

WEEKLY ECONOMIC DIGEST

December 28 - 31, 2020



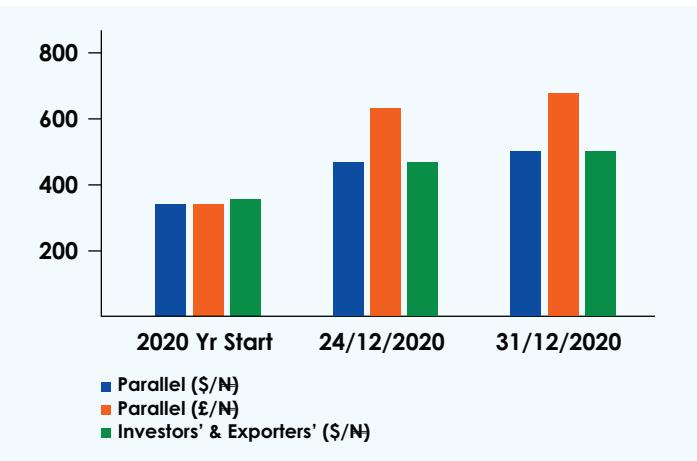


FOREX MARKET

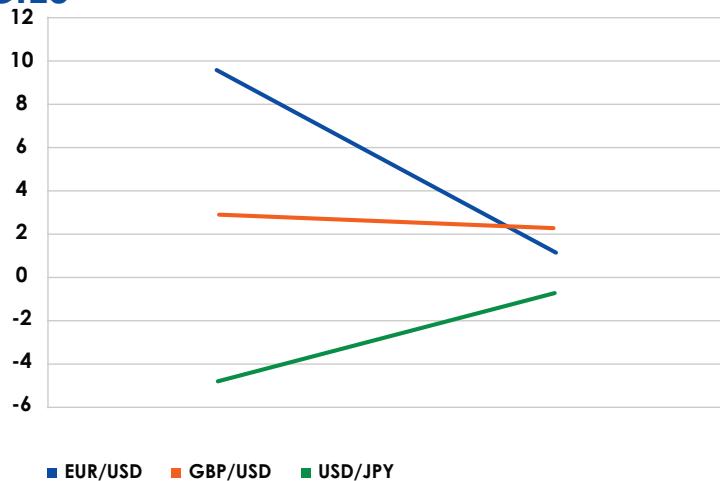
Market	31/12/2020	24/12/2020	W/W (% change)	2020 Yr Start	2020 (% change)
Parallel (\$/₦)	470	465	1.08%	362	29.83
Parallel (£/₦)	628	625	0.48%	473	32.77
Investors' & Exporters' (\$/₦)	410.25	392.00	4.66%	364.79	12.46

■ FMDQ/Research/Historical Data/Foreign Exchange

At the Parallel Market: During the week, the naira depreciated against the dollar and pound. N/USD closed the week at N470/ \$ from the previous week's N465/\$ and N/GBP closed at N628/£ from the previous week's N625/£.
Investors & Exporters Foreign Ex-change (IFEX) Window: Naira depreciated against the dollar to close the week at 410.25/\$ from the previous week's 392.00/\$.



