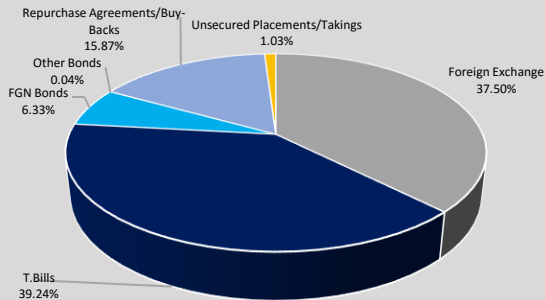


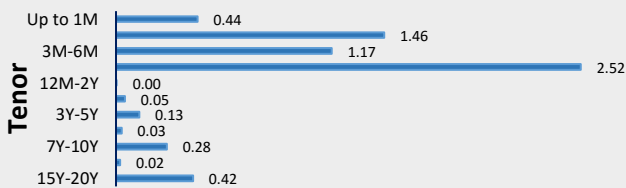
OTC Turnover



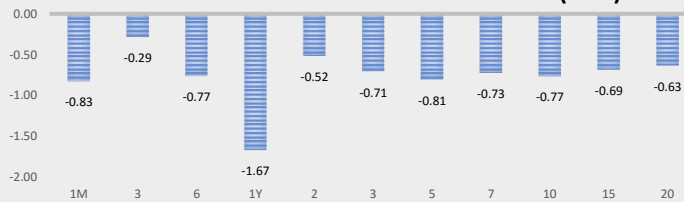
FX MARKET TURNOVER (\$'bn)

	January 2018	December 2017	MoM ^Δ (\$'bn)	MoM Change Δ (%)	
Inter-Member	FX Spot	0.83	0.69	0.14	20.65
	FX Swaps	0.25	0.27	-0.01	-4.09
	FX Futures	0.00	0.00	0.00	0.00
	Others	0.01	0.03	0.00	-78.90
	Total	1.10	0.99	0.11	11.67
Member-Clients	FX Spot	6.35	5.19	1.15	22.21
	FX Swaps	1.63	1.52	0.10	6.64
	FX Futures	0.12	0.70	-0.58	-82.70
	Others	0.21	0.38	-0.17	-44.56
	Total	8.72	8.33	0.39	4.72
Member-CBN	FX Spot	2.57	1.51	1.06	70.33
	FX Swaps	0.00	0.00	0.00	0.00
	FX Futures	0.15	0.77	-0.62	-80.48
	Others	1.02	0.67	0.36	53.63
	Total	4.18	3.54	0.64	17.98
Total Turnover	14.01	12.86	1.15	8.91	

FIXED INCOME TURNOVER (₦'trn)



BENCHMARK SECURITIES' YIELD (Δ%)



MONEY MARKET TURNOVER (₦'bn)

	January 2018	December 2017	MoM Δ (₦'bn)	MoM Δ (%)
Repurchase Agreement/buy backs	1,857.81	2,741.47	(883.67)	(32.23)
Unsecured Placement/Takings	120.61	141.37	(20.76)	(14.69)
Total	1,978.41	2,882.84	(904.43)	(31.37)

MARKET ACTIVITY - EXECUTED TRADES (COUNT)

	January 2018			December 2017			MoM Δ (%)
	AFO ⁵	RFQ ⁷	Total	AFO	RFQ	Total	
T.bills	1,137	13,454	14,591	356	13,544	13,900	4.97
FGN bonds	1,366	1,084	2,450	1,158	1,249	2,407	1.79
Total	2,503	14,538	17,041	1,514	14,793	16,307	4.50

Notes:

* "Others" include FX Forwards, Options & Cross Currency Interest Rate Swaps

1 – Year-on-Year; 2 – Month-on-Month; 3 – Change; 4 – Central Bank of Nigeria; 5 – Federal Government of Nigeria; 6 – Anonymous Firm Order; 7 – Request-for-Quote; 8 – Overnight; 9 – Nigerian Inter-Bank Offered Rate; Source: FMDQ OTC Securities Exchange

DISCLAIMER: This report is produced by the Market Development Group of FMDQ OTC Securities Exchange (FMDQ) for information purposes only. FMDQ is NOT an investment advisor, and does not endorse or recommend any securities or other investments. Market data and other information in this report, as well as reference materials and/or links to other sites, have been compiled from publicly available sources believed to be reliable and are for general informational purposes only. This report does not constitute any offer, recommendation or solicitation to any person to enter any transaction or adopt any hedging, trading or investment strategy, nor does it constitute any prediction to likely future movements in rates or prices or any representation that any such future movements will not exceed those shown in any illustration contained therein. All rates and figures appearing are for illustrative purposes only. To the extent that the research data emanate from public sources, the accuracy or completeness of the information contained herein is not guaranteed and is not intended to be relied upon for investment purposes. All information is provided "as is" without warranty of any kind. FMDQ (and affiliates) and the third-party information providers make no representations and disclaim all express, implied, and statutory warranties of any kind to the user and/or any third party including warranties as to accuracy, timeliness, completeness, merchantability, or fitness for any purpose. Unless, in the event of willful tortious misconduct or gross negligence, FMDQ (and affiliates) and the third-party information providers have no liability in tort, contract, or otherwise (and as permitted by law, product liability), to user and/or any third party. FMDQ (and affiliates) and the third-party information providers shall under no circumstance be liable to user, and/or any third party for any lost profits or lost opportunity, indirect, special, consequential, incidental, or punitive damages whatsoever, even if FMDQ has been advised of the possibility of such damages.

