



## Namibian Inductive Daily Bond Yield Report (27 February 2023)

### HEI Fixed Income Market Commentary

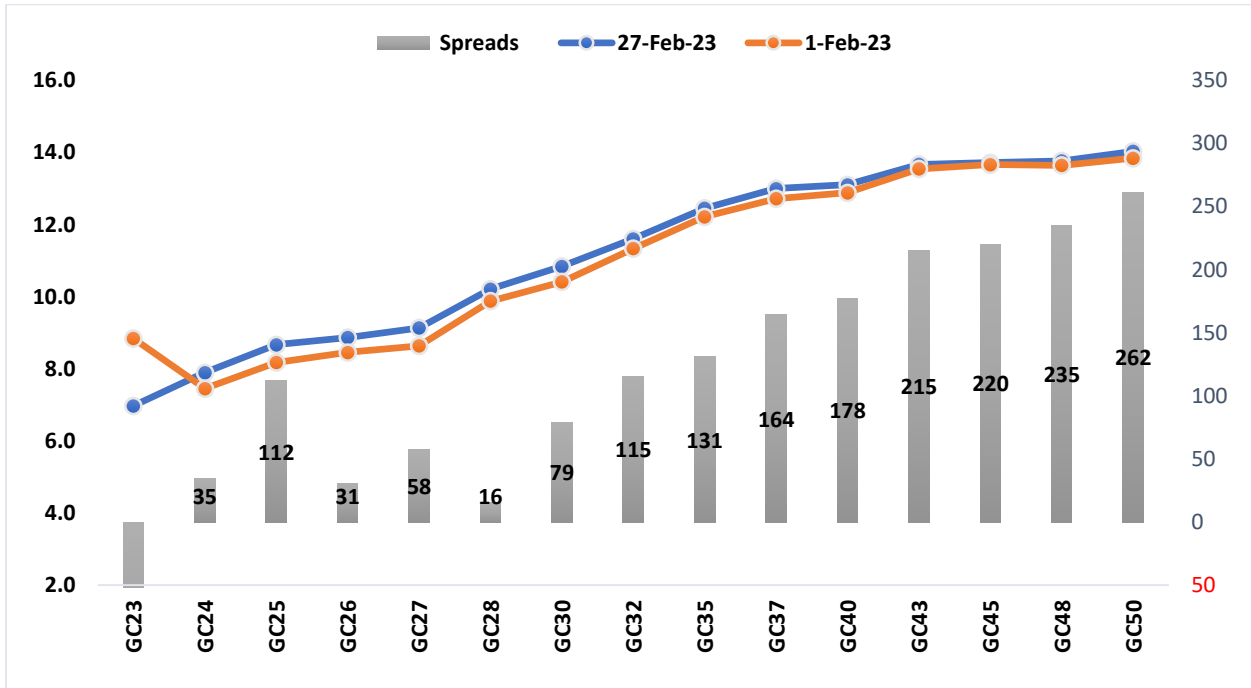
- Yesterday (27 February 2023), the South African rand strengthened against the US dollar. In the US, durable goods orders declined more than expected in January, amid lower aircraft demand. Further, the Dallas Fed manufacturing business index dropped in February. Meanwhile, pending home sales rose more than expected in January.
- As indicated by data obtained from the bond market, Table 1 shows that there continues to be a decline in bond yields, while bond prices continue to soar. The decline of yields in bonds are caused by the greylisting of South Africa buy the financial watchdog, the Financial Action Task Force (FATF)

