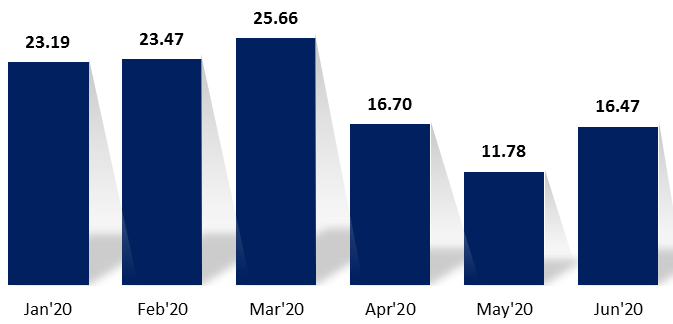
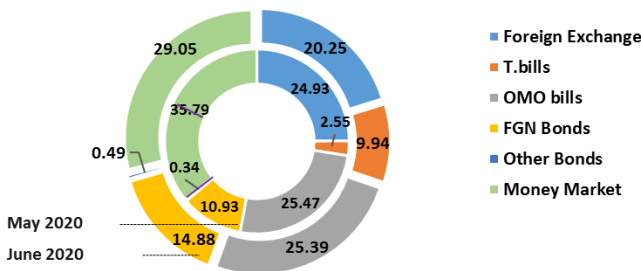


**Chart 1: FIC Market Turnover (₦'trn)**



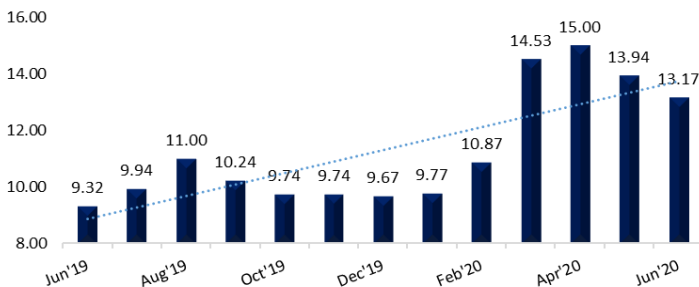
**Chart 2: FIC Market Turnover (%)**



**Table 1 - FX Market Turnover (\$'bn)**

Trade Type	Product Type	June	May	MoM Δ <sup>4</sup> (\$'bn)	MoM Δ (%)
Inter-Member*	FX Spot	0.69	0.48	0.21	43.75
	FX Forwards	0.00	0.01	(0.01)	(100.00)
	FX Swaps	0.15	0.07	0.08	114.29
	FX Futures	0.00	0.00	0.00	0.00
	Others**	0.19	0.32	(0.13)	(40.63)
	FX Derivatives	0.34	0.40	(0.06)	(15.00)
	<b>Total</b>	<b>1.03</b>	<b>0.88</b>	<b>0.15</b>	<b>17.05</b>
Member-Client	FX Spot	1.58	1.62	(0.04)	(2.47)
	FX Forwards	0.30	0.36	(0.06)	(16.67)
	FX Swaps	1.97	1.32	0.65	49.24
	FX Futures	1.20	1.18	0.02	1.69
	Others	0.26	0.23	0.03	13.04
	FX Derivatives	3.73	3.09	0.64	20.71
	<b>Total</b>	<b>5.31</b>	<b>4.71</b>	<b>0.60</b>	<b>12.74</b>
Member-CBN	FX Spot	0.24	0.32	(0.08)	(25.00)
	FX Forwards	0.32	0.31	0.01	3.23
	FX Swaps	0.00	0.00	0.00	0.00
	FX Futures	1.33	1.40	(0.07)	(5.00)
	Others	0.40	0.00	0.40	N/A***
	FX Derivatives	2.05	1.71	0.34	19.88
	<b>Total</b>	<b>2.29</b>	<b>2.03</b>	<b>0.26</b>	<b>12.81</b>
<b>Total Turnover</b>	<b>8.63</b>	<b>7.62</b>	<b>1.01</b>	<b>13.25</b>	

