



## Daily Fixed Income Report (16 June 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the South African rand strengthened against the US dollar. In the US, the Michigan consumer sentiment index rose more than expected in June.
- After conducting a thorough analysis of the data presented in Table 2, it was observed that government bond yields exhibited a modest

decline across maturities ranging from 5 to 22 years, while yields for other bonds slightly increased. Specifically, the GC2026 bond maintained its level at 9.81%. Additionally, the longer-term GC2048 bond witnessed a minor uptick, rising from 13.73% to 13.74%.

- The minor changes observed were affected by the public-holiday which meant that there was no trading day on the stock exchange market
- Table 1 exhibited mixed signals in Fixed-term deposits on Friday

Table 1: Fixed Term Deposits

Term	15-Jun-23	16-Jun-23
1 Month	7.56	7.59
2 Months	7.70	7.73
3 Months	7.89	7.90
4 Months	7.98	7.99
5 Months	8.08	8.10
6 Months	8.39	8.38
7 Months	8.46	8.48
8 Months	8.53	8.54
9 Months	8.59	8.59
10 Months	8.65	8.65
11 Months	8.73	8.73
12 Months	8.79	8.78

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

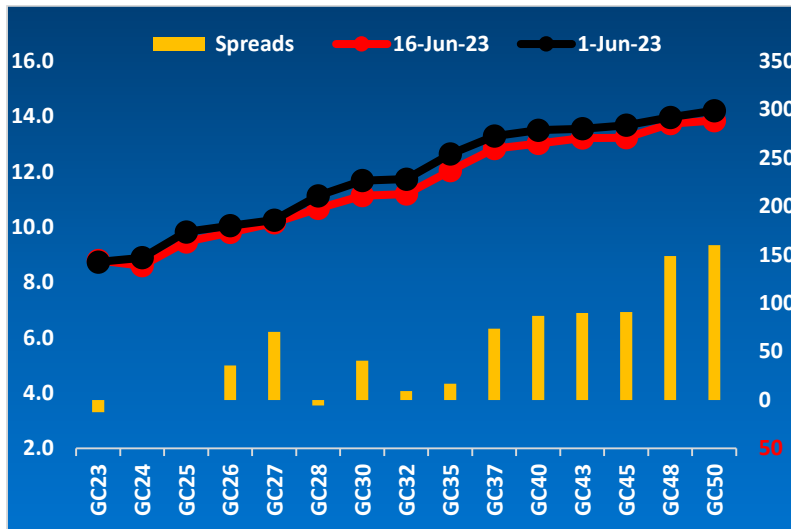
Bonds	Coupon	Maturity	YTM (%)			DTDA (bps)	Prices 16-Jun-23
			1-Jun-23	15-Jun-23	16-Jun-23		
GC23	8.85	15-Oct-23	8.74	8.79	8.79	0.00	101.01
GC24	10.5	15-Oct-24	8.89	8.60	8.60	0.10	103.08
GC25	8.5	15-Apr-25	9.82	9.46	9.46	0.10	98.86
GC26	8.5	15-Apr-26	10.05	9.81	9.81	0.10	97.34
GC27	8	15-Jan-27	10.25	10.15	10.15	0.10	94.47
GC28	8.5	15-Oct-28	11.13	10.67	10.67	-0.04	90.72
GC30	8	15-Jan-30	11.68	11.14	11.14	-0.05	84.50
GC32	9	15-Apr-32	11.73	11.20	11.20	-0.10	86.38
GC35	9.5	15-Jul-35	12.64	12.04	12.04	-0.30	81.96
GC37	9.5	15-Jul-37	13.29	12.84	12.84	-0.10	77.28
GC40	9.8	15-Oct-40	13.50	13.03	13.02	-0.35	76.57
GC43	10	15-Jul-43	13.55	13.22	13.22	-0.06	76.84
GC45	9.85	15-Jul-45	13.68	13.23	13.23	-0.08	74.66
GC48	10	15-Oct-48	13.97	13.73	13.74	0.12	74.21
GC50	10.25	15-Jul-50	14.21	13.85	13.85	0.12	74.00

Source: BoN & HEI Research

**Important disclosure:**

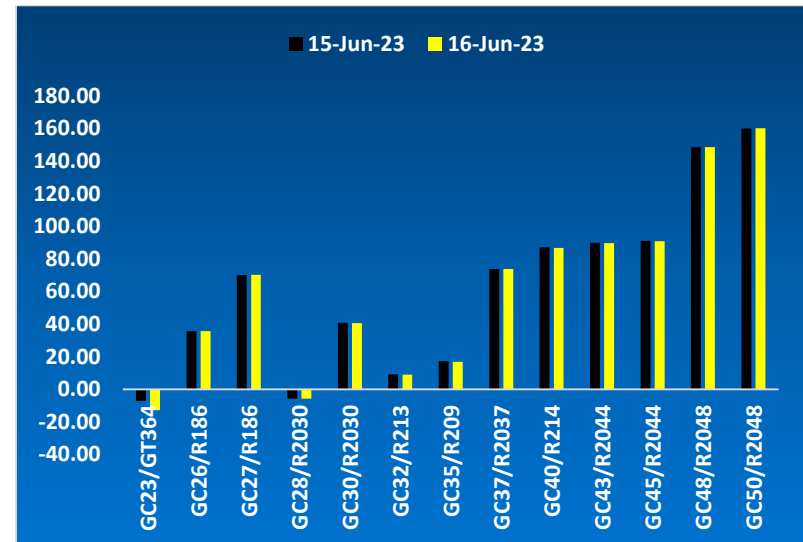
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Figure 1. Namibia Bond Yield: 01-June-2023 vs. 16-June-2023



Source: BoN & HEI Research

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



Source: BoN & HEI Research

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