



Daily Fixed Income Report (28 April 2023)

HEI Fixed Income Market Commentary

- Yesterday, the South African rand strengthened/weakened/flat against the US dollar. In the US, the S&P Global manufacturing PMI rose less than expected in April. Moreover, the ISM manufacturing PMI rose more than expected in April.

- As per Table 2, the majority of sovereign bonds have experienced a significant decrease in yield. Specifically, the GC2026 short-dated bond witnessed a marginal drop from 9.07% to 9.06%, while the longer-dated GC2048 bond yield saw a more pronounced decline from 13.90% to 13.27%.
- According to Table 2, the drop in bond yields could be attributed to market volatility, possibly due to growing apprehensions that Kenya may default on its dollar bonds.
- Table 1 exhibited slight declines in fixed-term deposit rates

Table 1. Fixed Term Deposits

Term	27-Apr-23	28-Apr-23
1 Month	7.55	7.55
2 Months	7.60	7.60
3 Months	7.69	7.69
4 Months	7.81	7.81
5 Months	7.89	7.89
6 Months	8.28	8.28
7 Months	8.36	8.36
8 Months	8.46	8.45
9 Months	8.53	8.51
10 Months	8.58	8.57
11 Months	8.60	8.59
12 Months	8.68	8.66

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

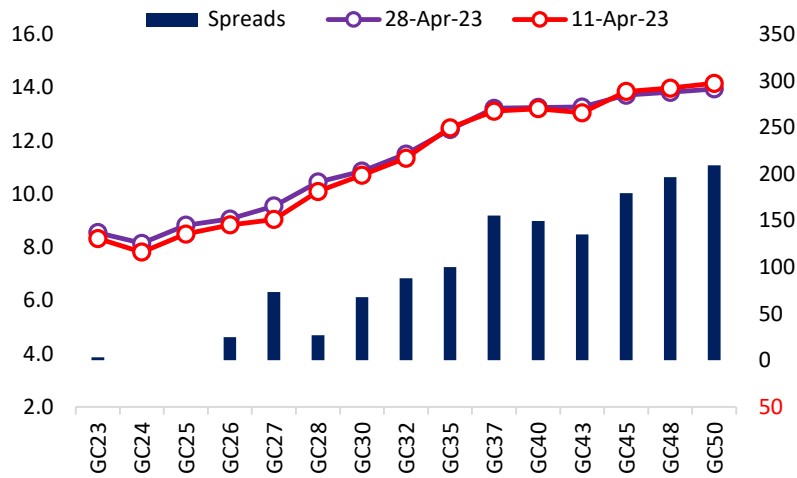
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			11-Apr-23	27-Apr-23	28-Apr-23	(bps)	28-Apr-23
GC23	8.85	15-Oct-23	8.32	8.56	8.55	-1.37	100.12
GC24	10.5	15-Oct-24	7.81	8.13	8.14	1.30	103.19
GC25	8.5	15-Apr-25	8.49	8.81	8.82	1.30	99.42
GC26	8.5	15-Apr-26	8.84	9.07	9.06	-1.08	98.57
GC27	8	15-Jan-27	9.04	9.54	9.54	0.05	95.24
GC28	8.5	15-Oct-28	10.09	10.42	10.45	2.96	92.03
GC30	8	15-Jan-30	10.71	10.87	10.86	-1.55	86.60
GC32	9	15-Apr-32	11.34	11.50	11.50	0.40	86.23
GC35	9.5	15-Jul-35	12.48	12.47	12.42	-4.80	81.85
GC37	9.5	15-Jul-37	13.11	13.22	13.22	-0.49	76.38
GC40	9.8	15-Oct-40	13.20	13.27	13.25	-1.99	76.75
GC43	10	15-Jul-43	13.05	13.37	13.27	-10.56	77.16
GC45	9.85	15-Jul-45	13.85	13.77	13.71	-5.52	73.27
GC48	10	15-Oct-48	13.98	13.90	13.82	-8.14	73.72
GC50	10.25	15-Jul-50	14.16	13.98	13.95	-3.63	74.12

Source: BoN & HEI Research

Important disclosure:

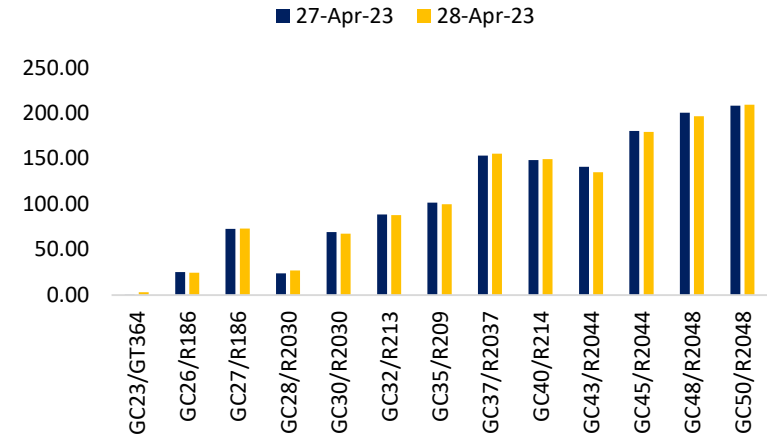
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Figure 1. Namibia Bond Yield: 11-April-2023 vs. 28-April-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 27- April-2023 vs. 28- April-2023



Source: BoN & HEI Research

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