**Chart 3: Trend in Open OTC FX Futures Contract Values (\$'bn)**



**Notes:**  
 \*Member - All references to Member means Dealing Member (Banks); Inter-Member Turnover reported includes both sides of the transaction; \*\*Others includes Options & Cross Currency Interest Rate Swaps; \*\*\*N/A - Not Applicable

1: Month-on-Month; 2: Year-on-Year; 3: Year-to-Date; 4: Open Market Operations; 5: Change; 6: Treasury Bills; 7: Federal Government of Nigeria; 8: Basis Points

**FIC Market Summary**

- Turnover in the Fixed Income and Currency (“FIC”) markets for the month ended June 30, 2020 was ₦16.47trn, indicating a MoM<sup>1</sup> increase of 39.81% (₦4.69trn) from the turnover recorded in May 2020 (₦11.78trn) (See Chart 1), and a YoY<sup>2</sup> decrease of 13.86% (₦2.65trn) from the turnover recorded in June 2019 (₦19.12trn). As at June 30, 2020, YTD<sup>3</sup> turnover stood at ₦117.27trn, representing a YoY decrease of 1.64% (₦1.95trn) on the YTD turnover of ₦119.22trn recorded in June 2019
- OMO<sup>4</sup> bills and Money Market transactions (Repurchase Agreements [“Repos”] & Unsecured Placements/takings) remained the highest contributors to the FIC markets in June 2020, jointly accounting for 54.44% of the total FIC market turnover. (See Chart 2)

**Foreign Exchange (“FX”) Market**

- Total FX market turnover in June 2020 was \$8.63bn (₦3.34trn), representing a MoM increase of 13.25% (\$1.01bn) from the turnover recorded in May 2020 \$7.62bn (₦2.94trn). (See Table 1)
- Analysis of FX market turnover indicated an increase in FX market activity by product type with FX Derivatives accounting for 91.09% (\$0.92bn) of the total MoM increase in FX turnover in June 2020. (See Table 1)
- In the OTC FX Futures market, the near month contract (NGUS JUN 24 2020) with a total outstanding notional value of \$1.93bn matured and was settled, whilst a new long-term contract (60-month) , NGUS JUN 25 2025 was introduced at a contract rate of \$/₦579.37. The total notional value of open OTC FX Futures contracts as at June 30, 2020 stood at c.\$13.17bn, representing a 5.52% (\$0.77bn) decrease on the value of open contracts as at May 29, 2020 (c.\$13.94bn), and continuing the downward trend in open contract values since April 2020. (See Chart 3), while the total notional value of OTC FX Futures contracts traded since inception stood at \$47.96bn as at June 30, 2020
- The average Central Bank of Nigeria (“CBN”) Official Spot US\$/₦ exchange rate remained flat at \$/₦361.00 in June 2020 similar to the average rate recorded in May 2020, while the Naira depreciated against the US Dollar at the Investors’ and Exporters’ (“I&E”) FX Window, losing \$/₦0.22 to close at an average of \$/₦386.39 in June 2020 from \$/₦386.17 recorded in May 2020. In the parallel market, the Naira depreciated against the US Dollar losing \$/₦3.66 to close at an average of \$/₦452.38 in June 2020 from \$/₦448.72 recorded in May 2020