**Table 1. Namibia Government Bonds**

Bonds	Coupon	Maturity	YTM (%)			DTDA (bps)	Prices 27-Feb-23
			1-Feb-23	24-Feb-23	27-Feb-23		
<b>GC23</b>	8.85	15-Oct-23	8.84	8.48	6.97	-150.77	101.12
<b>GC24</b>	10.5	15-Oct-24	7.45	7.95	7.90	-4.94	103.89
<b>GC25</b>	8.5	15-Apr-25	8.18	8.72	8.67	-4.86	99.66
<b>GC26</b>	8.5	15-Apr-26	8.45	8.92	8.87	-5.04	98.99
<b>GC27</b>	8	15-Jan-27	8.64	9.18	9.14	-4.96	96.34
<b>GC28</b>	8.5	15-Oct-28	9.88	10.26	10.21	-5.20	92.78
<b>GC30</b>	8	15-Jan-30	10.41	10.90	10.85	-5.10	86.42
<b>GC32</b>	9	15-Apr-32	11.34	11.65	11.61	-3.80	85.52
<b>GC35</b>	9.5	15-Jul-35	12.22	12.47	12.46	-1.30	81.55
<b>GC37</b>	9.5	15-Jul-37	12.72	13.00	13.00	-0.10	77.43
<b>GC40</b>	9.8	15-Oct-40	12.89	13.11	13.11	0.50	77.41
<b>GC43</b>	10	15-Jul-43	13.55	13.67	13.67	0.87	74.92
<b>GC45</b>	9.85	15-Jul-45	13.67	13.71	13.72	0.88	73.21
<b>GC48</b>	10	15-Oct-48	13.64	13.76	13.77	1.25	73.98
<b>GC50</b>	10.25	15-Jul-50	13.85	14.02	14.04	1.13	73.66

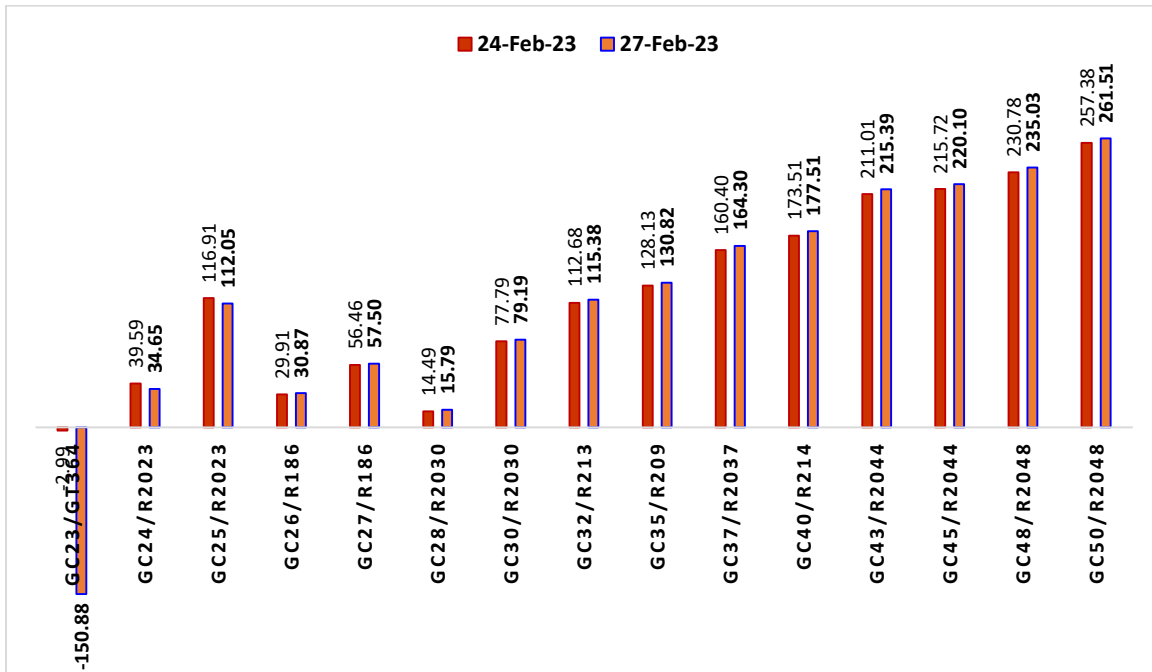
Source: BoN & HEI Research

Figure 1. Namibia Bond Yield: 01-Feb-2023 vs. 27-Feb-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 24-Feb-2023 vs. 27-Feb-2023



Source: BoN & HEI Research

**Important disclosure:**

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