



Daily Fixed Income Report (24 April 2023)

HEI Fixed Income Market Commentary

- Yesterday, the South African rand weakened against the US dollar. In the US, the Chicago Fed National Activity index remained unchanged in March. Meanwhile, the Dallas Fed manufacturing business index unexpectedly dropped in April
- Table 2 observed marginal increases in most sovereign bonds, with the short-dated bond, the GC2027 bond yield soaring from 9.52% to 9.54%, thereafter the longer-dated GC2043 bond yield exhibited a slight increase from 13.56% to 13.61%.
- As observed in Table 2, the movements in bond yields could be primarily influenced by rising inflation expectations, increase in supply of bonds and a shift in monetary policy
- Table 1 exhibited no changes in fixed-term deposits rate

Table 1. Fixed Term Deposits

Term	21-Apr-23	24-Apr-23
1 Month	7.49	7.49
2 Months	7.56	7.56
3 Months	7.70	7.70
4 Months	7.83	7.83
5 Months	7.91	7.93
6 Months	8.30	8.30
7 Months	8.38	8.38
8 Months	8.46	8.46
9 Months	8.53	8.53
10 Months	8.58	8.58
11 Months	8.61	8.61
12 Months	8.68	8.68

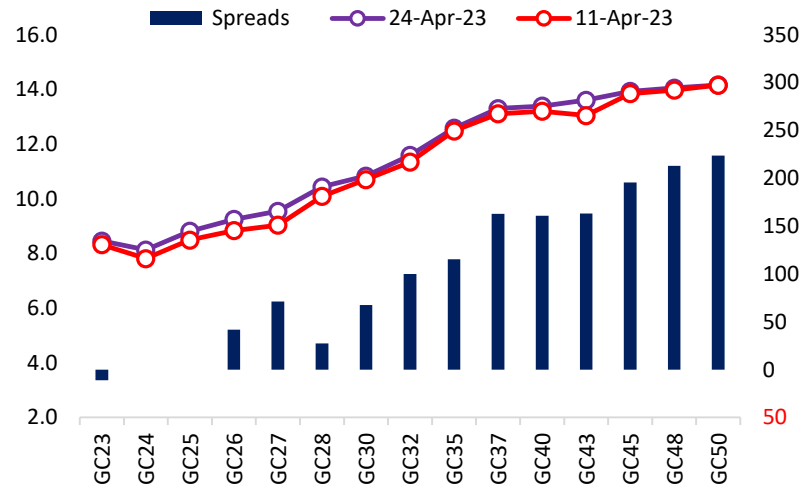
Source: BoN & HEI Research

Table 2. Namibia Government Bonds

Bonds	Coupon	Maturity	YTM(%)	YTM (%)	YTM (%)	DTDA (bps)	Prices
			11-Apr-23	21-Apr-23	24-Apr-23		24-Apr-23
GC23	8.85	15-Oct-23	8.32	8.41	8.46	4.38	100.17
GC24	10.5	15-Oct-24	7.81	8.10	8.13	2.80	103.23
GC25	8.5	15-Apr-25	8.49	8.78	8.81	2.80	99.44
GC26	8.5	15-Apr-26	8.84	9.22	9.25	2.80	98.08
GC27	8	15-Jan-27	9.04	9.52	9.54	2.80	95.22
GC28	8.5	15-Oct-28	10.09	10.40	10.43	3.70	92.08
GC30	8	15-Jan-30	10.71	10.80	10.83	3.70	86.68
GC32	9	15-Apr-32	11.34	11.60	11.59	-1.33	85.79
GC35	9.5	15-Jul-35	12.48	12.55	12.58	3.64	80.98
GC37	9.5	15-Jul-37	13.11	13.26	13.30	4.20	75.94
GC40	9.8	15-Oct-40	13.20	13.35	13.39	4.25	75.95
GC43	10	15-Jul-43	13.05	13.56	13.61	4.53	75.30
GC45	9.85	15-Jul-45	13.85	13.89	13.93	4.48	72.13
GC48	10	15-Oct-48	13.98	14.00	14.05	5.30	72.52
GC50	10.25	15-Jul-50	14.16	14.11	14.16	5.30	72.99

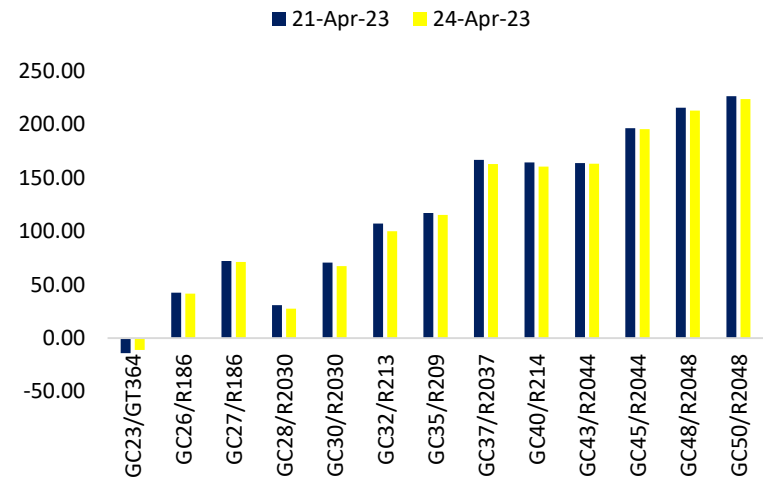
Source: BoN & HEI Research

Figure 1. Namibia Bond Yield: 11-April-2023 vs. 24-April-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 21- April-2023 vs. 24-April-2023



Source: BoN & HEI Research