



FINANCIAL MARKETS MONTHLY REPORT

February 2025

Glossary

Abbreviation	Definition	Abbreviation	Definition
bn	Billion	OTC	Over-the-Counter
bps	Basis Points	ppts	Percentage Points
CBN	Central Bank of Nigeria	Review Period	February 2025
CP	Commercial Paper	Repo	Repurchase Agreement
D	Day	RHS	Right Hand Side
DMO	Debt Management Office	T.bills	Treasury Bills
FGN	Federal Government of Nigeria	trn	Trillion
FX	Foreign Exchange	US	The United States of America
LCY	Local Currency	Y	Year
LHS	Left Hand Side	YoY	Year-on-Year
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

In February 2025, the DMO sold T.bills valued at ₦1,444.13bn across its auctions, representing a 13.62% (₦173.11bn) MoM increase in the value of T-bills sold across its auctions in January 2025 (₦1,271.01bn). Similarly, the DMO sold FGN Bonds worth ₦910.39bn, reflecting a MoM increase of 51.47% (₦309.35bn) on the amount sold in January 2025 (₦601.04bn).

The demand for sovereign securities remained strong during the review period, with T.bills and FGN Bonds oversubscribed¹ by 1,097.10% and 366.35%. Meanwhile, the CBN sold OMO Bills worth ₦1,395.85bn, representing a 6.94% (₦104.15bn) decrease on the amount sold in January 2025 (₦1,500.00bn). These securities were oversubscribed by 219.26%.

Table 1: Average Rates for New Sovereign Security Issuances

Type	Tenor	Feb. 25	Jan. 25	Trend
T.bills	91D	17.50%	18.00%	▼
	182D	18.25%	18.50%	▼
	364D	19.38%	22.21%	▼
FGN Bonds	5Y	19.20%	21.79%	▼
	7Y	19.33%	22.50%	▼
	10Y	-	22.60	N/A
OMO Bills	327D-365D	21.39%	23.20%	▼

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

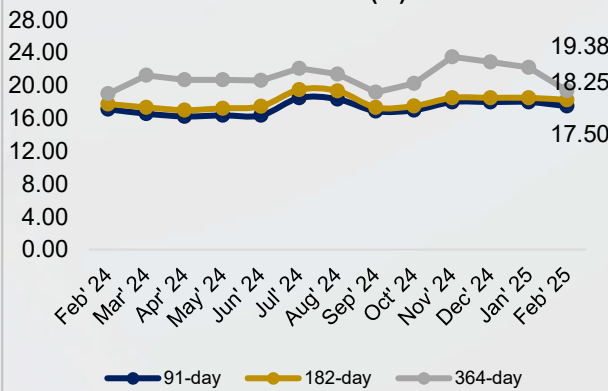


Chart 2: Trend in Average OMO Bills Discount Rate (%)[^]

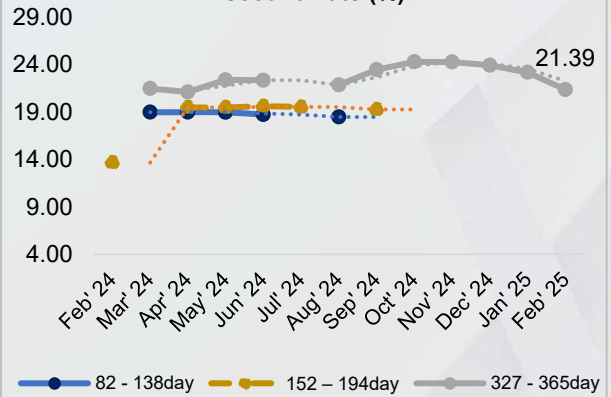


Table 2: Value of New Issuances (₦'bn)

Product	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24	Dec. '24	Jan. '25	Feb. '25
T.bills	2,589.35	2,668.89	1,314.28	913.64	617.92	277.96	507.13	622.74	456.57	693.05	1,617.07	1,271.01	1,444.13
FGN Bonds	1,494.91	608.86	626.81	682.07	297.01	225.71	374.75	264.53	289.60	346.16	211.14	601.04	910.39

