



FINANCIAL MARKETS MONTHLY REPORT

November 2024

Glossary

Abbreviation	Definition	Abbreviation	Definition
bn	Billion	OTC	Over-the-Counter
bps	Basis Points	ppts	Percentage Points
CBN	Central Bank of Nigeria	Repo	Repurchase Agreement
CP	Commercial Paper	RHS	Right Hand Side
D	Day	T.bills	Treasury Bills
DMO	Debt Management Office	trn	Trillion
FGN	Federal Government of Nigeria	US	The United States of America
FX	Foreign Exchange	Y	Year
LCY	Local Currency	YoY	Year-on-Year
LHS	Left Hand Side		
M	Month		
mm	Million		
MM	Money Market		
MoM	Month-on-Month		
N/A	Not Applicable		
NAFEM	Nigerian Autonomous Foreign Exchange Market		
NBS	National Bureau of Statistics		
NDFs	Cleared Naira-Settled (USD/NGN) Non-Deliverable Forwards		
NV	Notional Value		
OMO	Open Market Operations		
O/N	Overnight		
OPR	Open Repos		

Sources:

FMDQ Securities Exchange Limited, DMO, CBN, NBS

Note:

Minor discrepancies between sums of constituent figures and totals shown reflect rounding.

Primary Market

Sovereign Securities

The DMO sold T.bills valued at ₦693.05bn across its auctions in November 2024, representing a 51.79% (₦236.48bn) MoM increase in the value of T-bills sold across its auctions in October 2024 (₦456.57bn).

The DMO sold FGN Bonds worth ₦346.16bn in November 2024. This represents a 19.53% (₦56.56bn) MoM increase on the amount sold in October 2024 (₦289.60bn).

Sovereign securities offered¹ by the DMO in its FGN Bond and T.bills auctions were oversubscribed by 207.99% and 92.73%, respectively, during the review period.

In November 2024, the CBN sold OMO Bills worth ₦905.23bn, representing a 23.81% (₦174.09bn) uptick on the amount sold in October 2024 (₦731.14bn).

Average T.bills Discount Rates in Nov. 2024

91-day – 18.00%
17.00% (Oct. '24) ▲

182-day – 18.50%
17.50% (Oct. '24) ▲

364-day – 23.50%
20.26% (Oct. '24) ▲

Average FGN Bond Coupon Rates in Nov. 2024

5Y – 21.00%
20.75% (Oct. '24) ▲

7Y – 22.00%
21.74% (Oct. '24) ▲

Chart 1: Trend in Average T.bills Discount Rate (%)

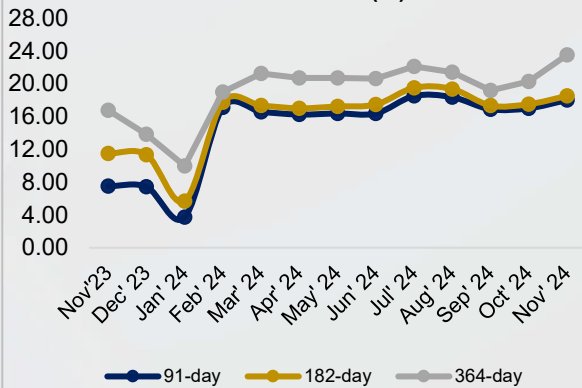


Chart 2: Trend in Average OMO Bills Discount Rate (%)[^]

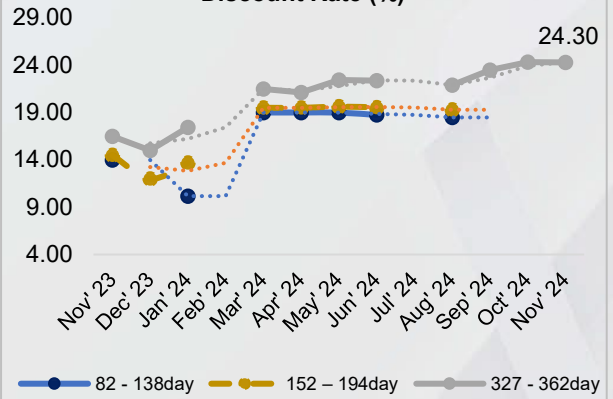


Table 1: Value of New Issuances (₦'bn)

