



## Daily Fixed Income Report (17 May 2023)

### HEI Fixed Income Market Commentary

- Yesterday, the South African rand weakened against the US dollar. In the US, the number of initial jobless claims dropped more than expected in the week ended 12 May 2023. Moreover, the Philadelphia Fed manufacturing index improved in May. Meanwhile, existing home sales dropped for a second consecutive month in April.

- Based on the data provided in Table 2, it is evident that there has been a marginal uptick in the yield of several government bonds. Specifically, the GC2026 bond exhibited a slight increase from 9.75% to 10.05%. Notably, the yield of the GC2048 bond experienced a more pronounced rise, surging from 13.97% to 14.15%.
- Table 1 exhibited a slight decline in 6- 9 months fixed-term deposit rate

Table 1. Fixed Term Deposits

Term	16-May-23	17-May-23
<b>1 Month</b>	7.57	7.57
<b>2 Months</b>	7.65	7.65
<b>3 Months</b>	7.75	7.74
<b>4 Months</b>	7.84	7.84
<b>5 Months</b>	7.90	7.90
<b>6 Months</b>	8.25	8.24
<b>7 Months</b>	8.35	8.33
<b>8 Months</b>	8.46	8.45
<b>9 Months</b>	8.53	8.51
<b>10 Months</b>	8.58	8.58
<b>11 Months</b>	8.68	8.68
<b>12 Months</b>	8.74	8.74

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

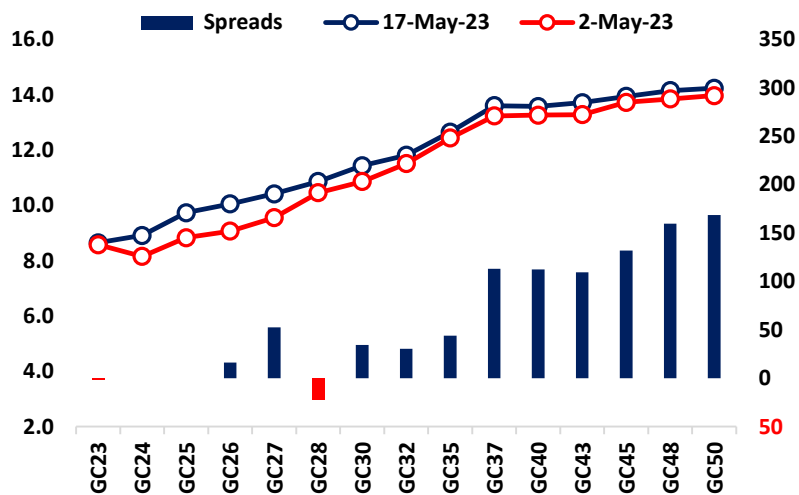
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			2-May-23	16-May-23	17-May-23	(bps)	17-May-23
GC23	8.85	15-Oct-23	8.58	8.60	8.65	4.69	100.05
GC24	10.5	15-Oct-24	8.15	8.61	8.91	30.26	102.05
GC25	8.5	15-Apr-25	8.83	9.43	9.73	30.26	97.88
GC26	8.5	15-Apr-26	9.07	9.75	10.05	30.34	96.15
GC27	8	15-Jan-27	9.55	10.11	10.42	30.26	92.77
GC28	8.5	15-Oct-28	10.46	10.64	10.87	22.95	90.49
GC30	8	15-Jan-30	10.86	11.21	11.44	22.95	84.25
GC32	9	15-Apr-32	11.51	11.58	11.81	22.59	84.74
GC35	9.5	15-Jul-35	12.43	12.49	12.65	16.25	80.66
GC37	9.5	15-Jul-37	13.24	13.45	13.61	15.70	74.47
GC40	9.8	15-Oct-40	13.26	13.43	13.57	14.36	75.00
GC43	10	15-Jul-43	13.28	13.55	13.71	16.56	74.74
GC45	9.85	15-Jul-45	13.73	13.77	13.94	16.80	72.11
GC48	10	15-Oct-48	13.84	13.97	14.15	17.44	72.07
GC50	10.25	15-Jul-50	13.97	14.09	14.24	14.05	72.63

Source: BoN & HEI Research

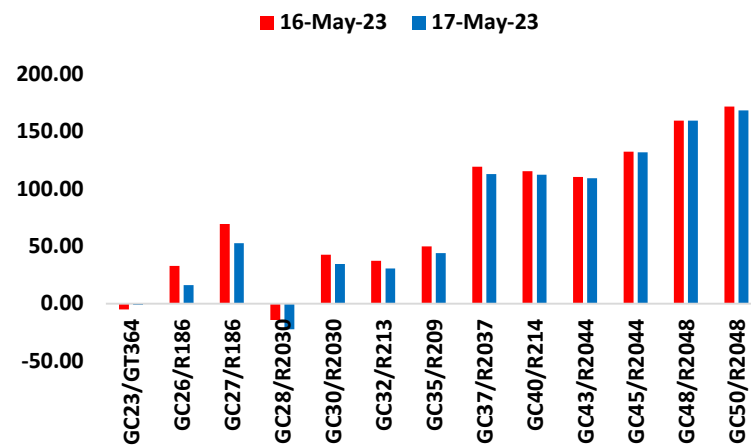
Figure 1. Namibia Bond Yield: 2-May-2023 vs. 17-May-2023

**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.



Source: BoN & HEI Research



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Figure 2. Namibia vs. South Africa Bond Spreads: 16- May-2023 vs. 17-May-2023

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