Table 3: Value of Outstanding Securities (₦'bn)

Product	Feb. '24	Mar. '24	Apr '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov '24	Dec. '24	Jan. '25	Feb. '25
T.bills	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	12,798.87	13,758.40	12,967.66
FGN* Bonds	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	27,952.06	28,563.41	29,481.66

Notes:

¹ – Amount Offered in February 2025 was ₦470.00bn and ₦350.00bn 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 February 2025, there were no new listings on FMDQ Exchange. However, the redemption of ₦7.50bn in non-sovereign bonds reduced the total outstanding value of non-sovereign bonds to ₦2,238.64bn.

Meanwhile, the total value of CPs quoted on FMDQ Exchange declined by 31.86% (₦51.23bn) MoM to ₦109.56bn from ₦160.79bn in January 2025. During the period, eleven (11) CPs were quoted in February 2025, with the majority issued by institutions in the Manufacturing sector (4). (See Chart 3)

Despite the decline in quoted CPs the outstanding value of CPs increased MoM by 9.96% (₦59.54bn) to ₦657.43bn, offsetting the impact of the ₦50.02bn worth of CPs that matured during the review period. (See Table 6)

Type	Tenor	Feb. 25	Jan. 25	Trend
CPs	91D – 180D	25.42%	25.26%	▲
	181D – 270D	25.10%	24.75%	▲

Chart 3: Sectoral Allocation of Quoted CPs

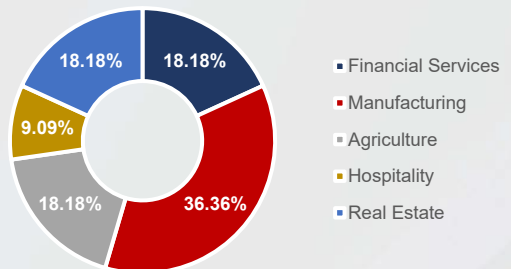


Chart 4: Average Tenor (Days) vs Discount Rates (%) for Quoted CPs

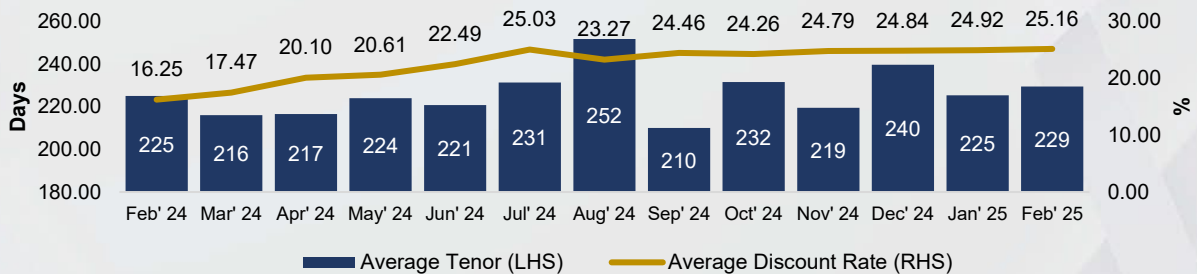


Table 5: Value of New Listings/Quotations (₦'bn)

Product	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24	Dec. '24	Jan. '25	Feb. '25
CPs	50.33	112.62	63.07	258.19	92.54	17.79	66.93	38.52	30.58	77.50	174.56	160.79	109.56
Corporate Bonds	0.00	0.00	0.00	1.15	0.00	0.00	62.40	0.00	0.00	0.00	5.82	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 6: Outstanding Value of Admitted Securities (₦'bn)

Product	Feb. '24	Mar. '24	Apr. '24	May '24	Jun. '24	Jul. '24	Aug. '24	Sep. '24	Oct. '24	Nov. '24	Dec. '24	Jan. '25	Feb. '25
CPs	790.75	864.11	791.35	925.68	978.52	893.28	635.85	622.78	565.28	525.57	508.83	597.89	657.43
Corporate Bonds	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	1,829.89	1,829.89	1,822.39
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