Product	Nov. '23	Dec. '23	Jan. '24	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24
T.bills	1,058.91	1,184.97	381.22	2,589.35	2,668.89	1,314.28	913.64	617.92	277.96	507.13	622.74	456.57	693.05
FGN Bonds	434.50	273.63	418.20	1,494.91	608.86	626.81	682.07	297.01	225.71	374.75	264.53	289.60	346.16

Table 2: Value of Outstanding Securities (₦'bn)

Product	Nov. '23	Dec. '23	Jan. '24	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov '24
T.bills	5,522.00	6,521.99	6,522.47	8,428.78	10,884.71	11,906.79	12,132.09	12,255.94	12,297.10	12,178.15	12,178.15	12,178.15	12,373.30
FGN* Bonds	20,130.17	20,439.81	20,441.57	22,355.89	22,246.55	25,234.92	25,922.05	26,222.00	26,450.21	26,828.85	27,095.88	27,384.99	27,391.44

Notes:

¹ – Amount Offered in November 2024 was ₦610.80bn and ₦120.00bn for T.bills and FGN Bonds, respectively

[^] – Chart 2 has trend lines due to missing data as a result of no primary market activity for OMO Bills

* – FGN Bonds includes FGN Bonds, FGN Savings Bonds and FGN Green Bonds

Primary Market

Non-Sovereign Securities

In November 2024, there were no new listings or redemptions of Non-Sovereign Bonds on FMDQ Exchange, leaving the total value of Non-Sovereign Bonds outstanding at ₦2,240.32 bn.

The total value of CPs quoted on FMDQ Exchange in November 2024 was ₦77.50bn, representing a MoM increase of 153.44% (₦46.92bn) in the value of CPs quoted in October 2024 (₦30.58bn). In November 2024, quoted CPs were issued by institutions from the Financial Services (8), Agriculture (4), Manufacturing (3), Health & Pharma (2), and Real Estate (2) sectors. (See Chart 3)

The outstanding value of CPs declined by 7.02% MoM (₦39.71bn), settling at ₦525.57bn in November 2024. This decrease was primarily driven by the maturity of ₦117.21bn worth of CPs during the review period. (See Table 5)

Type	Tenor	Nov. 24	Oct. 24	Trend
CPs	91D – 180D	24.71%	24.62%	▲
	181D – 270D	24.84%	24.12%	▲

Chart 3: Sectoral Allocation of Quoted CPs

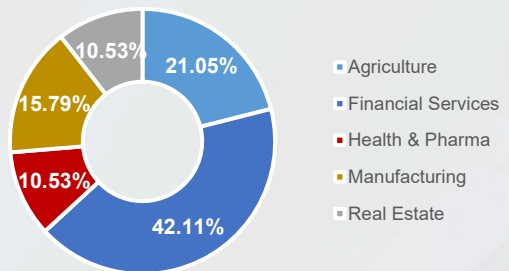


Chart 4: Average Tenor (Days) vs Discount Rates (%) for Quoted CPs

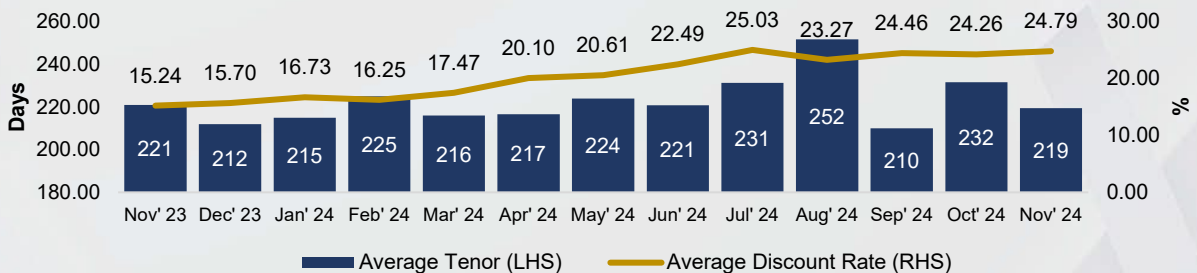


Table 4: Value of New Listings/Quotations (₦'bn)

Product	Nov. '23	Dec. '23	Jan. '24	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24
CPs	77.40	246.33	168.89	50.33	112.62	63.07	258.19	92.54	17.79	66.93	38.52	30.58	77.50
Corporate Bonds	26.00	0.00	5.50	0.00	0.00	0.00	1.15	0.00	0.00	62.40	0.00	0.00	0.00
Subnational Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Table 5: Outstanding Value of Admitted Securities (₦'bn)