FOREIGN CURRENCIES

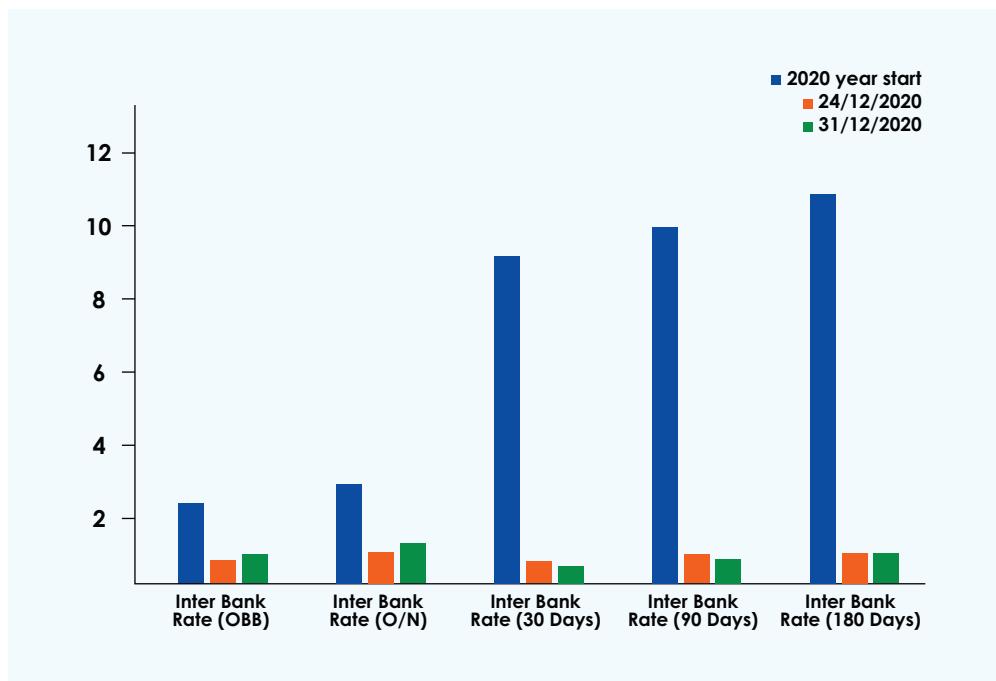


Currencies	31/12/2020	24/12/2020	W/W Change	W/W (% change)	2020 Yr Start	2020 (% change)
EUR/USD	1.2216	1.2187	0.0029	0.24	1.1172	9.34
GBP/USD	1.3670	1.3558	0.0112	0.83	1.3145	3.99
USD/JPY	103.25	103.65	-0.40	-0.39	108.57	-4.90

■ Bloomberg



- The Dollar depreciated against the Euro, the Pound, and the Japanese Yen
- The Dollar depreciated against the Euro by 0.24% to 1.2216 from last week's 1.2187
- The Dollar depreciated against the Pounds by 0.83% to 1.3670 from last week's 1.3558
- The Dollar depreciated against the Japanese Yen by 0.39% to 103.25 from last week's 103.65



Money Market Issues	This Week	Last Week	W/W Change	2020 Year Start
	31/12/2020	24/12/2020	%	%
Inter Bank Rate (OBB)	0.50	0.43	0.07	2.14
Inter Bank Rate (O/N)	0.83	0.58	0.25	2.79
Inter Bank Rate (30 Days)	0.38	0.47	(0.09)	9.34
Inter Bank Rate (90 Days)	0.48	0.51	(0.03)	9.89
Inter Bank Rate (180 Days)	0.49	0.49	-	10.41
Average	0.54	0.50		

■ FMDQ

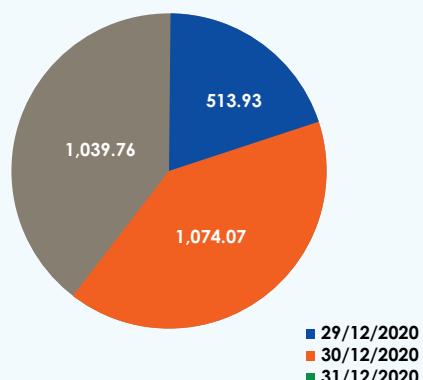
At the close of business activities in the week under consideration, the average short term interest rate increased by 0.04% to close at 0.54% from previous week's 0.50%.

- The OBB rate increased by 0.07% to close at 0.50% p.a. from previous week's 0.43% p.a.
- The (O/N) rate increased by 0.25% to close at 0.83% p.a. from previous week's 0.58% p.a.
- The 30 days rate declined by 0.09% to close at 0.38% p.a. from previous week's 0.47% p.a.
- The 90 days rate declined by 0.03% to close at 0.48% p.a. from previous week's 0.51% p.a.
- The 180 days rate remained flat to close at 0.49% p.a.



