



## Daily Fixed Income Report (8 May 2023)

### HEI Fixed Income Market Commentary

- Yesterday, the South African rand strengthened against the US Dollar. In the US, investors await key US inflation data for further cues on US Federal Reserve's interest rate decision.

- According to the data presented in Table 2, there was a marginal rise in the yields of sovereign government bonds. The GC2026 bond yield went up from 9.04% to 9.05%, while the GC2048 bond yield increased from 13.90% to 13.95%.
- It is plausible that the variations in bond yields may be attributable to alterations in the supply and demand dynamics, coupled with shifts in monetary policy..
- Table 1 exhibited an increase in fixed-term deposit rates

Table 1. Fixed Term Deposits

Term	5-May-23	8-May-23
<b>1 Month</b>	7.57	7.57
<b>2 Months</b>	7.65	7.65
<b>3 Months</b>	7.74	7.74
<b>4 Months</b>	7.85	7.85
<b>5 Months</b>	7.91	7.91
<b>6 Months</b>	8.26	8.26
<b>7 Months</b>	8.35	8.35
<b>8 Months</b>	8.43	8.46
<b>9 Months</b>	8.54	8.54
<b>10 Months</b>	8.57	8.58
<b>11 Months</b>	8.66	8.67
<b>12 Months</b>	8.73	8.73

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

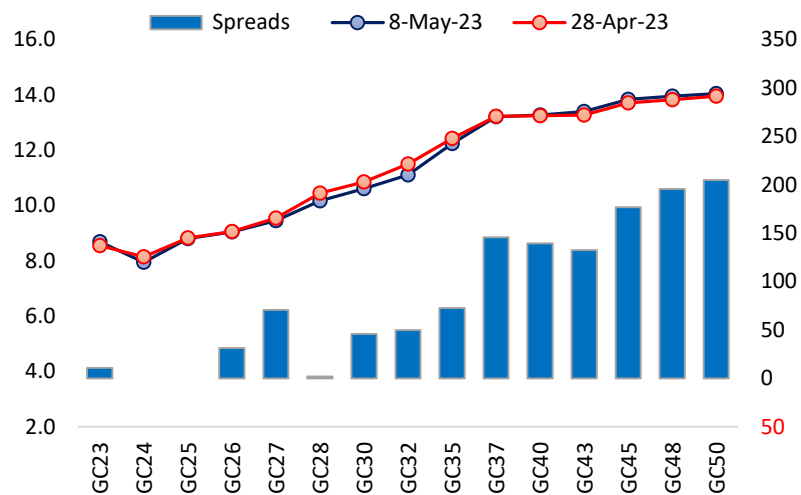
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			28-Apr-23	5-May-23	8-May-23	(bps)	8-May-23
GC23	8.85	15-Oct-23	8.55	8.67	8.69	1.26	100.05
GC24	10.5	15-Oct-24	8.14	7.93	7.94	0.74	103.40
GC25	8.5	15-Apr-25	8.82	8.79	8.80	0.76	99.47
GC26	8.5	15-Apr-26	9.06	9.04	9.05	0.74	98.60
GC27	8	15-Jan-27	9.54	9.44	9.45	0.76	95.56
GC28	8.5	15-Oct-28	10.45	10.14	10.17	2.34	93.15
GC30	8	15-Jan-30	10.86	10.58	10.61	2.24	87.71
GC32	9	15-Apr-32	11.50	11.09	11.10	1.70	88.25
GC35	9.5	15-Jul-35	12.42	12.21	12.24	2.84	82.87
GC37	9.5	15-Jul-37	13.22	13.18	13.21	3.00	76.47
GC40	9.8	15-Oct-40	13.25	13.24	13.27	3.64	76.60
GC43	10	15-Jul-43	13.27	13.35	13.39	4.80	76.47
GC45	9.85	15-Jul-45	13.71	13.79	13.84	4.83	72.62
GC48	10	15-Oct-48	13.82	13.90	13.95	4.88	73.05
GC50	10.25	15-Jul-50	13.95	14.01	14.05	3.37	73.61

*Source: BoN & HEI Research*

**Important disclosure:**

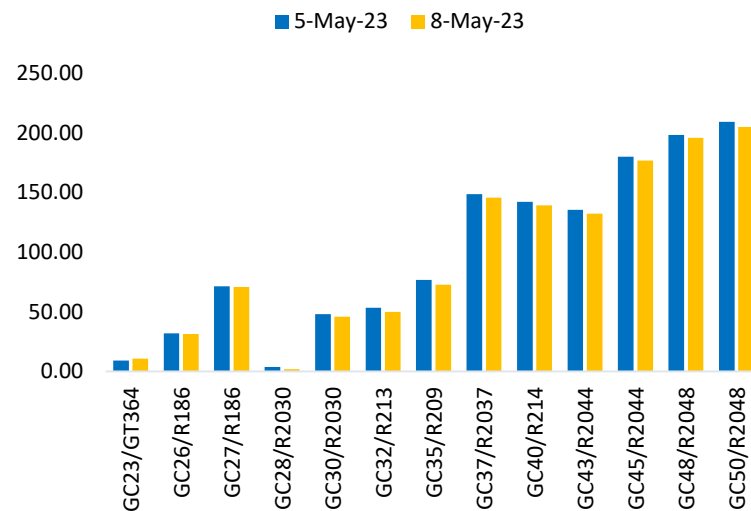
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Figure 1. Namibia Bond Yield: 28-April-2023 vs. 8-May-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 5-May-2023 vs. 8-May-2023



Source: BoN & HEI Research

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