Product	Nov. '23	Dec. '23	Jan. '24	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24
CPs	806.35	821.25	887.96	790.75	864.11	791.35	925.68	978.52	893.28	635.85	622.78	565.28	525.57
Corporate Bonds	1,822.86	1,787.76	1,793.26	1,793.26	1,778.26	1,778.26	1,775.77	1,775.77	1,775.77	1,838.17	1,838.17	1,824.07	1,824.07
Subnational Bonds	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25	416.25

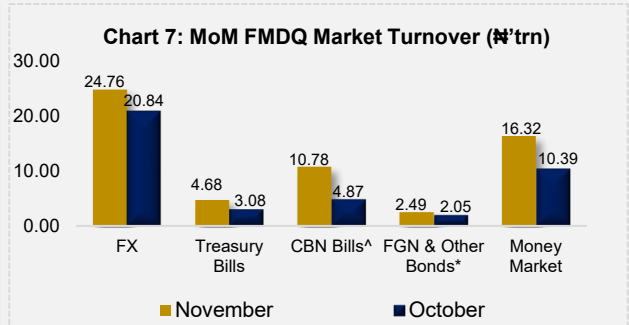
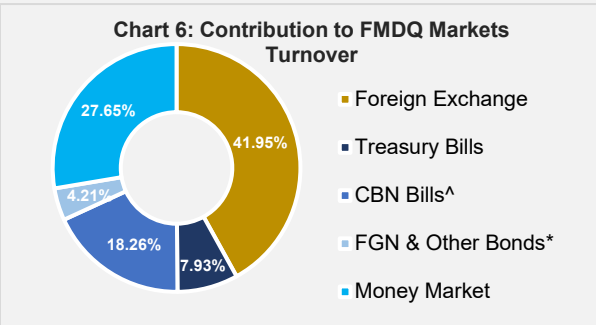
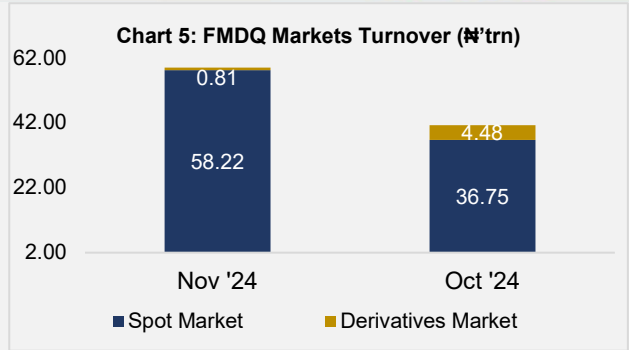
Note: *Non-Sovereign Bonds include LCY Corporate Bonds and LCY Subnational Bonds (includes LCY Sukuk)

Secondary Market

Market Turnover by Products

Total secondary market turnover recorded on FMDQ Exchange in November 2024 was ₦59.03trn, representing a MoM and YoY increase of 43.18% (₦17.80trn) and 111.80% (₦31.16trn) from October 2024 and November 2023 figures, respectively.

Foreign Exchange (FX) and Money Market (MM) transactions dominated secondary market activity, jointly accounting for 69.59% of the total secondary market turnover in November 2024. (See Chart 6)



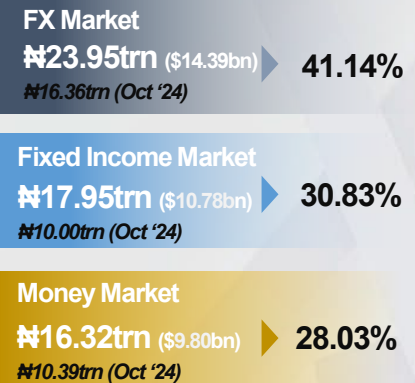
Spot Market

Total spot market turnover for all products traded in the secondary market in October 2024 was ₦58.22trn, representing a MoM increase of 58.42% (₦21.47trn) from October 2024 figures.

The MoM increase in total spot market turnover was driven by the increase across the FX, MM, and FI turnover by 46.39% (₦7.59trn), 57.11% (₦5.93trn), and 79.47% (₦7.95trn), respectively.

