



Daily Fixed Income Report (25 April 2023)

HEI Fixed Income Market Commentary

- Yesterday, the South African rand ended weaker against the US Dollar. In South Africa, the leading business cycle indicator dropped for a third consecutive month in February. Separately, in the US, new home sales rose to a one-year high in March.
- Table 2 observed marginal increases in most sovereign bonds, with the short-dated bond, the GC2027 bond yield soaring from 9.54% to 9.55%, thereafter the longer-dated GC2048 bond yield exhibited a slight increase from 14.05% to 14.06%.
- As observed in Table 2, slow movement in bond yields could be primarily influenced by long-term economic factors, such as inflation, interest rates, and overall market conditions. These factors tend to shift gradually over time, rather than suddenly and dramatically, which results in slow changes in bond yields.
- Table 1 exhibited no changes in fixed-term deposits rates

Table 1. Fixed Term Deposits

Term	24-Apr-23	25-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	7.93	7.91
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	8.60	8.60
12 Months	8.68	8.68

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.

Table 2. Namibia Government Bonds

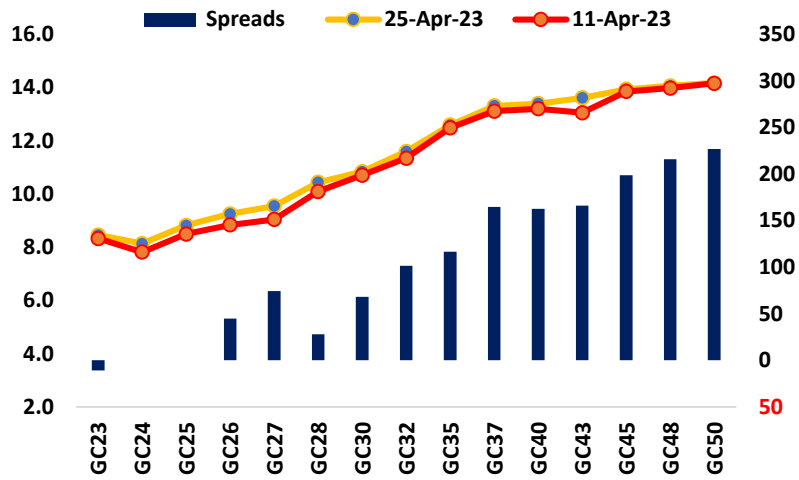
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			11-Apr-23	24-Apr-23	25-Apr-23	(bps)	25-Apr-23
GC23	8.85	15-Oct-23	8.32	8.46	8.46	0.00	100.17
GC24	10.5	15-Oct-24	7.81	8.13	8.13	0.20	103.22
GC25	8.5	15-Apr-25	8.49	8.81	8.81	0.20	99.44
GC26	8.5	15-Apr-26	8.84	9.25	9.25	0.20	98.08
GC27	8	15-Jan-27	9.04	9.54	9.55	0.20	95.22
GC28	8.5	15-Oct-28	10.09	10.43	10.44	0.35	92.07
GC30	8	15-Jan-30	10.71	10.83	10.84	0.34	86.67
GC32	9	15-Apr-32	11.34	11.59	11.59	0.55	85.76
GC35	9.5	15-Jul-35	12.48	12.58	12.59	0.36	80.96
GC37	9.5	15-Jul-37	13.11	13.30	13.31	0.30	75.93
GC40	9.8	15-Oct-40	13.20	13.39	13.40	0.30	75.94
GC43	10	15-Jul-43	13.05	13.61	13.61	0.31	75.28
GC45	9.85	15-Jul-45	13.85	13.93	13.93	0.30	72.11
GC48	10	15-Oct-48	13.98	14.05	14.06	0.31	72.50
GC50	10.25	15-Jul-50	14.16	14.16	14.17	0.31	72.97

Source: BoN & HEI Research

Important disclosure:

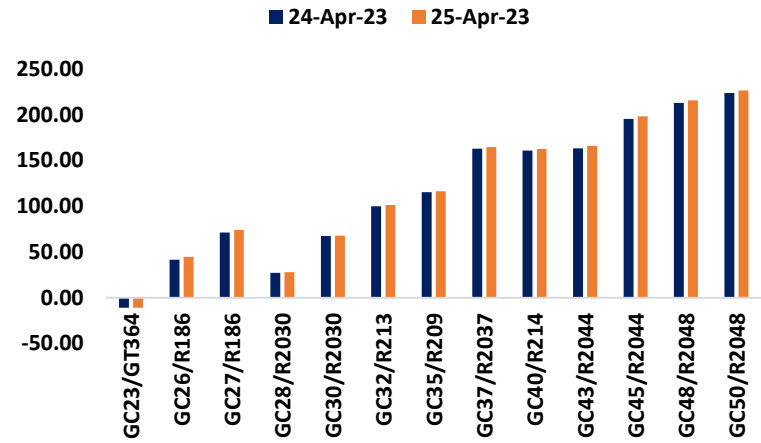
Readers should be aware that the opinions, estimates, and projections expressed in this report are based on current market conditions, publicly available information, and our analysis, and may change without notice. This report is not intended to be the sole basis for any investment decision, and investors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

Figure 1. Namibia Bond Yield: 11-April-2023 vs. 25-April-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 24- April-2023 vs. 25- April-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.