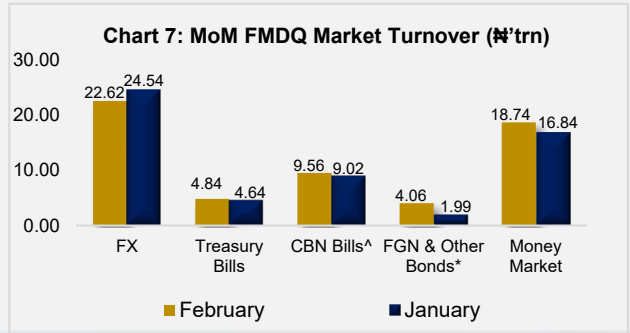
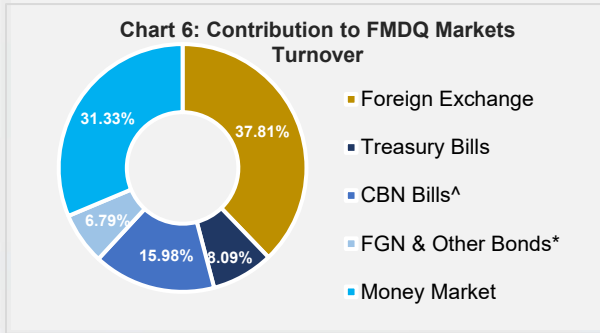
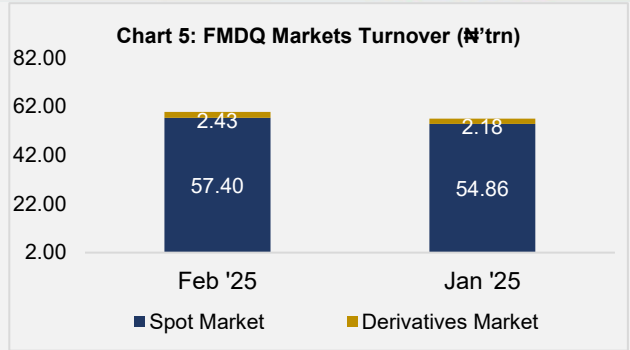
Note: *Non-Sovereign Bonds include LCY Corporate Bonds and LCY Subnational Bonds (includes LCY Sukuk)

Secondary Market

Market Turnover by Products

Total secondary market turnover recorded on FMDQ Exchange in February 2025 was ₦59.83trn, representing a MoM and YoY increase of 4.89% (₦2.79trn) and 48.41% (₦19.52trn) from January 2025 and February 2024 figures, respectively.

Foreign Exchange (FX) and Money Market (MM) transactions dominated secondary market activity, jointly accounting for 69.14% of the total secondary market turnover in February 2025. (See Chart 6)



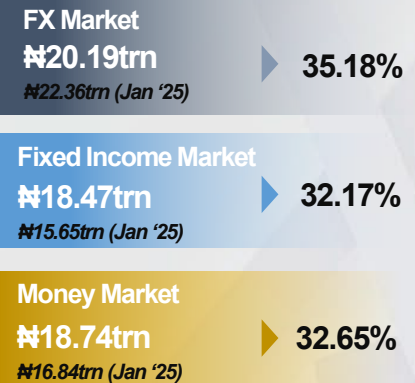
Spot Market

Total spot market turnover for all products traded in the secondary market recorded on FMDQ Exchange in February 2025 was ₦57.40trn, representing a MoM increase of 4.64% (₦2.55trn) from January 2025 figures.

The MoM increase in total spot market turnover was driven by the increase in FI and MM turnover by 17.96% (₦2.81trn) and 11.28% (₦1.90trn) respectively, offsetting the 9.68% (₦2.17trn) decrease in FX market turnover.