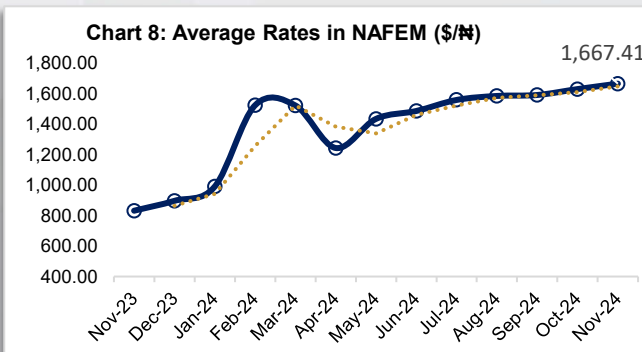
The increase in MM turnover was driven solely by the MoM increase in the Repos/Buy-backs product category. The increase in FI turnover was driven by the MoM increase across the T.bills, OMO Bills, Other Bonds, and FGN Bonds product categories, whilst CBN Special Bills remained inactive.

Spot Market Turnover and Percentage Contribution



Spot FX Market

Spot FX market turnover was \$14.39bn (₦23.95trn) in November 2024, representing a 42.69% (\$4.30bn) MoM increase from the turnover recorded in October 2024 (\$10.08bn).



In the FX Market, the Naira depreciated against the US Dollar, with the spot exchange rate (\$/₦) increasing by 2.14% (\$/₦35.70) to close at an average of \$/₦1,667.41 in November 2024 from \$/₦1,631.71 recorded in October 2024. (See Chart 8)

Further, exchange rate volatility decreased in November 2024, with the Naira trading within a narrower exchange rate range of \$/₦1,639.50 – \$/₦1,690.37 compared to \$/₦1,552.92 – \$/₦1,675.49 recorded in October 2024.

Notes:

[^] Refers to OMO and CBN Special Bills

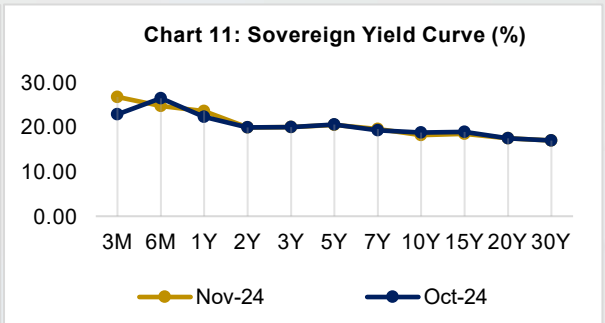
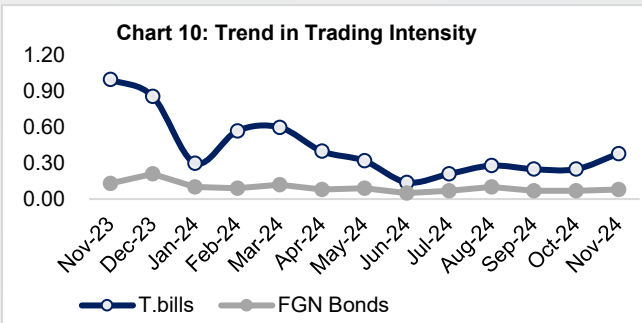
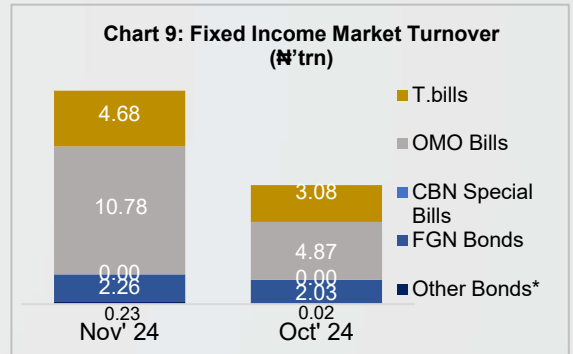
^{*} Other Bonds include Agency, Sub-national, Corporate, Supranational Bonds & Promissory Notes

Spot Fixed Income Market

FI market turnover in November 2024 was ₦17.95trn, representing a MoM increase of 79.47% (₦7.95trn) from the turnover recorded in October 2024 (₦10.00trn).