**Fixed Income (“FI”) Market (T.bills<sup>6</sup>, OMO bills and FGN<sup>7</sup> Bonds)**

- In the primary market, average discount rates on the 91-day, 182-day and 364-day T.bills decreased MoM by 58bps<sup>8</sup>, 67bps and 5bps to 1.90%, 2.12% and 3.88% respectively in June 2020. Similarly, the average discount rates on the 82 – 89 day, 159 – 180 day and 334 – 348 day OMO bills declined by 272bps, 375bps and 377bps respectively to 4.95%, 7.79% and 8.99% respectively in June 2020, compared to the average discount rate for issuances in April 2020 (Note: There were no new OMO bills issuances in May 2020)
- Further, the marginal rates for the 5-year, 15-year and 30-year FGN Bonds reopenings decreased by 120bps, 70bps and 45bps to 8.00%, 11.00% and 12.15% respectively in June 2020, compared to the marginal rates for issuances in May 2020
- The total value of T.bills outstanding remained flat at ₦2.76trn as at June 30, 2020 from May 29, 2020 representing a YTD increase of 6.98% (₦0.18trn). However, the value of OMO bills outstanding as at June 30, 2020 decreased MoM by 3.89% (₦0.37trn) to ₦9.15trn, representing a YTD decrease of 29.67% (₦3.86trn). Further, total outstanding value of FGN Bonds as at June 30, 2020 increased marginally by 1.00% (₦0.10trn) to ₦10.13trn from ₦10.03trn recorded as at May 29, 2020, which indicates a YTD increase of 7.42% (₦0.70trn)
- In the secondary market, turnover for T.bills increased by 446.67% (₦1.34trn) to ₦1.64trn, representing the highest turnover recorded in T.bills since November 2019, when bills (T.bills and OMO bills) were bifurcated due to the circulars issued by the CBN in October 2019. Thus, trading intensity for T.bills increased to 0.59 in June 2020 from 0.11 in May 2020. Similarly, OMO bills and FGN Bonds turnover increased MoM by 39.33% (₦1.18trn) and 89.92% (₦1.16trn) to ₦4.18trn and ₦2.45trn respectively in June 2020, resulting in the increase in their respective trading intensities to 0.45 and 0.24 in June 2020 from 0.30 and 0.13 in May 2020. (See Chart 4)

Chart 4: Trend in Trading Intensity

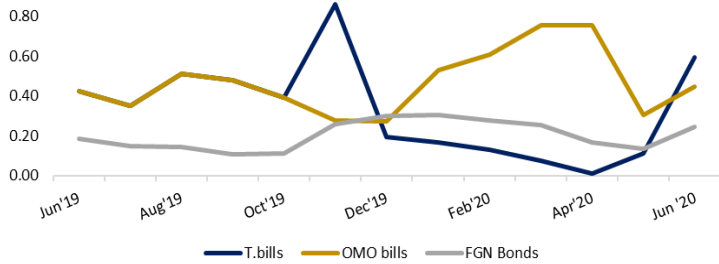


Chart 5: Fixed Income Turnover - June 2020 (₺trn)

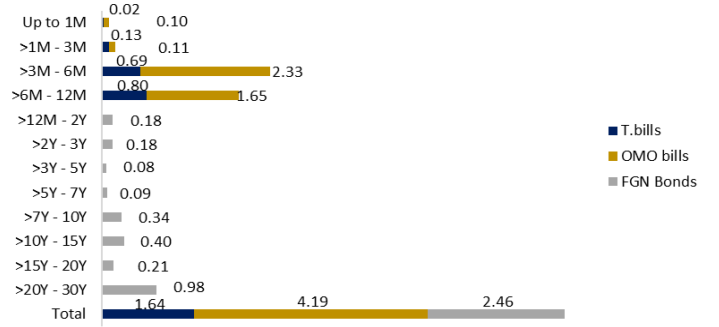


Chart 6: Inflation Adjusted Yield as at June 30, 2020 ^ (%)

