,758,800	21,491,183,391
July 18, 2013	217	26,221	26,221,200	30,052,602,955
July 19, 2013	299	41,336	41,336,232	47,829,560,970
<b>Total</b>	<b>1,032</b>	<b>129,785</b>	<b>129,786,232</b>	<b>148,948,994,143.83</b>

**Table III: FGN Bond MTM Prices as at July 19, 2013**

S/N	Description	Maturity	TTM(Years)**	Price (₦)	Yields (%)
1	9.25% FGN SEP 2014	28-Sept-14	1.19	95.54	13.39
2	4.00% FGN APR 2015	23-Apr-15	1.76	85.88	13.24
3	15.10% FGN APR 2017	27-Apr-17	3.78	105.55	13.17
4	9.35% FGN AUG 2017	31-Aug-17	4.12	87.13	13.52
5	10.70% FGN MAY 2018	30-May-18	4.87	90.32	13.47
6	16.00% FGN JUN 2019	29-Jun-19	5.95	111.11	13.24
7	7.00% FGN OCT 2019	23-Oct-19	6.27	73.88	13.27
8	16.39% FGN JAN 2022	27-Jan-22	8.53	115.96	13.21
9	15.00% FGN NOV 2028	28-Nov-28	15.37	109.66	13.49
10	12.49% FGN MAY 2029	22-May-29	15.85	93.37	13.51
11	8.50% FGN NOV 2029	20-Nov-29	16.35	67.15	13.53
12	10.00% FGN JUL 2030	23-Jul-30	17.02	76.56	13.56

**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**

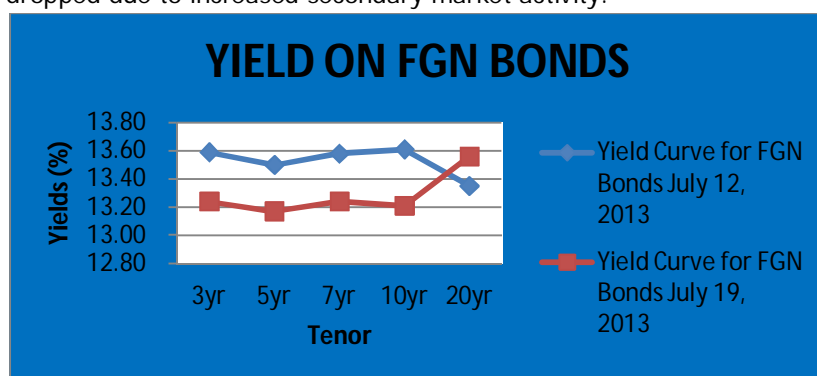
## SUMMARY OF THE TRADING HIGHLIGHTS FOR THE WEEK OF July 15, 2013 – July 19, 2013

The Face Value of FGN Bonds traded during the week increased by 17.04% from ₦110.89bn in the previous week (July 08-July 12, 2013), to ₦129.79bn. Consideration also increased by 23.98% from ₦120.14bn to ₦148.95bn within the same period. 7 FGN Bonds were traded in 1032 deals versus 653 deals the previous week. The upswing in trading activities during the week is largely attributable to the re-entry of foreign investors into the FGN Securities market, following the clarity of direction by the Federal Reserve Bank and the European Central Bank. This development may have also encouraged local operators to trade more.

The Debt Management Office (DMO) on behalf of the Federal Government of Nigeria (FGN) offered and sold ₦55.00bn FGN Bonds of the 5-year (4.00% FGN APR 2015) and 20-year (10.00% FGN JUL 2030) Benchmarks. Marginal Rates (13.45% and 13.79%) for the 2 Bonds were higher than the Marginal Rates (12.25% and 13.50%) of the previous Auction (June 2013). Total public subscription was ₦135.93bn or 2.47 times the amount offered. Both offers were re-openings of existing issues. Compared to the previous months Auctions (except June 2013), the amount on offer was relatively small, this, together with the gradual return of foreign investors, may have accounted for the high subscription level. The higher Marginal Rates were a reflection of rates at a more recent Nigerian Treasury Bills and OMO Auctions.

The release by the Federal Accounts Allocation Committee (FAAC) of ₦718.10bn being June 2013 revenue sharing by the 3 tiers of government, increased the level of liquidity in the system. In addition to this, ₦126.56bn of OMO Bills were redeemed during the week. Consistent with its strategy of using OMO to manage liquidity, ₦350bn OMO Bills were offered for sale by the CBN in tenors of 80 to 210days. Although the Bills were oversubscribed (₦478.59bn or 1.37 times) except for the 80 Day Tenor, the CBN sold only ₦228.83bn. As has been observed in the past months, the CBN would typically sell OMO Bills at a price it considers reasonable, thus rejecting Bids whose rates were high. At the OMO Auction, the CBN sold none of the 167 and 210 Day Bills it offered even though they were oversubscribed (at Bid Rates of 13.099 - 13.150% and 13.100 - 13.200% respectively) and only sold part of the 80 Day Bills. The net effect of the CBN's OMO activity during the week was a net withdrawal of ₦102.27bn from the system.

The FGN Bond Auction, OMO activity and FX Sale of USD 700mn resulted in withdrawal of Funds in the system, but the system still remained liquid from FAAC funds, leading to a reduction in Overnight Interbank Rate from 13.25% the previous week to 11.00%. Yields on FGN Benchmark Bonds, except the 20-year dropped due to increased secondary market activity.



WOW Change*	
Tenor	Change in yields (BPs)**
3yr	(35.00)
5yr	(33.00)
7yr	(34.00)
10yr	(40.00)
20yr	21.00

\*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