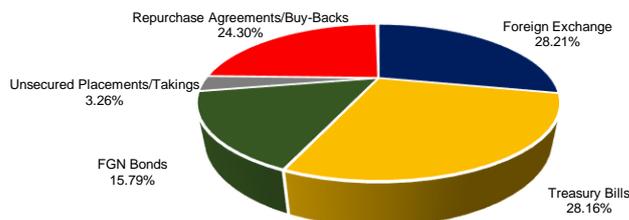


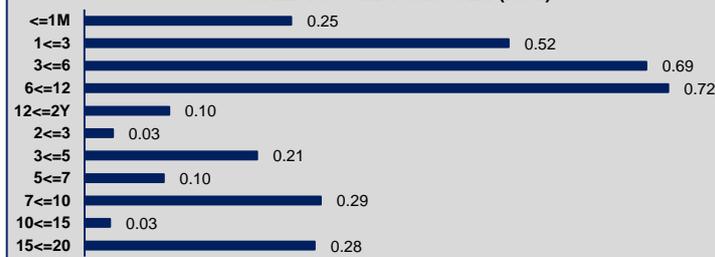
OTC MARKET TURNOVER



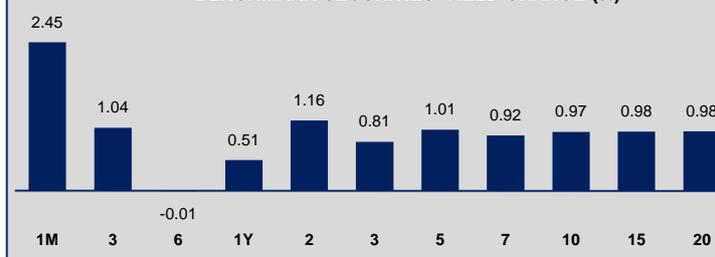
FX TURNOVER (\$'bn)

	Member-Member				Member-Client				Total Turnover
	FX Spot	FX Swaps	Others*	Total	FX Spot	FX Swaps	Others	Total	
January 2016	1.08	0.14	0.00	1.22	6.30	1.36	0.04	7.70	8.92
December 2015	0.90	0.24	0.00	1.14	7.85	1.87	0.03	9.75	10.89
Change (\$)	0.18	(0.10)	0.00	0.08	(1.55)	(0.51)	0.01	(2.05)	(1.97)
Change (%)	20.06	(42.44)	0.00	6.90	(19.80)	(27.20)	31.44	(21.06)	(18.13)

FIXED INCOME TURNOVER (N'bn)



BENCHMARK SECURITIES' YIELD CHANGE (%)



MONEY MARKET TURNOVER (N'bn)

	January 2016	December 2015	Change (N)	Change (%)
Repos/Buy-Backs	1,785.31	1,867.52	-82.21	-4.40
Unsecured Placements / Takings	239.54	351.73	-112.19	-31.90
Total	2,024.85	2,219.25	-194.40	-8.76

MARKET ACTIVITY - EXECUTED TRADES

	January 2016			December 2015		
	Total	AFO	RFQ	Total	AFO	RFQ
T.bills	5,861	1,172	4,689	5,602	562	5,040
FGN bonds	3,764	2,333	1,431	2,686	1,409	1,277
Total	9,625	3,505	6,120	8,288	1,971	6,317

Source: FMDQ OTC Securities Exchange

Notes

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

1 - Year-on-Year; 2 - Inclusive of Nigerian Treasury Bills and CBN OMO bills; 3 - Federal Government of Nigeria; 4 - Exclusive of Member-CBN trades; 5 - Based on twenty (20) trade days; 6 - CBN - Central Bank of Nigeria;

7 - Turnover divided by average outstanding value; 8 - Debt Management Office; 9 - Total issued debt less coupon paid less matured securities; 10 - Basis points 11 - Months; 12 - Open-Buy-Back; 13 - Overnight Rate;

14 - Anonymous Firm Order; 15 - Request-for-Quote; 16 - Ratio of executed trades to total initiated trades