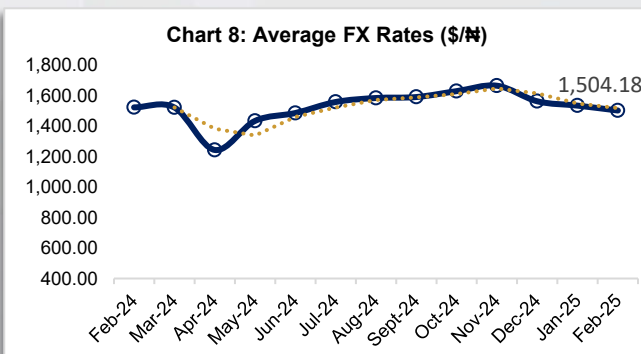
The increase in MM turnover was solely driven by the MoM increase in the Repos/Buy-backs product category. Similarly, the increase in FI turnover was driven by the MoM increase across all product categories, while CBN Special Bills remained inactive during the review period.

Spot Market Turnover and Percentage Contribution



Spot FX Market

Spot FX market turnover recorded on FMDQ Exchange was \$13.43bn (₦20.19trn) in February 2025, representing a 7.76% (\$1.13bn) MoM decrease from the turnover recorded in January 2025 (\$14.56bn).



In the FX Market, the Naira appreciated against the US Dollar, with the spot exchange rate (\$/₦) decreasing by 2.10% (\$/₦32.27) to close at an average of \$/₦1,504.18 recorded in February 2025 from \$/₦1,536.46 recorded in January 2025. (See Chart 8)

Further, exchange rate volatility decreased in February 2025, with the Naira trading within an exchange rate range of \$/₦1,495.00 – \$/₦1,515.00 compared to \$/₦1,475.00 – \$/₦1,560.00 recorded in January 2025.

Notes:

^ Refers to OMO and CBN Special Bills

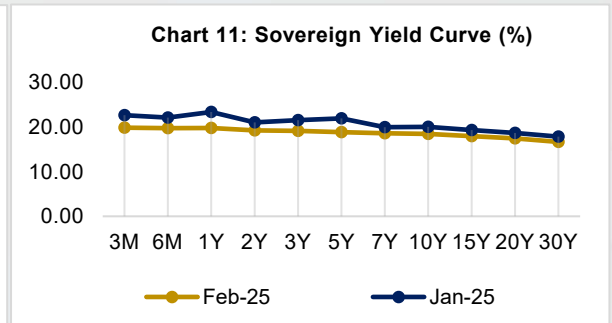
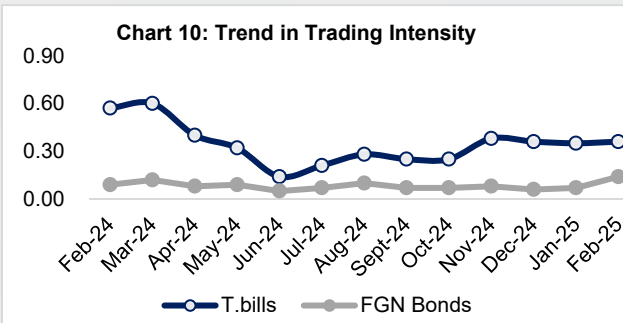
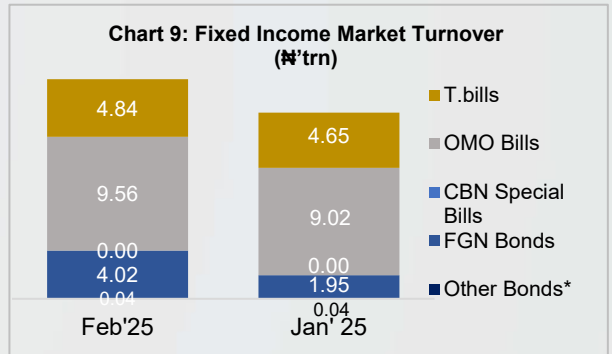
*Other Bonds include Agency, Sub-national, Corporate, Supranational Bonds & Promissory Notes

Spot Fixed Income Market

FI market turnover in February 2025 was ₦18.47trn, representing a MoM increase of 17.96% (₦2.81trn) from the turnover recorded in January 2025 (₦15.65trn).

