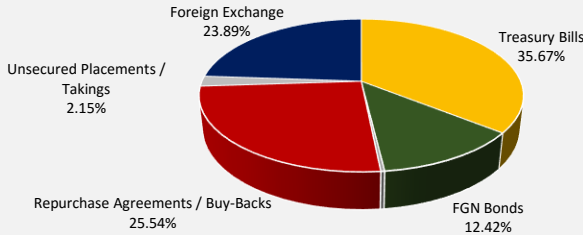


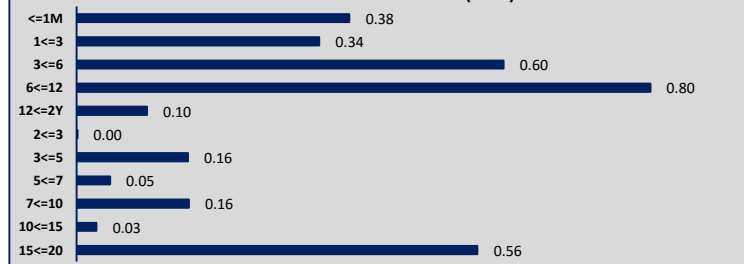
**OTC MARKET TURNOVER**



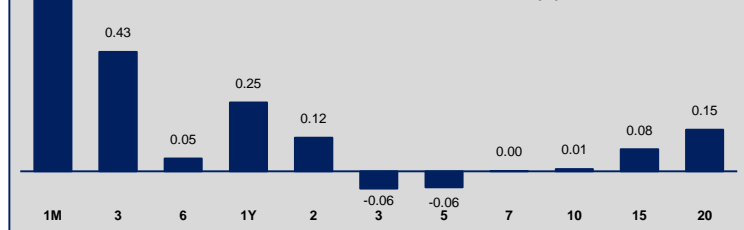
**FX TURNOVER (\$'bn)**

Month	Member-Member				Member-Client				Total Turnover
	FX Spot	FX Swaps	Others*	Total	FX Spot	FX Swaps	Others	Total	
February 2016	0.74	0.09	0.00	0.83	4.34	1.39	0.01	5.73	6.56
January 2016	1.08	0.14	0.00	1.22	6.30	1.36	0.04	7.70	8.92
Change (\$)	(0.34)	(0.05)	0.00	(0.39)	(1.95)	0.02	(0.03)	(1.96)	(2.35)
Change (%)	(31.55)	(34.40)	0.00	(31.87)	(31.03)	1.78	(85.34)	(25.51)	(26.38)

**FIXED INCOME TURNOVER (₦'bn)**



**BENCHMARK SECURITIES' YIELD CHANGE (%)**



**MONEY MARKET TURNOVER (₦'bn)**

	February	January	Change (₦)	Change (%)
Repos/Buy-Backs	1,677.10	1,785.31	-108.21	-6.06
Unsecured Placements / Takings	141.27	239.54	-98.27	-41.03
<b>Total</b>	<b>1,818.37</b>	<b>2,024.85</b>	<b>-206.48</b>	<b>-10.20</b>

**MARKET ACTIVITY - EXECUTED TRADES**

	February			January		
	Total	AFO <sup>8</sup>	RFQ <sup>9</sup>	Total	AFO	RFQ
T.bills	6,834	2,618	4,216	5,861	1,172	4,689
FGN bonds	2,618	1,407	1,211	3,764	2,333	1,431
<b>Total</b>	<b>9,452</b>	<b>4,025</b>	<b>5,427</b>	<b>9,625</b>	<b>3,505</b>	<b>6,120</b>

Source: FMDQ OTC Securities Exchange

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

1 – Repurchase Agreements; 2 – Federal Government of Nigeria; 3 – Value exclusive of Member – CBN trades; 4 – Year-on-Year; 5 – Central Bank of Nigeria; 6 – Open-Buy-Back; 7 – Overnight Rate; 8 – Anonymous Firm Order; 9 – Request-for-Quote