LIQUIDITY IN THE SYSTEM

Opening Liquidity Volume (Billions {N})

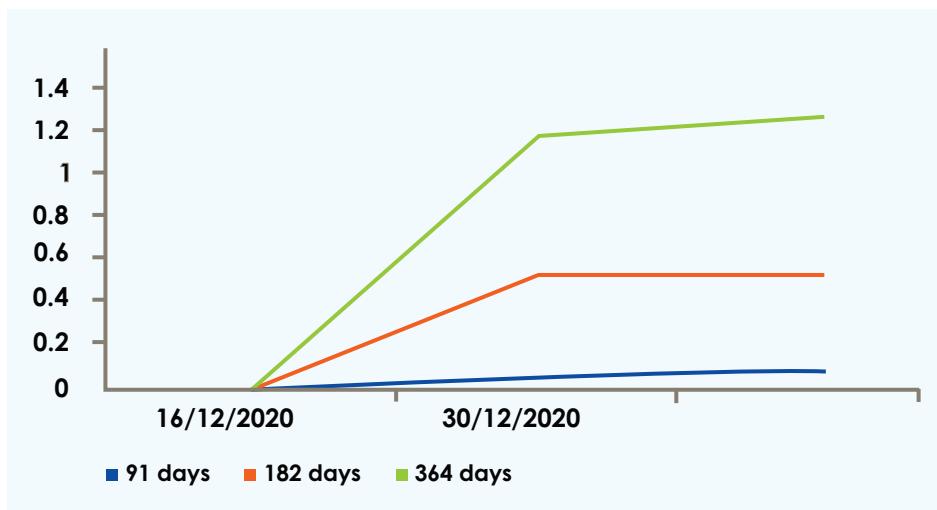


Date	28/12/2020	29/12/2020	30/12/2020	31/12/2020
Opening Liquidity Volume (Billions {N})				
513.93	1,074.07	1,039.76		

■ CBN.gov.ng/Data& Statistics/financial data

- Major Inflow: OMO repayments of N431.18bn
- Major Outflow: Primary market sales of N74.84bn and OMO sales of N80.00bn

TREASURY BILLS PRIMARY AUCTION FOR LAST TWO (2) PERIODS

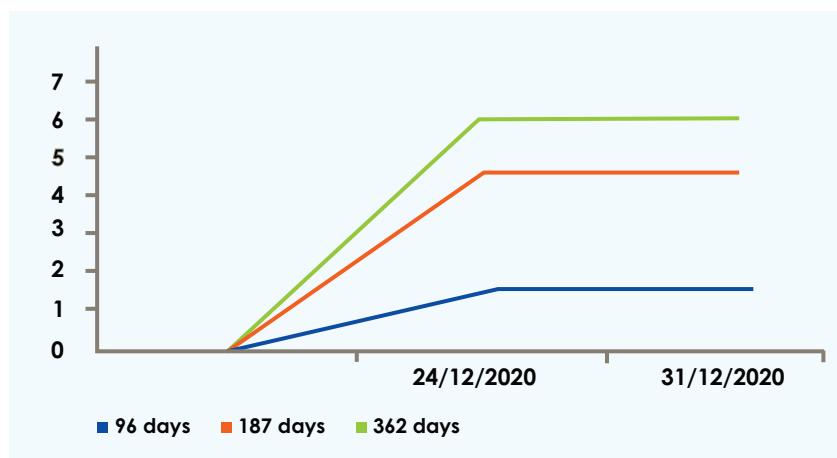


Tenor	Issued Date	Offered (N Bn)	Subscribed (N Bn)	Sold (N Bn)	Stop Rate (%)
91	30/12/2020	10.00	30.55	10.00	0.035
182	30/12/2020	20.00	28.90	20.00	0.50
364	30/12/2020	44.84	111.97	44.84	1.21
Total		74.84	171.42	74.84	Aver. (0.58)
91	16/12/2020	2.00	18.21	1.50	0.048
182	16/12/2020	2.00	10.27	1.70	0.50
364	16/12/2020	3.00	93.05	3.80	1.51
Total		7.00	121.53	7.00	Aver. (0.57)

