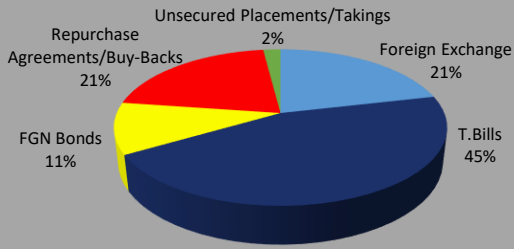


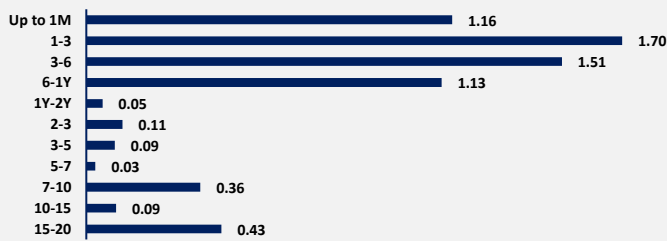
OTC Market Turnover



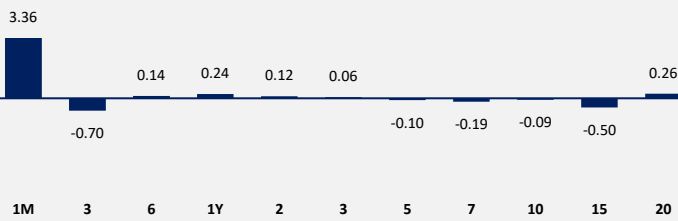
FX MARKET TURNOVER (\$'bn)

		Dec	Nov	MoM ³ Change (\$'bn)	MoM Change (%)
Member-Member	FX Spot	0.35	0.33	0.02	6.30
	FX Swaps	0.38	0.18	0.21	118.99
	FX Futures	0.00	0.00	0.00	0.00
	Others*	0.01	0.02	(0.01)	(50.61)
	Total	0.74	0.52	0.22	42.26
Member-Client	FX Spot	2.82	2.48	0.34	13.75
	FX Swaps	2.38	1.42	0.96	67.12
	FX Futures	0.29	0.34	(0.05)	(14.63)
	Others*	0.72	0.33	0.39	118.02
	Total	6.21	4.57	1.63	35.75
Member-CBN	FX Spot	0.11	0.01	0.10	746.54
	FX Swaps	0.28	0.00	0.28	0.00
	FX Futures	0.51	0.59	(0.08)	(13.71)
	Others*	0.55	0.21	0.33	155.50
	Total	1.45	0.82	0.64	77.69
Total Turnover		8.40	5.91	2.49	42.13

FIXED INCOME TURNOVER (₦'bn)



BENCHMARK SECURITIES' YIELD CHANGE (%)



MONEY MARKET TURNOVER (₦'bn)

	December	November	Change (₦)	Change (%)
Repurchase Agreements/Buy-Backs	2,544.32	2,386.79	157.53	6.60
Unsecured Placements/Takings	246.14	222.33	23.81	10.71
Total	2,790.46	2,609.12	181.34	6.95

MARKET ACTIVITY - EXECUTED TRADES (COUNT)

	December			November		
	AFO ⁵	RFQ ⁶	Total	AFO	RFQ	Total
T.bills	3,104	14,710	17,814	2,523	11,958	14,481
FGN Bonds	1,779	1,008	2,787	1,559	531	2,090
Total	4,883	15,718	20,601	4,082	12,489	16,571

OTC Market Summary

- Turnover of transactions carried out in the Fixed Income and Currency (FIC) markets for the month of December 2016 amounted to ₦12.26trn; an increase of 29.37% (₦2.78trn) over the value recorded in November 2016 and a 65.08% (₦4.83trn) increase YoY¹
- Activities in the Treasury bills (T.bills) market for the reporting month of December accounted for 45.20% (November – 48.65%), while Secured Money Market [Repurchase Agreements (Repos)/Buy-Backs] accounted for 20.75% (November – 25.19%)
- In the same period, Foreign Exchange (FX) market accounted for 21.39% (November – 19.45%) of the total turnover, while FGN² bonds and Unsecured Placements/Takings accounted for 10.62% (November – 4.30%), and 2.01% (November – 2.35%) of total turnover respectively

FX Market

- Transactions in the FX market settled at \$8.40bn in December, an increase of 42.13% (\$2.49bn) when compared with the value recorded in November (\$5.91bn)
- The sixth Naira-settled OTC FX Futures contract, NGUS DEC 21 2016, with total open contracts worth \$477.45mm, matured and settled within the month
- The CBN³ revised the rates offered on all outstanding OTC FX Futures contracts, whilst a new 12-month contract - NGUS DEC 27 2017 - was introduced at \$/₦274.00
- Member-Member trades stood at \$0.74bn in the month of December, an increase of 42.26% (\$0.22bn) compared with trades recorded in November and a decrease of 34.79% (\$0.40bn) YoY, while Member-Client trades increased by 35.75% (\$1.63bn) from the previous month and decreased by 36.32% (\$3.54bn) YoY
- Member-CBN trades stood at \$1.45bn in December (November – \$0.82bn), representing an increase of 59.07% (\$0.64bn) MoM⁴
- In the month under review, the Naira remained relatively flat to close at \$/₦305.00 in the inter-bank market and depreciated by 1.25% to close at \$/₦486.00 in the parallel market

Fixed Income Market (T.bills and FGN Bonds)

- Turnover in the Fixed Income market in the month under review, settled at ₦6.85trn, 36.26% (₦1.82trn) above the previous month's value, with transactions in the T.bills market accounting for 80.94% of the Fixed Income market turnover
- Outstanding T.bills at the end of the month amounted to ₦7.53trn (November – ₦7.27trn) whilst outstanding FGN bonds increased by 1.04% (₦0.69trn) from November to close at ₦6.66trn in the period under review
- Trading intensity in the Fixed Income market settled at 0.65 and 0.16 for T.bills and FGN bonds respectively, with maturities between 1 - 3 months being the most actively traded (₦1.70bn) in the period under review
- The short- and medium-ends of the FGN bond yield curve gained by averages of 0.93% and 0.08% respectively, whilst the long end yield of the curve declined by an average of 0.13%
- Spread between the 10-year and 3-month benchmarks closed at -2.30% points at the end of the month under review, compared with -1.69% points recorded in the previous month

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

- Activities in the Secured Money Market (Repos/Buy-Backs) settled at ₦2.54trn, 6.60% (₦0.16trn) below the value recorded in November. On a YoY basis, Repos/Buy-Backs turnover recorded an increase of 36.24% (₦0.68trn)
- Unsecured Placements/Takings increased by 10.71% (₦0.02trn) to close the month at a turnover of ₦0.24trn; a decline of 30.02% (₦0.11trn) YoY

Market Surveillance

- The number of executed trades captured on the E-Bond trading platform for the month of December amounted to 20,601 as against 16,571 recorded in the month of November
- Executed trades on T.bills and FGN bonds recorded an increase of 23.01% and 33.34% respectively at the end of the month

Notes:

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

1 – Year-on-Year; 2 – Federal Government of Nigeria; 3 – Central Bank of Nigeria; 4 – Month-on-Month; 5 – Anonymous Firm Order; 6 – Request-for-Quote

Source: FMDQ OTC Securities Exchange

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Enquiries: mdg@fmdqotc.com Phone: +234 -1-2778771, 2771719