

Daily Fixed Income Report (12 June 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the South African rand strengthened against the US dollar, for an eighth consecutive session.
- Upon conducting an analysis of the data outlined in Table 2, it is evident that government bond yields have experienced a notable

downward movement. Specifically, the GC2026 bond has exhibited a rise from 9.85% to 9.81%. Furthermore, the longer-dated GC2048 bond has shown a decline from 13.83% to 13.76%.

- The decrease in bond yields may indicate a lack of investor confidence, reflecting their cautious stance while anticipating forthcoming macroeconomic data.
- Table 1 exhibited no change in NCDs

Table 1. NCD Rates

Term	9-Jun-23	12-Jun-23
3 Months	7.91	7.91
4 Months	8.00	8.00
5 Months	8.10	8.10
6 Months	8.43	8.43
9 Months	8.61	8.61
12 Months	8.81	8.81
18 Months	8.83	8.83
2 Years	8.81	8.81
3 Years	8.87	8.87
4 Years	8.96	8.96
5 Years	9.09	9.09

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

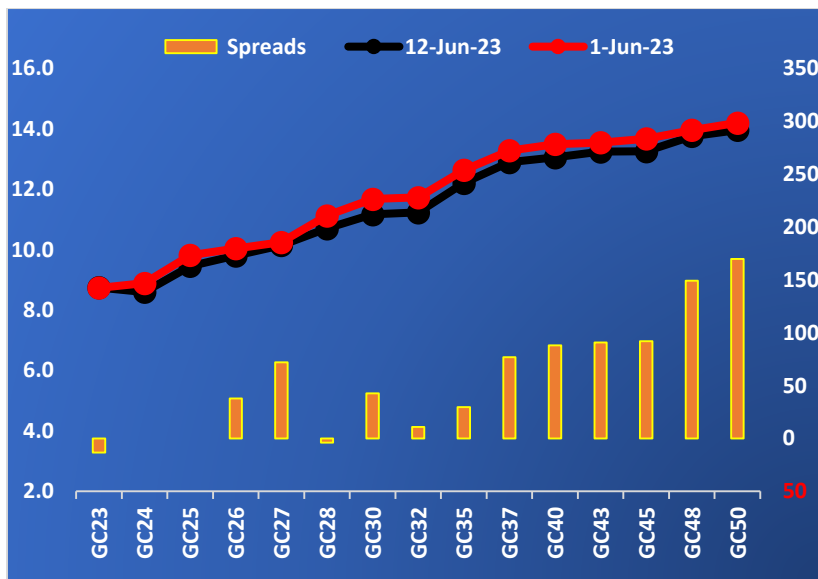
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Jun-23	9-Jun-23	12-Jun-23	(bps)	12-Jun-23
GC23	8.85	15-Oct-23	8.74	8.76	8.75	-0.79	101.01
GC24	10.5	15-Oct-24	8.89	8.65	8.60	-4.34	103.08
GC25	8.5	15-Apr-25	9.82	9.51	9.46	-4.46	98.86
GC26	8.5	15-Apr-26	10.05	9.85	9.81	-4.34	97.34
GC27	8	15-Jan-27	10.25	10.20	10.15	-4.36	94.47
GC28	8.5	15-Oct-28	11.13	10.75	10.70	-4.70	90.72
GC30	8	15-Jan-30	11.68	11.22	11.17	-4.70	84.50
GC32	9	15-Apr-32	11.73	11.28	11.23	-4.60	86.38
GC35	9.5	15-Jul-35	12.64	12.27	12.21	-5.45	81.96
GC37	9.5	15-Jul-37	13.29	12.95	12.90	-5.20	77.28
GC40	9.8	15-Oct-40	13.50	13.11	13.06	-5.22	76.57
GC43	10	15-Jul-43	13.55	13.32	13.25	-6.69	76.84
GC45	9.85	15-Jul-45	13.68	13.33	13.26	-6.69	74.66
GC48	10	15-Oct-48	13.97	13.83	13.76	-6.55	74.21
GC50	10.25	15-Jul-50	14.21	14.02	13.97	-4.83	74.00

Source: BoN & HEI Research

Important disclosure:

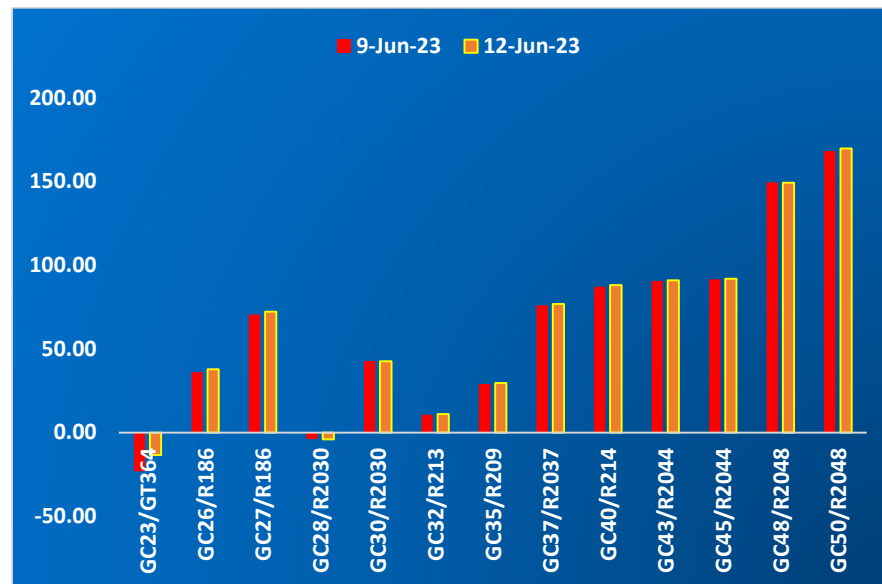
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Figure 1. Namibia Bond Yield: 01-June-2023 vs. 12-June-2023



Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 09-June-2023 vs. 12-June-2023



Source: BoN & HEI Research

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