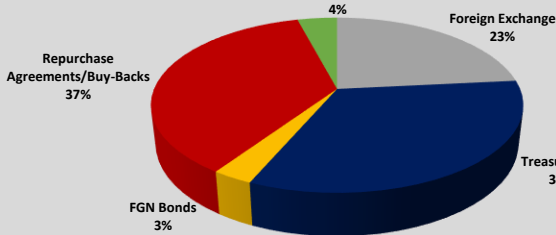


OTC MARKET TURNOVER

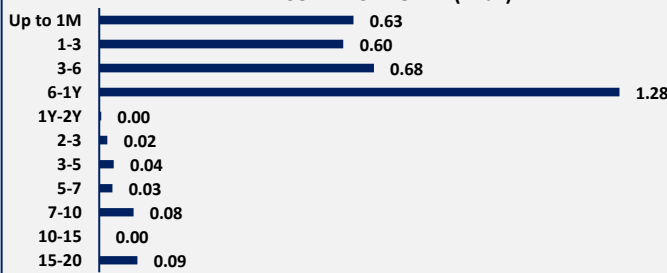
Unsecured Placements/Takings



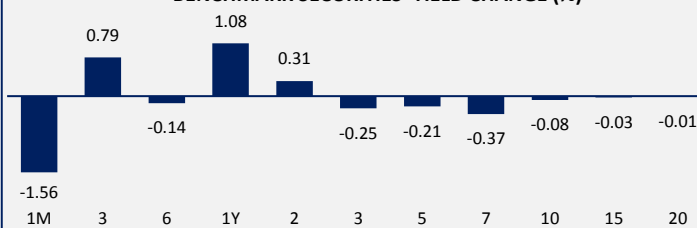
FX MARKET TURNOVER (\$'bn)

	August	July	MoM ³ Change (\$)	MoM Change (%)	
Member-Member	FX Spot	0.37	1.25	(0.88)	(70.46)
	FX Swaps	0.12	0.39	(0.27)	(70.25)
	FX Futures	0.00	0.00	0.00	0.00
	Others*	0.05	0.13	(0.08)	(62.57)
	Total	0.53	1.77	(1.24)	(69.83)
Member-Client	FX Spot	2.83	4.54	(1.71)	(37.73)
	FX Swaps	1.12	1.13	0.00	(0.43)
	FX Futures	0.68	0.71	(0.04)	(5.27)
	Others*	0.24	1.28	(1.04)	(80.96)
	Total	4.87	7.66	(2.79)	(36.46)
Total Turnover	5.40	9.43	(4.03)	(42.72)	

FIXED INCOME TURNOVER (₦'bn)



BENCHMARK SECURITIES' YIELD CHANGE (%)



MONEY MARKET TURNOVER (₦'bn)

	August	July	Change (₦)	Change (%)
Repurchase Agreements/Buy-Backs	3,573.92	3,951.85	(377.94)	(9.56)
Unsecured Placements / Takings	395.54	508.28	(112.74)	(22.18)
Total	3,969.45	4,460.14	(490.68)	(11.00)

MARKET ACTIVITY - EXECUTED TRADES (COUNT)

	August			July		
	AFO ⁵	RFQ ⁹	Total	AFO	RFQ	Total
T.bills	359	10,063	10,422	876	13,502	14,378
FGN bonds	509	602	1,111	1,237	868	2,105
Total	868	10,665	11,533	2,113	14,370	16,483

Source: FMDQ OTC Securities Exchange

Notes:

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

1 – Year-on-Year; 2 – Federal Government of Nigeria; 3 – Month-on-Month 4 – Value exclusive of Member – CBN trades; 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 (FIC) markets for the month of August 2016 amounted to ₦9.75trn; a decrease of 23.49% (₦2.99trn) over the value recorded in July and a 15.88% (₦1.84trn) decline YoY¹
- Activities in the Foreign Exchange (FX) market accounted for 23.29% (July – 27.56%), while FGN² bonds and Unsecured Placements/Takings accounted for 2.92% (July – 3.79%), and 4.06% (July – 3.99%) of the total turnover respectively
- Treasury bills (T.bills) transactions accounted for 33.02% (July – 33.60%) of total turnover while Secured Money Market [Repurchase Agreements (Repos)/Buy-Backs] accounted for 36.65% (July – 31.00%)

FX Market

- Transactions in the FX market settled at \$5.40bn⁴ in August, a drop of 42.72% (\$4.03bn) compared with the value recorded in July
- The second Naira-settled OTC FX Futures contract, NGUS AUG 24 2016, with a total outstanding amount of \$152.48mm, priced at \$/₦310, matured and was settled within the month
- The CBN⁵ revised the rates on all outstanding OTC FX Futures contracts, whilst a new 12-month contract - NGUS AUG 16 2017 was introduced at \$1/₦241.00
- Member-Member trades stood at \$0.53bn in August (July – \$1.77bn), a decline of 41.50% (\$0.38bn) YoY. Member-Client trades also declined by 36.46%, (\$2.79bn) from the previous month and 46.70% (\$4.27bn) YoY
- The Naira appreciated by 1.56% to close at \$/₦316.24 for the month whilst the parallel market depreciated by 9.93% to close at \$/₦413.00

Fixed Income Market (T.bills and FGN Bonds)

- Turnover in the Fixed Income market settled at ₦3.50trn, 26.43% (₦1.26trn) below the previous month's value, with transactions in the T.bills market accounting for 91.70% (July – 89.72%) of Fixed Income market turnover
- Outstanding T.bills at the end of the month amounted to ₦6.62trn (July – ₦5.43trn) whilst outstanding FGN bonds decreased by 5.41% (₦0.36trn) to close at ₦6.33trn as a result of an August bond maturity
- Trading intensity in the Fixed Income market settled at 0.54 and 0.04 for T.bills and FGN bonds respectively, with maturities between 6 months – 1 year being the most actively traded (₦1.28trn) in the period under review
- Yields across the short and long ends of the FGN bond yield curve declined by an average of 1.56% and 0.12% respectively, whilst medium term yields gained an average of 0.23%
- Spread between the 10-year and 3-month benchmarks closed at 1.14% points at the end of the month, compared with -0.27% points recorded same period in July

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

- Activities in the Secured Money Market (Repos/Buy-Backs) settled at ₦3.57trn, 9.56% (₦0.38trn) below the value recorded in July. On a YoY basis, Repos/Buy-Backs turnover recorded a growth of ₦1.14trn (46.94%)
- Unsecured Placements/Takings declined by 22.18% (₦0.11trn) to close the month at a turnover of ₦0.40trn; a decline of 60.41% (₦0.60trn) YoY
- Liquidity was generally low in the banking system evidenced by spikes in the OBB⁶ and ON⁷ rates which closed the month at 16.00% and 17.67% respectively, compared to 3.75% and 4.25% recorded in July

Market Surveillance

- The number of executed trades captured on the E-Bond trading platform for August was 11,533 as against 16,483 recorded in the month of July
- There was a decline of 58.92% on the order book while trades on the RFQ trading venue also recorded a decline of 25.78%
- Executed trades for T. bills and FGN bonds recorded a decline of 27.52% and 47.22% respectively