

AFMI Weekly Update

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HEADLINES

- Nigeria is planning to potentially sell USD 2.5 bn worth of Eurobonds in Q1 2018 in order to refinance its domestic debt. According to the Debt Management Office, it would complete a program that started with selling USD 3 billion of Eurobonds in November 2017.
- In Nigeria, the government intends to initiate discussions with JP Morgan about potential re-inclusion in its government bond index for Emerging Markets. Nigeria was removed from the index in 2015 on the back of currency shortages. Trading volumes have moved from USD 20 million back from USD 200 million.
- In Kenya, the Central Bank of Kenya (CBK) has rejected KES 50 billion worth of bids on infrastructure bonds. The CBK had announced KES 40 billion and there was KES 55bn worth of bids demanding an average 13.026% for this 15-year bond. However, the CBK only accepted bids at a rate of 12.505% for KES 5 billion.
- In Ghana, the managers of ESLA plc, the entity responsible to pay Ghana energy sector debt, has closed the re-opening of the 10 Year bond it issued last year. ESLA issued 7 and 10-year bond to raise GHS 6 bn to clear debt arrears in the energy sector. The debt is estimated at GHS 10 bn while ESLA has raised GHS 4.7bn so far.
- Still in Ghana, the Bank of Ghana decided to keep policy rate on hold at 20% as a result of higher food and oil prices. The BoG indicated that maintaining rates at this level would allow to anchor inflation within the 6%-10% band.

Currencies



Source: Bloomberg®

AfDB/AFMISM Bloomberg[®] African Bond Index (ABABI)

The ABABI is a rule-based weighted composite index of local Sovereign Indices (South Africa, Egypt, Nigeria, Kenya, Namibia, Botswana, Ghana, and Zambia). To be included in the index, a security must have at least 1 year remaining to maturity.

Source: Bloomberg[®]



Bloomberg Commodity Index



Source: Bloomberg®

African Eurobonds

	Security	Yield	Spread	Spread moves since 19 January 2018
Angola	ANGOL 7 08/16/19	2.6	89	↓
Angola	ANGOL 9 ½ 11/12/25	6.4	377	↓
Cameroon	REPCAM 9 ½ 11/19/25	5.9	347	↑
Congo	REPCON 4 06/30/29	9.2	678	↑
Egypt	EGYPT 5 ¾ 04/29/20	3.3	123	↓
Egypt	EGYPT 5 ⅞ 06/11/25	5.3	264	↓
Egypt	EGYPT 6 ⅞ 04/30/40	6.6	367	↓
Ethiopia	ETHOPI 6 ⅝ 12/11/24	5.5	307	↑
Gabon	GABON 6 ⅜ 12/12/24	5.9	348	↑
Gabon	GABON 6.95 06/16/25	6.2	354	↑
Ghana	GHANA 7 ⅞ 08/07/23	5.7	329	↑
Ghana	GHANA 8 ⅛ 01/18/26	6.0	337	↑
Ghana	GHANA 10 ¾ 10/14/30	6.1	342	↑
Côte d'Ivoire	IVYCST 5 ⅜ 07/23/24	4.9	245	→
Côte d'Ivoire	IVYCST 6 ⅜ 03/03/28	5.3	266	↑
Côte d'Ivoire	IVYCST 5 ¾ 12/31/32	5.7	307	→
Kenya	KENINT 5 ⅞ 06/24/19	3.3	117	↓
Kenya	KENINT 6 ⅞ 06/24/24	5.6	316	↑
Morocco	MOROC 4 ¼ 12/11/22	3.1	66	↑
Morocco	MOROC 5 ½ 12/11/42	4.5	162	↑
Mozambique	MOZAM 10 ½ 01/18/23	14.3	1184	↓
Namibia	REP NAM 5 ½ 11/03/21	3.6	141	↓
Namibia	REP NAM 5 ¼ 10/29/25	4.7	210	↑
Nigeria	NGERIA 5 ⅞ 07/12/18	2.1	53	↓
Nigeria	NGERIA 6 ¾ 01/28/21	4.1	190	↓
Nigeria	NGERIA 6 ⅜ 07/12/23	4.8	240	↓
Rwanda	RWANDA 6 ⅝ 05/02/23	5.3	285	↓
Senegal	SENEGL 8 ¾ 05/13/21	3.9	170	↑
Senegal	SENEGL 6 ¼ 07/30/24	4.8	240	↑
Seychelles	SEYCHE 7 01/01/26	6.1	372	↑
South Africa	SOAF 6 ⅞ 05/27/19	2.7	67	↓
South Africa	SOAF 5 ½ 03/09/20	2.9	82	↓
South Africa	SOAF 5 ⅞ 05/30/22	3.4	101	↓
South Africa	SOAF 4.665 01/17/24	4.1	166	↓
South Africa	SOAF 5 ⅞ 09/16/25	4.4	174	↓
South Africa	SOAF 4 ⅞ 04/14/26	4.4	182	↓
South Africa	SOAF 6 ¼ 03/08/41	5.2	235	↓
Tanzania	TNZNIA Float 03/09/20	2.5	54	↓
Tunisia	BTUN 5 ¾ 01/30/25	5.8	319	↓
Tunisia	BTUN 8 ¼ 09/19/27	6.6	394	↓
Zambia	ZAMBIN 5 ⅜ 09/20/22	5.9	347	↑
Zambia	ZAMBIN 8 ½ 04/14/24	6.5	402	↑
Zambia	ZAMBIN 8.97 07/30/27	7.0	439	↑