The MoM increase in turnover was driven by the increase in T.bills, Other Bonds, OMO Bills, and FGN Bonds transactions during the review period. (See Chart 9)

In November 2024, the trading intensity (TI) for T.bills and FGN Bonds increased MoM by 0.13bps and 0.01bps to 0.38 and to 0.08 (See Chart 10)

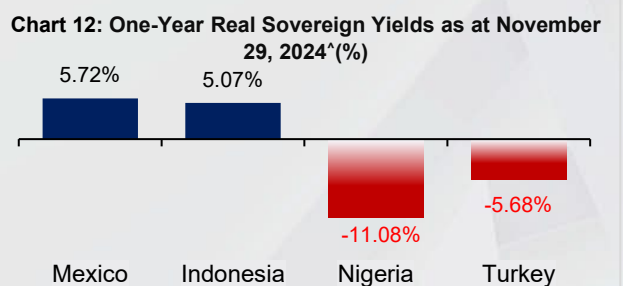


T.bills with term-to-maturity (TTM) between >6M – 12M and FGN Bonds with TTM between >5Y – 10Y were the most traded sovereign FI securities, accounting for 39.22% (₦7.22trn) and 17.19% (₦1.19trn) of the secondary market turnover for sovereign FI securities in the spot market, respectively. (See table 6 below)

T.bills		FGN Bonds							Total
Up to 3M	>3M - 6M	>6M - 12M	>12M - 3Y	>3Y - 5Y	>5Y - 10Y	>10Y - 15Y	>15Y - 20Y	>20Y	
0.59	1.37	2.72	0.32	0.37	1.19	0.17	0.01	0.19	6.94

The sovereign yield curve experienced a 4.49ppts MoM decrease in yield spread¹ to -8.58ppts in November 2024, depicting a bearish flattening of the yield curve. (See Chart 11)

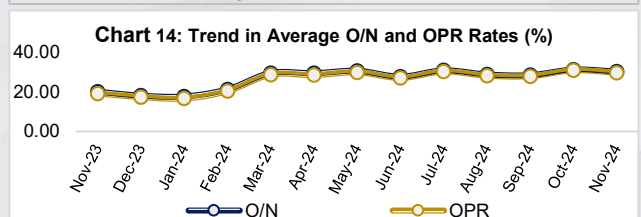
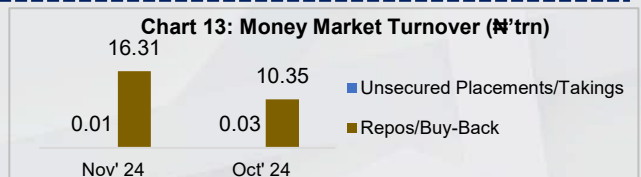
In November 2024, one (1)-year real (inflation-adjusted) yields in Nigeria and Turkey were negative at (-11.08%) and (-5.68%), respectively compared to selected emerging markets. (See Chart 12)



Spot Market – (Money Market)

Total turnover in the MM segment increased MoM by 57.11% (₦5.93trn) to ₦16.32trn in November 2024. The MoM increase was driven by the 57.51% (₦5.96trn) increase in Repos/Buy-backs. (See Chart 13).

The average O/N rate and OPR rate (secured lending rate) decreased MoM by 0.98ppts and 1.16ppts, respectively, to close at an average of 30.02% and 29.43% in November 2024. (See Chart 14).



Notes:

¹ – Refers to the yield spread between the 3M and 10Y sovereign FI securities
[^] – Adjusted with November 2024 inflation rate for Nigeria
^{*} – Other Bonds include Agency, Sub-national, Corporate, Supranational Bonds & Promissory Notes

Derivatives Market

FX Derivatives Market

Total turnover in the FX derivatives segment in November 2024 was \$0.49bn (₦0.81trn), representing a MoM decrease of 82.41% (\$2.27bn) from October 2024 figures (\$2.76bn).

The MoM decrease in the FX derivatives turnover was driven by the 85.52% (\$2.22bn), 34.06% (\$0.06bn) decline in FX Swaps and FX Forwards transactions, respectively during the review period.