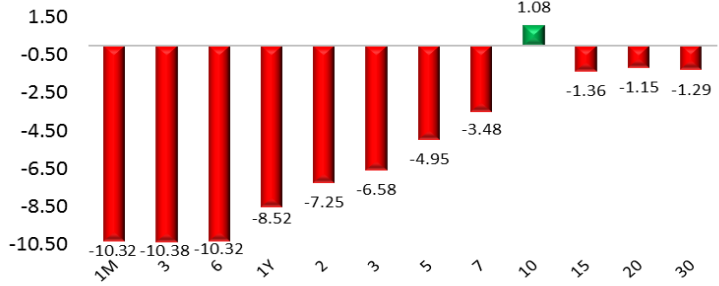


Table 2 - Money Market Turnover (₺trn)

	Jun-20	May-20	MoM Δ (₺trn)	MoM Δ (%)	Jun-19	YoY Δ (₺trn)	YoY Δ (%)
Repos/Buy-Backs	4.70	4.00	0.70	17.50	3.64	1.06	29.12
Unsecured Placements / Takings	0.09	0.22	(0.13)	(59.09)	0.30	(0.21)	(70.00)
<b>Total</b>	<b>4.79</b>	<b>4.22</b>	<b>0.57</b>	<b>13.51</b>	<b>3.94</b>	<b>0.85</b>	<b>21.57</b>

Table 3 - Market Activity - Executed Trade Count

	June			May			MoM Δ (%)
	AFO <sup>11</sup>	RFQ <sup>12</sup>	Total	AFO	RFQ	Total	
T.bills	0	647	647	0	446	446	45.07
OMO bills	4	2,148	2,152	28	1,523	1,551	38.75
FGN Bonds	82	2,822	2,904	35	1,246	1,281	126.70
<b>Total</b>	<b>86</b>	<b>5,617</b>	<b>5,703</b>	<b>63</b>	<b>3,215</b>	<b>3,278</b>	<b>73.98</b>

Notes:

^ Adjusted with the May 2020 Headline Inflation rate of 12.40%

9: Overnight; 10: Open Buy-back; 11: Anonymous Firm Order; 12: Request-for-Quote

- In June 2020, OMO bills within the >3M – 6M maturity bucket were the most traded across all tenors in the Fixed Income market, accounting for 28.11% (₺2.33trn) of the total Fixed Income market turnover. FGN Bonds within the >20Y – 30Y maturity bucket remained the most traded sovereign debt securities, accounting for 11.82% (₺0.98trn) of total Fixed Income market turnover. (See Chart 5)
- Weighted average yields on short- and medium-term maturities decreased by 361bps and 161bps respectively in June 2020, while the weighted average yields on long-term maturities increased by 69bps in June 2020. Additionally, inflation-adjusted yields remained negative across the short, medium and long-term tenors, except the 10Y security which recorded positive inflation-adjusted yield in June 2020. (See Chart 6)

Money Market (Repos/Buy-Backs and Unsecured Placements/Takings)

- Total turnover in the Money Market segment increased MoM and YoY by 13.51% (₺0.57trn) and 21.57% (₺0.85trn) respectively to a total of ₺4.79trn in June 2020. This was driven by the MoM and YoY increases of 17.50% (₺0.70trn) and 29.12% (₺1.06trn) respectively in Repos/Buy-Backs turnover to ₺4.70trn in June 2020, whilst turnover in Unsecured Placements/Takings recorded MoM and YoY decreases of 59.09% (₺0.13trn) and 70.00% (₺0.21trn) respectively to ₺0.09trn in June 2020 (See Table 2). Average O/N<sup>9</sup> and OBB<sup>10</sup> rates increased by 546bps and 524bps to close at 11.31% and 10.37% respectively in June 2020 from 5.85% and 5.13% recorded in May 2020

Market Surveillance

- Total number of executed trades reported on the Bloomberg E-Bond Trading System in June 2020 was 5,703 representing a MoM increase of 73.98% (2,425) from the number of executed trades recorded in May 2020 (3,278). This was driven by the MoM increase recorded in executed trades on T.bills, OMO bills and FGN Bonds, representing the first (1<sup>st</sup>) increase across all trade types since March 2020. (See Table 3)