■ CBN.gov.ng/Data& Statistics/gov. securities summary



OMO AUCTIONS FOR LAST TWO (2) PERIODS:

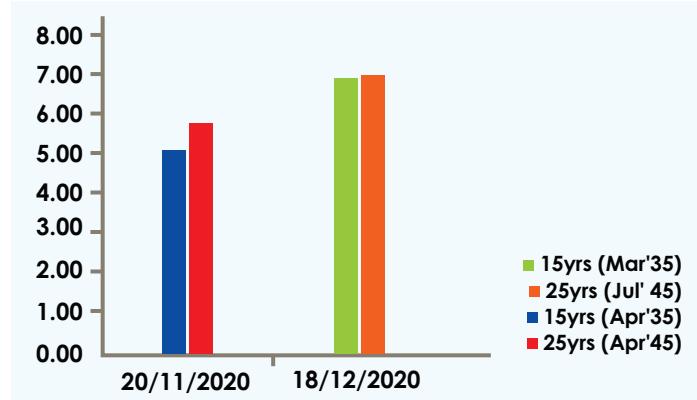


Tenor	Issued Date	Offered (₦ Bn)	Subscribed (₦ Bn)	Sold (₦ Bn)	Stop Rate (%)
96	31/12/2020	10.00	42.92	10.00	1.56
187	31/12/2020	10.00	52.82	10.00	4.39
362	31/12/2020	60.00	339.82	60.00	5.80
Total		80.00	435.56	80.00	Aver. (3.92)

89	24/12/2020	10.00	29.00	10.00	1.61
173	24/12/2020	10.00	34.35	10.00	4.45
362	24/12/2020	40.00	218.79	40.00	5.90
Total		60.00	282.14	60.00	Aver. (3.99)

■ CBN.gov.ng/Data & Statistics/gov. securities summary

Bonds: Primary Market:

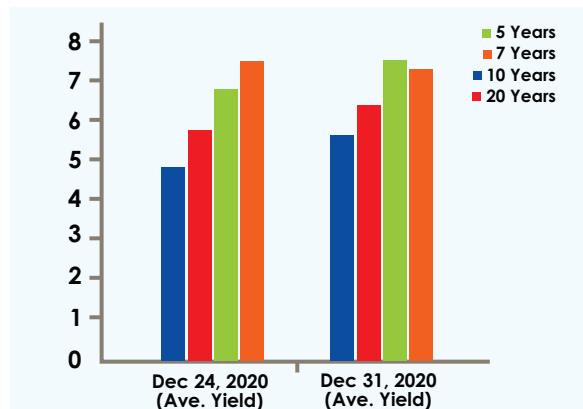


Tenor	Issued Date	Offered (₦ Bn)	Subscribed (₦ Bn)	Sold (₦ Bn)	Stop Rate (%)
15yrs (Mar'35)	18/12/2020	30.00	90.89	20.00	6.95
25yrs (Jul' 45)	18/12/2020	30.00	43.17	10.00	7.00
Total		60.00	134.06	30.00	Aver (6.98)
15yrs (Apr'35)	20/11/2020	40.00	87.70	40.00	5.00
25yrs (Apr'45)	20/11/2020	40.00	97.04	40.00	5.79
Total		80.00	184.74	80.00	Aver (5.40)

■ CBN.gov.ng/Data & Statistics/gov. securities summary



Bonds: Secondary Market



Tenor	Dec 31, 2020 (Ave. Yield)	Dec 24, 2020 (Ave. Yield)	Difference
5 Years	5.44	4.84	0.60
7 Years	6.50	5.58	0.92
10 Years	7.26	6.58	0.68
20 Years	7.23	7.42	(0.19)

■ FMDQ

At the secondary market, the yield for 5, 7, and 10 years bond increased reflecting low demand for short term government securities, while the yield for 20 years bond declined reflecting high demand for long term government securities during the week under consideration.

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