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OTC Market Summary

- Turnover of transactions carried out in the Fixed Income and Currency Markets (FIC) for the month of January 2016 settled at ₦7.35trn; a ₦80.23bn (1.08%) decrease over the value recorded in December 2015 and a ₦3.71trn (33.56%) drop YoY¹
- Activities in the Foreign Exchange (FX) market contributed 28.21% to the turnover, down 7% from the value recorded in December whilst Treasury Bills² (T.bills) transactions contributed 28.16% to the total turnover, up 2% from the previous month
- Secured market transactions (Repos / Buy-Backs) accounted for 24.30% of total turnover in the month, with FGN³ bonds' contribution settling at 15.79%. Activities in Unsecured Placements/Takings accounted for 3.26% of total turnover

FX Market

- Transactions in the FX market settled at \$8.92bn⁴, a \$1.97bn (18.13%) decrease compared to the value traded in December, with an average daily turnover of \$0.45bn⁵. On a YoY basis, FX transactions recorded a \$11.26bn (43.19%) decline, due mostly to the change in Interbank trading style to order based
- Member-Member trades increased by \$78.68mm (6.90%) as a result of an increase in spot transactions and settled at \$1.22bn. On the other hand, transactions in the Member-Client trade category recorded a decline of \$2.05bn (21.06%) to end the month at \$7.70bn
- On aggregate, spot and swaps transactions both declined by \$1.37bn (15.70%) and \$0.61bn (28.93%) in the month as compared to values recorded in December 2015
- The CBN's⁶ exchange rate remained flat at \$/₦196.50 in the month whilst the inter-bank exchange rate traded at an average rate of \$/₦198.90, with a peak and trough of \$/₦199.40 and \$/₦197.23 respectively

Fixed Income Market (T.bills and FGN bonds)

- The Fixed Income Market experienced increased activity in the month recording a turnover of ₦3.23trn, a ₦0.61bn (23.49%) increase from the preceding month
- Accounting for 64.07% of Fixed Income turnover, T.bills transactions amounted to ₦2.07trn, ₦117.73bn (6.0%) higher than the amount recorded in December. Turnover of FGN bonds settled at ₦1.16trn, ₦496.49bn (74.8%) higher when compared with the previous month
- Average outstanding values of T.bills and FGN bonds were ₦5.36trn and ₦6.02 respectively with trading intensities⁷ of 0.39 and 0.19. These values, when compared with 0.38 and 0.11 recorded in December, indicates increased activity levels especially in the FGN bond market
- The DMO⁸, in January, issued a new 10-year bond into the Nigerian market. The bond, 12.50% FGN JAN 2026, sold ₦45.84bn at auction with the coupon being set at 12.50%
- Net Debt⁹ Issuance by the government in the month of January was negative at ₦59.64bn, driven mainly by ₦145.48bn coupon paid in the month
- Although little volatility was experienced in the review period, yields trended upwards 98bps¹⁰ on the average with 1M¹¹ yield experiencing the highest change
- The yield curve was upward sloping at the end of the month. Short-tenor yields averaged 6.04%, mid-tenor – 11.20% and long-tenor 12.07%

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

- Activities in the secured markets (Repos/Buy-backs) settled at ₦1.79trn, ₦82.20bn (4.40%) below the value recorded in December. On a YoY basis, the value recorded a drop of ₦1.04trn (36.92%)
- Unsecured Placements/Takings declined by ₦112.19bn (31.90%) to settle at ₦239.54bn for the month. This translates to a decline of ₦784.04bn (69.45) YoY
- Liquidity prevailed in the banking sector as rates remained low in the month with OBB¹² and O/N¹³ averaging 2.14% and 2.59% respectively

Market Surveillance

- In the month, a total of four hundred and one thousand, five hundred and fifteen trades (401,515) were initiated resulting in an execution rate¹⁶ of 2.40%
- As expected, RFQs dominated activities in the month, accounting for 94.15% of total trades. Execution rate on RFQs however was 1.62% compared with 14.92% recorded for AFOs
- Although AFOs initiated for T.bills declined 15.58%, the execution rate increased 108.54%, signifying renowned activities in the segment. FGN bonds recorded an increase of 44.97% in total AFOs with an attendant 65.58% in executed trades