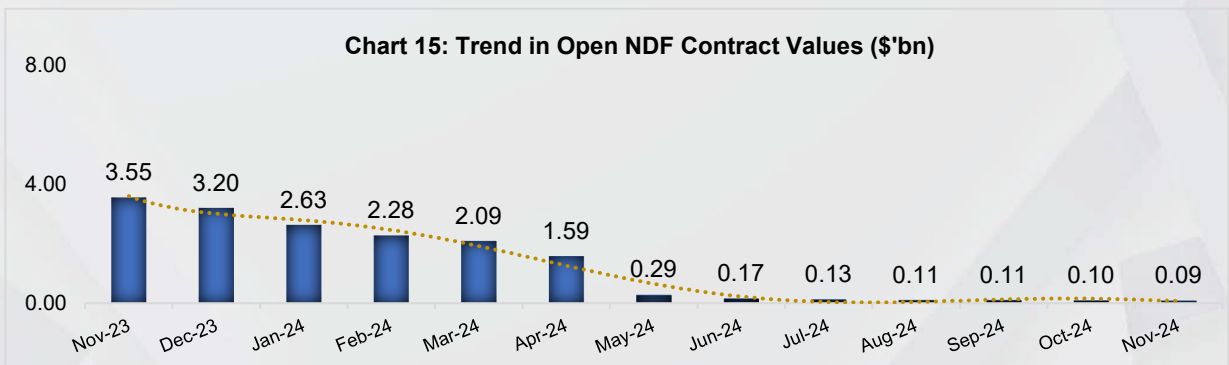
FX Swaps ¹	Contribution
\$0.38bn (₦0.63trn)	▶ 77.38%
FX Forwards	
\$0.11bn (₦0.18trn)	▶ 22.62%

Cleared Naira-Settled Non-Deliverable Forwards

In the Cleared Naira-Settled (USD/NGN) Non-Deliverable Forwards market, the near month contract (NGUS NOV 27, 2024) expired and open positions with a total notional value (NV) of \$0.02bn were settled. No new far month (60M) contract² was introduced in the Cleared Naira-Settled Non-Deliverable Forwards market in the review period, continuing the trend since August 2023. Consequently, the TTM of the farthest open contract is forty-five (45) months (i.e., NGUS AUG 30, 2028 contract).

As a result, the cumulative NV of open Cleared Naira-Settled Non-Deliverable Forwards contracts decreased slightly to \$0.09bn as at November 29, 2024, representing a MoM and YoY decrease of 14.86% (\$0.02bn) and 97.51% (\$3.46bn), respectively. (See Chart 15)

Matured Contract NGUS NOV 27, 2024 (\$/₦938.61*)	▲
New 60M Contract Not Applicable (N/A) (\$/₦0.00)	
NV of Open Positions in NDF Contracts – \$0.09bn	▼



In the period under review, no new trades were recorded on contracts between 13M – 60M.

Notes:

* – Refers to the last published rate for **NGUS OCT 30 2024** contract as at June 13, 2023.

1 – Includes Other FX Derivatives

2 – In response to ongoing reforms in NAFEM, the Central Bank of Nigeria (“CBN”) halted the quotation of offer rates for all Cleared Naira-Settled Non-Deliverable Forwards contracts on September 26, 2023.

Derivatives Market..2

The average modelled rates for the 13M-33M Naira-Settled Exchange-Traded FX Futures contracts in November 2024 were higher than those for October 2024 across all tenors. (See Table 7)

The indicative rates for short-term (i.e., ≤12M) Non-Deliverable FX Forwards contracts in November 2024 were higher than indicative rates for October 2024 across all tenors, excluding the 3M tenor which appreciated in November 2024 (See Table 8)

Table 7: Average Modelled Rates (\$/₦)¹ of Naira-Settled Exchange-Traded FX Futures

	13-15M	16-18M	19-21M	22-24M	25-27M	28-30M	31-33M
Nov-24	1,736.80	1,849.75	1,959.75	2,067.31	2,217.86	2,567.58	3,069.07
Oct-24	1,678.51	1,788.35	1,895.19	1,999.52	2,168.57	2,566.10	3,057.43
Change	58.29 ↑	61.40 ↑	64.56 ↑	67.78 ↑	49.28 ↑	1.48 ↑	11.64 ↑

Table 8: Indicative Rates (\$/₦) of Non-Deliverable Forwards

	1M	2M	3M	6M	12M
Nov-24	1,703.48	1,740.59	1,776.14	1,888.22	2,104.86
Oct-24	1,701.63	1,740.12	1,778.05	1,884.66	2,094.09
Change	1.85 ↑	0.47 ↑	1.91 ↓	3.56 ↑	10.77 ↑

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