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

In February 2025, the trading intensity (TI) for T.bills increased MoM by 0.01bps to 0.36 whilst the TI for FGN Bonds increased by 0.07bps to 0.14 (See Chart 10)

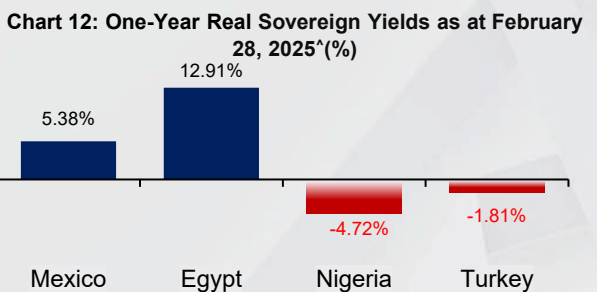


T.bills with term-to-maturity (TTM) between >6M – 12M and FGN Bonds with TTM between >5Y – 10Y were the most traded sovereign FI securities, accounting for 43.12% (₦3.82trn) and 28.56% (₦2.53trn) of the secondary market turnover for sovereign FI securities in the spot market, respectively. (See table 7 below)

T.bills					FGN Bonds				Total
Up to 3M	>3M - 6M	>6M - 12M	>12M - 3Y	>3Y - 5Y	>5Y - 10Y	>10Y - 15Y	>15Y - 20Y	>20Y	
0.89	0.12	3.82	0.13	0.47	2.53	0.70	0.04	0.16	8.86

The sovereign yield curve experienced a 1.22ppts MoM increase in yield spread¹ to -1.41ppts in February 2025, depicting a flattening of the yield curve. (See Chart 11)

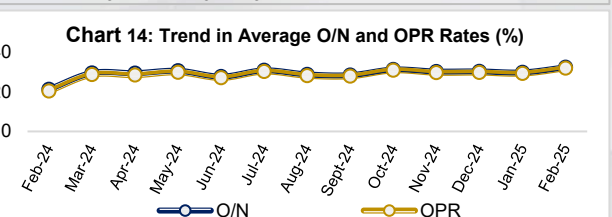
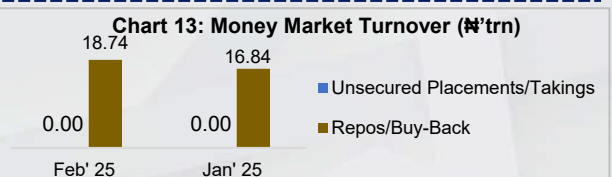
In February 2025, one (1)-year real (inflation-adjusted) yields in Nigeria and Turkey remained negative at (-1.81%) and (-4.72%), respectively, compared to selected emerging markets. (See Chart 12)



Spot Market – (Money Market)

Total turnover in the MM segment increased MoM by 11.28% (₦1.90trn) to ₦18.74trn in February 2025. The MoM increase was driven by the 11.28% (₦1.90trn) increase in Repos/Buy-backs. (See Chart 13).

The average O/N rate and OPR rate (secured lending rate) increased MoM by 2.53ppts and 2.64ppts, respectively, to close at an average of 32.11% and 31.65% in February 2025. (See Chart 14).



Notes:

¹ – Refers to the yield spread between the 3M and 10Y sovereign FI securities
[^] – Adjusted with the most recent inflation figures
 * – Other Bonds include Agency, Sub-national, Corporate, Supranational Bonds & Promissory Notes

Derivatives Market

FX Derivatives Market

Total turnover in the FX derivatives segment in February 2025 was \$1.61bn (₦2.43trn), representing a MoM increase of 13.52% (\$0.19bn) from January 2025 figures (\$1.42bn).

The MoM increase in the FX derivatives turnover was jointly driven by the 7.23% (\$0.10bn) and 107.26% (\$0.10bn) increase in FX Swaps and FX Forwards transactions during the review period.

