



Daily Fixed Income Report (16 May 2023)

HEI Fixed Income Market Commentary

- Yesterday, the South African rand weakened against the US dollar. In South Africa, the unemployment rate rose in 1Q23, with the highest employment losses in energy-intensive and private household sectors. Separately, in the US, retail sales rose less than expected in April. Meanwhile, industrial production advanced in April.

- The data presented in Table 2 indicates that there was a slight increase in the yield of most of the government bonds, specifically the GC2026, rising from 9.66% to 9.75%. Additionally, the yield of the GC2048 bond showed no change, remaining at 13.97%.
- Table 1 exhibited only a slight increase in fixed-term deposit rates

Table 1. Fixed Term Deposits

Term	15-May-23	16-May-23
1 Month	7.57	7.57
2 Months	7.65	7.65
3 Months	7.74	7.75
4 Months	7.84	7.84
5 Months	7.90	7.90
6 Months	8.25	8.25
7 Months	8.35	8.35
8 Months	8.46	8.46
9 Months	8.53	8.53
10 Months	8.58	8.58
11 Months	8.68	8.68
12 Months	8.74	8.74

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

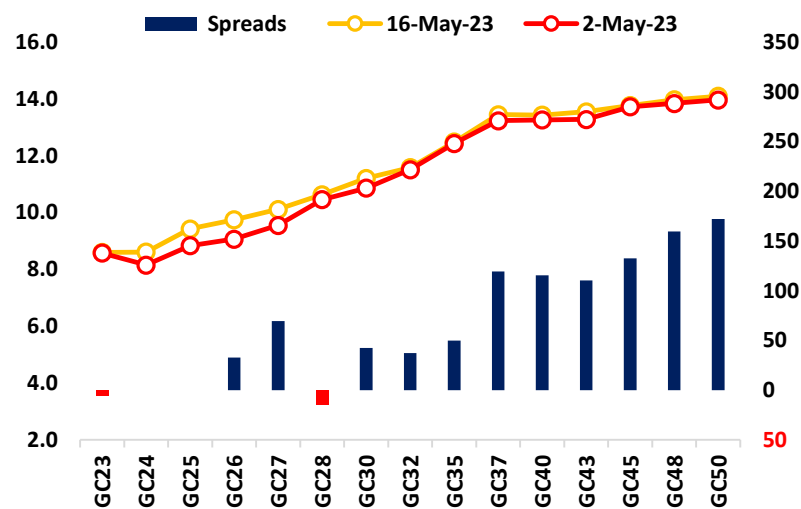
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			2-May-23	15-May-23	16-May-23	(bps)	16-May-23
GC23	8.85	15-Oct-23	8.58	8.87	8.60	-26.38	100.07
GC24	10.5	15-Oct-24	8.15	8.60	8.61	1.04	102.45
GC25	8.5	15-Apr-25	8.83	9.42	9.43	1.04	98.39
GC26	8.5	15-Apr-26	9.07	9.66	9.75	8.93	96.88
GC27	8	15-Jan-27	9.55	10.10	10.11	1.04	93.63
GC28	8.5	15-Oct-28	10.46	10.62	10.64	1.80	91.36
GC30	8	15-Jan-30	10.86	11.19	11.21	2.00	85.19
GC32	9	15-Apr-32	11.51	11.57	11.58	1.66	85.84
GC35	9.5	15-Jul-35	12.43	12.48	12.49	1.30	81.52
GC37	9.5	15-Jul-37	13.24	13.44	13.45	0.50	75.25
GC40	9.8	15-Oct-40	13.26	13.43	13.43	0.20	75.76
GC43	10	15-Jul-43	13.28	13.40	13.55	15.02	75.63
GC45	9.85	15-Jul-45	13.73	13.77	13.77	0.28	72.98
GC48	10	15-Oct-48	13.84	13.97	13.97	0.43	72.96
GC50	10.25	15-Jul-50	13.97	14.10	14.09	-0.95	73.36

Source: BoN & HEI Research

Important disclosure:

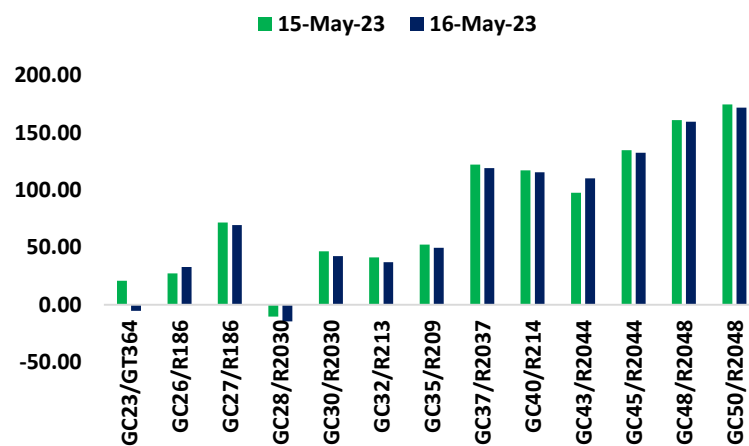
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Figure 1. Namibia Bond Yield: 2-May-2023 vs. 16-May-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 15-May-2023 vs. 16-May-2023



Source: BoN & HEI Research

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