OTC Market Summary

- Transaction turnover in the Fixed Income and Currencies (FIC) markets for the month of Jan. 2018 amounted to ₦11.71trn; a 1.28% decrease (₦0.15trn) from the value recorded in Dec. 2017 and a 28.17% increase (₦2.57trn) YoY¹
- Activities in the Treasury Bills (T.bills) market accounted for 39.24% of market turnover (35.26% in Dec. 2017), while the Foreign Exchange (FX) market accounted for 37.50% of the total turnover (33.63% in Dec. 2017). The Money Market (Repurchase Agreements (Repos)/Buy-Backs & Unsecured Placements/Takings) accounted for 16.90% of market turnover (24.31% in Dec. 2017). These three (3) segments combined contributed 93.64% to the total turnover in the FIC markets

FX Market

- Transactions in the FX market settled at \$14.01bn in Jan. 2018, an increase of 8.91% (\$1.15bn) when compared with the value recorded in Dec. 2017 (\$12.86bn)
- In the month under review, the Naira appreciated slightly at the Investors' & Exporters' (I&E) FX Window closing at \$/₦360.00 (from \$/₦360.33 as at Dec. 29, 2017) whilst also trading at a discount to the parallel market which closed at \$/₦364.00 (from \$/₦363.00 as at Jan. 2, 2018). The CBN⁴ Official Spot rate appreciated slightly, gaining ₦0.30 to close at \$/₦305.70 (from \$/₦306.00 as at Dec. 29, 2017)
- Total value traded at the I&E FX Window in Jan. 2018 settled at \$5.25bn, an increase of 36.87% (\$1.41bn) relative to the value recorded in Dec. 2017 (\$3.87bn). Total value traded at the I&E FX Window since inception (April 21, 2017) stands at \$31.46bn
- Inter-Member trades recorded \$1.10bn in Jan. 2018, an increase of 11.67% (\$0.11bn) relative to the trades recorded in Dec. 2017 (\$0.99bn), and a 71.66% increase YoY (\$0.46bn). Member-Client trades stood at \$8.72bn, an increase of 4.72% from the previous month (\$0.39bn) and a 119.85% increase YoY (\$4.76bn)
- Member-CBN trades recorded \$4.18bn in Jan. 2018 (\$3.54bn in Dec. 2017), representing an increase of 17.98% MoM (\$0.64bn) and a 577.58% increase YoY (\$3.56bn), a likely effect of the Secondary Market Intervention Sales (SMS) introduced by the CBN in Feb. 2017
- The 18th Naira-settled OTC FX Futures contract, NGUS JAN 31, 2018, worth \$321.60mm, matured and settled in January, whilst a new 12-month contract – NGUS JAN 30, 2019 – for \$1.00bn, was introduced by the CBN at \$/₦362.27

Fixed Income Market (T.bills and FGN⁵ bonds)

- Turnover in the Fixed Income market for the month under review settled at ₦5.33trn, a 7.16% increase MoM (0.36trn). Transactions in the T.bills market accounted for 86.11% of the overall Fixed Income market, an increase from the 84.00% recorded in Dec. 2017
- Outstanding T.bills at the end of the month stood at ₦11.47trn (₦10.60trn in Dec. 2017), an increase of 8.21% MoM (₦0.87trn). FGN bonds outstanding value also increased by 0.96% MoM (₦0.08trn) to close at ₦7.64trn, from ₦7.57trn in Dec. 2017
- Trading intensity in the Fixed Income market for the month under review settled at 0.40 and 0.10 for T.bills and FGN bonds, respectively, from 0.38 and 0.11 recorded the previous month respectively. T.bills between the six (6) and twelve (12) months maturity buckets became the most actively traded, accounting for a turnover of ₦2.52trn in Jan. 2018
- Short-term yields on the sovereign yield curve decreased by an average of 0.89 basis points (bps) and yields in the medium- and long-term spectrum lost an average of 0.68bps & 70.39bps respectively
- The spread between 10-year and 3-month benchmark yields closed negative at 0.49bps for Jan. 2018 (0.01bps in Dec. 2017), as yields dropped in Jan. 2018 following the redemption of T.bills that matured in Dec. 2017 by the Debt Management Office

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

- Activities in the secured Money Market (i.e. Repos/Buy-Backs) settled at ₦1.86trn in Jan. 2018 32.23%, ₦0.88trn less than the value recorded in Dec. 2017 (₦2.74trn). YoY, turnover on Repos/Buy-Backs recorded a 4.06% (₦0.07trn) increase from the value recorded in Jan. 2017 (₦1.79trn)
- Unsecured Placements/Takings closed the month at a turnover of ₦120.61bn, a 14.69% decrease (₦20.76bn) from the figure recorded in Dec. 2017 (₦141.37bn) and a 49.65% decrease (₦118.93bn) on YoY basis (₦239.54bn as at Jan. 2017)
- Average O/N⁸ NIBOR⁹ for the period under review stood at 11.24% (8.56% in Dec. 2017), indicating a fall in inter-bank liquidity

Market Surveillance

- The number of executed trades captured on the E-Bond Trading System in Jan. 2018 amounted to 17,041 as against 16,307 recorded in Dec. 2017
- Executed T.bills trades increased by 4.97% (725) while FGN bonds increased by 1.79% (43)