

Daily Fixed Income Report (27 March 2023)

HEI Fixed Income Market Commentary

- Yesterday, the South African rand weakened against the US dollar, ahead of the SARB's interest rate decision later this week. Separately, in the US, the Dallas Fed manufacturing index dropped in March.
- Table 2 indicates that there haven't been significant changes in the yields of sovereign bonds
- According to the data presented in Table 2 implies that insignificant changes remains a phenomenal to many analysts including Bloomberg investment professionals
- Table 1 displays no change in fixed-term deposits

Table 1. Fixed Term Deposits

<i>Term</i>	<i>24-Mar-23</i>	<i>27-Mar-23</i>
<i>1 Month</i>	7.39	7.39
<i>2 Months</i>	7.49	7.49
<i>3 Months</i>	7.62	7.62
<i>4 Months</i>	7.73	7.73
<i>5 Months</i>	7.82	7.82
<i>6 Months</i>	8.19	8.19
<i>7 Months</i>	8.26	8.26
<i>8 Months</i>	8.30	8.30
<i>9 Months</i>	8.36	8.36
<i>10 Months</i>	8.49	8.49
<i>11 Months</i>	8.53	8.53
<i>12 Months</i>	8.51	8.51

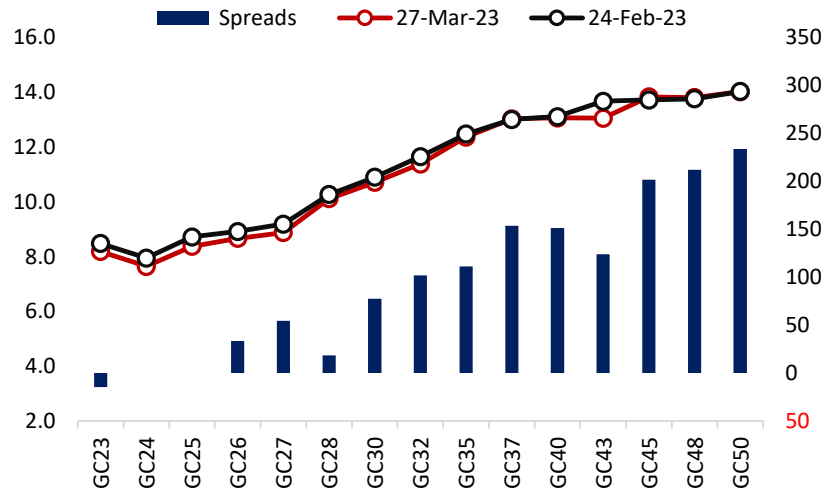
Source: BoN & HEI Research

Table 2. Namibia Government Bonds

<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			<i>24-Feb-23</i>	<i>24-Mar-23</i>	<i>27-Mar-23</i>	<i>(bps)</i>	<i>27-Mar-23</i>
<i>GC23</i>	8.85	15-Oct-23	8.48	8.19	8.19	0.00	100.34
<i>GC24</i>	10.5	15-Oct-24	7.95	7.65	7.65	0.00	104.10
<i>GC25</i>	8.5	15-Apr-25	8.72	8.37	8.37	0.00	100.23
<i>GC26</i>	8.5	15-Apr-26	8.92	8.66	8.66	0.00	99.56
<i>GC27</i>	8	15-Jan-27	9.18	8.87	8.87	0.00	97.21
<i>GC28</i>	8.5	15-Oct-28	10.26	10.12	10.12	0.00	93.25
<i>GC30</i>	8	15-Jan-30	10.90	10.71	10.71	0.00	87.13
<i>GC32</i>	9	15-Apr-32	11.65	11.38	11.38	0.00	86.76
<i>GC35</i>	9.5	15-Jul-35	12.47	12.36	12.36	0.00	82.10
<i>GC37</i>	9.5	15-Jul-37	13.00	13.02	13.02	0.00	77.35
<i>GC40</i>	9.8	15-Oct-40	13.11	13.06	13.06	0.00	77.72
<i>GC43</i>	10	15-Jul-43	13.67	13.05	13.05	0.00	78.40
<i>GC45</i>	9.85	15-Jul-45	13.71	13.83	13.83	0.00	72.66
<i>GC48</i>	10	15-Oct-48	13.76	13.80	13.80	0.00	73.83
<i>GC50</i>	10.25	15-Jul-50	14.02	14.02	14.02	0.00	73.76

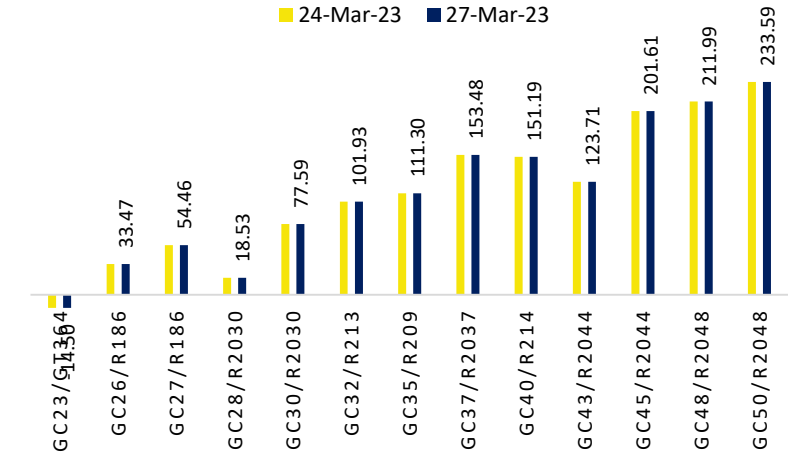
Source: BoN & HEI Research

Figure 1. Namibia Bond Yield: 24-February-2023 vs. 27-March-2023



Source: BoN & HEI Research

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



Source: BoN & HEI Research

Important disclosure:

Readers should be aware that the opinions, estimates, and projections expressed in this report are based on current market conditions, publicly available information, and our analysis, and may change without notice. This report is not intended to be the sole basis for any investment decision, and investors should consult with their financial advisor or do their own research before making any investment decisions.