



## MARKET NOTICE

**To:** ALL MARKET PARTICIPANTS  
**From:** FIXED INCOME AND CURRENCIES MARKETS GROUP  
**Reference:** FMDQExchange/FCG/281022/MN-33  
**Notice Date:** October 28, 2022  
**Effective Date:** November 1, 2022

### REVISION TO THE NIGERIAN INTER-BANK OFFERED RATE FIXING METHODOLOGY

This Market Notice serves to inform all market stakeholders of a revision to the Nigerian Inter-Bank Offered Rate Fixing (“**NIBOR**”) methodology. NIBOR represents the annualised short-term lending rates in the Nigerian inter-bank market as specified in the NIBOR methodology.

To ensure Benchmarks are administered in line with global standards, as well as improving their representativeness of the underlying markets, FMDQ Exchange<sup>1</sup> hereby notifies all stakeholders of the following revision to the NIBOR methodology with respect to the calculation of NIBOR, necessitated by the extant illiquidity in the Nigerian Treasury Bills (“**T.bills**”) secondary market:

S/N	Section/ Clause <sup>2</sup>	Old Text	Revised Text	Implication
1.	3.1.1	In determining NIBOR, the yields of Nigerian Treasury Bills (“ <b>T.bills</b> ”) with days to maturity equivalent to the NIBOR benchmark tenors shall be quoted as the base yields. Reference Banks shall be required to quote bid and offer rates for the computation of ON NIBOR as well as bid and offer credit-spreads above the base yields of each tenored benchmark rate i.e., one (1), three (3) and six (6) months, to arrive at their respective NIBOR for the day. The base yields (i.e., T.bills yields) for NIBOR computation shall be derived from the FMDQ Exchange intra-day Daily Quotations List (“ <b>DQL</b> ”) published at 12:00 noon.	Not Applicable. This clause has been deleted from the NIBOR Methodology.	FMDQ Exchange Reference Banks shall contribute clean lending rates in line with section 3.1 of the NIBOR Methodology. <i>(See link below to view the NIBOR Methodology)</i>

The revised NIBOR Methodology shall take effect immediately and is available on the FMDQ Benchmark Administration page on the FMDQ Group website (Click [here](#) to view).

*Should you have any question(s) about this Market Notice, kindly contact the Fixed Income and Currencies Markets Group at [fcg@fmdqgroup.com](mailto:fcg@fmdqgroup.com)*

<sup>1</sup> FMDQ Securities Exchange Limited

<sup>2</sup> In the prior NIBOR Methodology