



FX TURNOVER (\$'bn)

	Member-Member				Member-Client				Total Turnover
	Spot	Swaps	Forwards	Total	Spot	Swaps	Forwards	Total	
August	0.72	0.19	0.00	0.91	7.26	1.75	0.13	9.14	10.05
July	2.02	0.41	0.01	2.44	11.08	2.20	0.05	13.33	15.77
Change	-1.30	-0.22	-0.01	-1.52	-3.82	-0.45	0.07	-4.19	-5.72
Change (%)	-64.25	-53.43	-100.00	-62.51	-34.45	-20.52	137.84	-31.45	-36.25

BENCHMARK YIELD CHANGE (%)



FIXED INCOME TURNOVER (N'bn)



MONEY MARKET TURNOVER (N'bn)

Month	August	July	Change	Change (%)
Repos/Buy-Backs	2,432.29	2,246.39	185.89	8.28
Unsecured Placements/Takings	999.07	1,445.52	-446.45	-30.89
Total	3,431.36	3,691.91	-260.56	-7.06

MARKET ACTIVITY

	Request-for-Quote (RFQ)				Anonymous Firm Order (AFO)			
	Total	Accepted	Cancelled	Rejected	Total	Accepted	Cancelled	Rejected
T.Bills	656,694	12,881	388	13,396	6,468	6,398	36	33
FGN Bonds	1,116	973	60	59	3,913	3,858	50	4

Source: FMDQ Research

Note: T.bills in this document is a combination of Nigerian Treasury Bills and CBN OMO Bills; **FGN: Federal Government of Nigeria;

¹Trading intensity is a measure of activity which compares the turnover in the period with the average outstanding value; ²Month ³Year; ⁴Net debt issuance is the total debt issued in the month less the coupon paid and T.bills & FGN bonds maturing;

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OTC Market Summary

- Total turnover recorded in the fixed income and currency markets for the month of August 2015 was ₦11.59trn; ₦2.10trn or 15% drop from the value recorded in July and ₦4.00trn or 53% increase year-on-year (YoY)
- Activities in the T.bills* segment dominated the market, accounting for 42% of total turnover, up from 35% recorded in the preceding month
- Contributions of the FX segment to turnover declined 6%, to settle at 21% for the month.
- Secured (Repos/Buy-Backs) Markets' transactions accounted for 21% of total turnover in August; up 5% from 16% clocked in July with FGN bonds** remaining relatively flat at 7%. Meanwhile, activities in Unsecured Placements/Takings dipped 2%, from 11% recorded in the last month

FX Market

- Turnover in the FX market for the month of August dropped by 36% month-on-month (MoM) to close at \$10.05bn. Average daily turnover was \$502.64mm, also a drop of \$0.88bn or 12% on a YoY basis
- Member-Client trades, although accounting for 91% of FX turnover (up from 85% recorded in the previous month), declined 32% or \$4.19bn when compared with the previous month. Member-Member trades also declined \$1.52bn (63%) compared to July 2015
- Spot transactions settled at \$7.98bn, indicating a reduction of \$5.11bn or 39% when compared with the previous month. Swap transactions stood at \$1.94bn, a 26% (\$0.678bn) reduction whilst Forward transactions closed the month at \$0.13bn, indicating an increase of \$0.07bn or 110% over the value recorded in the month of July
- The Central Bank of Nigeria (CBN) exchange rate remained flat at \$/₦197.00 in the month while the inter-bank exchange rate appreciated 0.07% to trade at an average value of \$/₦197.54

Fixed Income Market (T.Bills and FGN Bonds)

- Total value of considerations traded in the fixed income market clocked ₦5.67trn; a ₦653.00bn or 10% decline from the value recorded in the previous month. T.bills transactions accounted for 87% of total fixed income turnover, up from 85% recorded in the previous month. On a YoY basis, turnover of T.bills and FGN bonds increased ₦506.38bn and ₦379.83bn respectively
- Trade Intensity¹ for T.bills and FGN bonds closed the month at 0.73 and 0.15 respectively compared with 0.84 and 0.18 recorded in the month of July
- Bearish sentiments prevailed in the fixed income market as yields inched upwards on all tenors, save the 3M² and 15Y³ benchmark securities which parred downwards. On an average, the yield curve was up 71 basis points in the review period
- Outstanding FGN bonds increased ₦80.20bn or 1.64% to settle at ₦4.97trn from ₦4.89trn recorded in the previous month. Market capitalisation declined ₦9.67bn, to close at ₦4.45trn or 90% of face value; indicating declining demand for long-term securities
- Outstanding T.bills, comprising of 57% in CBN Open Market Operations (OMO) bills, settled at ₦6.79trn in the review period; ₦268.45bn or 4% more than the previous month's value
- Net debt⁴ issuance in the month stood at ₦13.35bn, compared with an outflow of ₦108.29bn recorded in the previous month. Total coupon paid on FGN bond series in the month amounted to ₦66.85bn

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

- Turnover in the Secured market closed the month at ₦2.43trn; up ₦185.89bn or 8% from July's value. In the Unsecured market, turnover settled at ₦1.00trn; a decline of ₦446.45bn or 31% when compared with July
- Open-Buy-Back (OBB) and Overnight (ON) rates averaged 30.95% and 33.34% respectively as the CBN mopped up excess liquidity in the system
- Open Market Operations by the CBN drove rates to an all-time high of 100.83% and 105.33% for OBB and ON rates respectively during the course of the month

Market Surveillance

- Total trading activities in the fixed income market for the month of July came to 668,191; 104,698 or 19% above the value recorded in July
- Trades in the T.bills' segment dominated market activities, accounting for 99% of all activities
- Of the total trades filled, 2% were in RFQs and 99% AFOs, translating to a total of 24,110 trades
- Acceptance rate of FGN bonds' RFQs in August settled at 87.19%, compared with 86.37% recorded in July