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**OTC Market Summary**

- Turnover of transactions carried out in the Fixed Income and Currency Markets (FIC) for the month of February 2016 settled at ₦6.57trn; a ₦0.78trn (10.62%) decrease over the value recorded in January 2016 (driven by a decline in FX transactions) and a ₦5.02trn (43.34%) drop YoY<sup>1</sup>
- Activities in the Foreign Exchange (FX) market contributed 23.89% to the turnover, down by 4.32% from the value recorded in January whilst Treasury Bills (T.bills) transactions contributed 35.67% to the total, up 7.51% from previous month
- Secured market transactions (Repos<sup>1</sup> / Buy-Backs) accounted for 25.54% of total turnover in the month, while FGN<sup>2</sup> bonds' contribution settled at 12.42%. Activities in Unsecured Placements/Takings accounted for 2.15% of total turnover

**FX Market**

- Transactions in the FX market settled at \$6.56bn<sup>3</sup>, \$2.35bn (26.385%) below the value recorded in the previous month with an average daily turnover of \$0.32bn. On a YoY<sup>4</sup> basis, FX transactions recorded a decline of \$12.46bn (65.50%) driven mostly by the change of Interbank trading style to order based 2WQ system
- Member-Member trades declined \$38.84mm (31.87%) as activity declined across all sub-categories. Member-Client transactions, also, recorded a decline of \$1.96bn (25.51%) to end the month at \$5.73bn
- On aggregate, Spot and Swaps transactions both declined \$2.29bn (31.11%) and \$0.02bn (1.56%) in the month when compared with values recorded in January 2016
- The CBN's<sup>5</sup> exchange rate remained flat at \$/₦196.00 in the month whilst the inter-bank exchange rate appreciated 0.32% to trade at an average rate of \$/₦198.26. Rates in the parallel market peaked at \$/₦390.00 while recording an average value of \$/₦326.19 for the month

**Fixed Income Market (T.bills and FGN bonds)**

- Turnover in the Fixed Income market recorded a decline of ₦71.30bn (2.21%) month-on-month (MoM) to settle at ₦ 3.16trn
- There was a pick-up of activities in the T.bills market, as turnover recorded an increase of ₦273.33bn (13.21%). This value puts the percentage of T.bills turnover in the total fixed income market at 74.18%, a 10.11% increase MoM
- Outstanding OMO bills declined by ₦182.98bn (6.89%) whilst T.bills recorded an increase of ₦50.00 (1.80%) MoM. Total outstanding bills as at the end of the month settled at ₦5.29trn translating to a trade intensity of 0.44
- Outstanding values of FGN bonds increased by ₦90.00bn (1.49%) MoM to settle at ₦6.11trn. The increase was a result of the reopening of the 15.54% FGN FEB 2020 and 12.50% FGN JAN 2026 bonds. Market size of FGN bonds increased marginally by 1.04% to close the month at 104.05% of par value. Trade intensity for FGN bonds settled at 0.13
- The yield curve experienced little volatility in the review period, save for FX funding and refunding that impacted on money market yields. On the average, the yield curve trended upwards 14bps
- The upward movement in the yield curve was driven primarily by the short-end of the curve which moved 34bps whilst the mid and long-end were relatively flat

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

- Activities in the secured markets (Repos/Buy-Backs) settled at ₦1.68trn, ₦108.21bn (46.06%) below the value recorded in January
- Unsecured Placements/Takings declined by ₦98.27bn (41.03%) to settle at ₦147.27bn for the month
- Liquidity prevailed in the banking sector as rates remained low in the month with OBB<sup>6</sup> and O/N<sup>7</sup> closing the month at 1.04% and 1.38% respectively, compared with 0.75% and 1.17% recorded in January

**Market Surveillance**

- Executed trades captured on the E-Bond trading platform for the month settled at nine thousand, four hundred and fifty-two (9,452), 9.31% decrease MoM
- Percentage of total executed trades compared to market activity, was higher at 2.60%; 2.30% was recorded in January
- Firm orders on T.bills increased by 111% whilst the executed trades on same increase by 123%. The FGN Bond market, however, recorded a decline of 13% in total firm orders initiated while executed trades dropped by 40% MoM
- RFQs recorded a decline across board, with total RFQs sent declining by 12% and executed trades decreased by 11% MoM