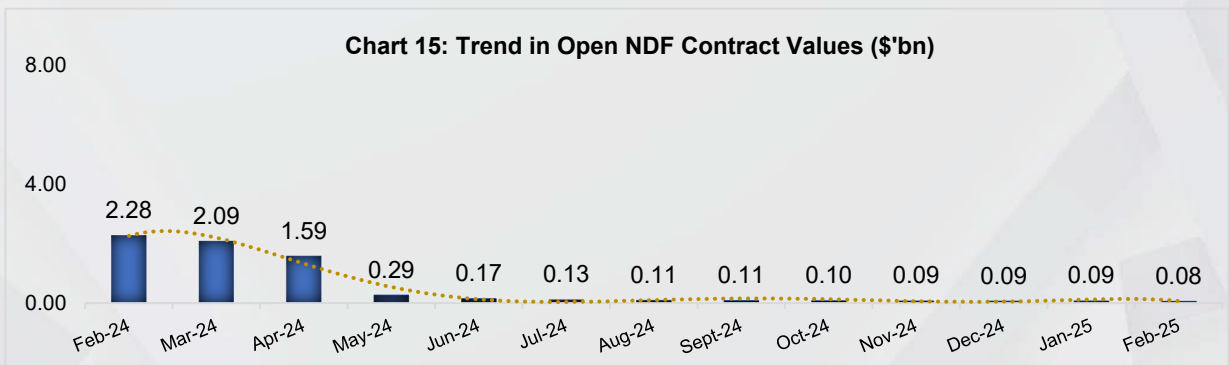
FX Swaps ¹	Contribution
\$1.43bn (₦2.15trn)	▶ 88.53%
FX Forwards	
\$0.19bn (₦0.28trn)	▶ 11.47%

Cleared Naira-Settled Non-Deliverable Forwards

In the Cleared Naira-Settled (USD/NGN) Non-Deliverable Forwards market, the near month contract (NGUS Feb 26, 2025) expired with no open positions settled during the period. 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 eleven (11 months (i.e., NGUS JAN 28, 2026 contract).

As a result, the cumulative NV of open Cleared Naira-Settled Non-Deliverable Forwards contracts was \$0.08bn as at February 28, 2025, representing a MoM and YoY decrease of 10.14% (\$0.01bn) and 96.53% (\$2.20bn), respectively. (See Chart 15)

Matured Contract NGUS FEB 26, 2025 (\$/₦971.90)	▲
New 60M Contract Not Applicable (N/A) (\$/₦0.00)	
NV of Open Positions in NDF Contracts – \$0.08bn	▼



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

Notes:

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..12

The average modelled rates for the 13M-33M Naira-Settled Exchange-Traded FX Futures contracts in February 2025 were higher than those for January 2025 across most tenors excluding across the 25M-33M tenor which appreciated in February 2025. (See Table 8)

The indicative rates for short-term (i.e., ≤12M) Non-Deliverable FX Forwards contracts in February 2025 depreciated across most tenors, excluding the 12M tenor which decreased (i.e., appreciated) (See Table 9)

Table 8: 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
Feb-25	1,572.08	1,674.95	1,775.62	1,876.69	1,999.06	2,336.17	2,793.48
Jan-25	1,561.94	1,664.37	1,764.62	1,865.25	2,014.60	2,368.06	2,831.62
Change	10.15 ↑	10.58 ↑	11.00 ↑	11.44 ↑	15.54 ↓	31.89 ↓	38.14 ↓

Table 9: Indicative Rates (\$/₦) of Non-Deliverable Forwards

	1M	2M	3M	6M	12M
Feb-25	1,539.17	1,578.87	1,607.09	1,711.31	1,900.01
Jan-25	1,533.09	1,567.93	1,605.02	1,705.97	1,912.21
Change	6.08 ↑	10.94 ↑	2.07 ↑	5.34 ↑	12.20 ↓

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