

## Daily Fixed Income Report (4 July 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, At N\$18.6782, the Namibian dollars experienced an 0.1% increase in value against the US dollar. Similarly, the euro has risen by 0.1% against the Namibian dollar, reaching N\$20.315. Furthermore, the British pound has made a slight gain against the Namibian dollar, trading at N\$23.7244. (Figure 3)
- The yield of the GC2026 bond experienced a slight increase, moving up from 9.43% to 9.44%. Furthermore, the yield of the longer-term GC2048 bond exhibited a significant decrease, dropping from 13.49% to 13.43%. (Table 2)
- Figure 2 illustrates no changes in the daily bond spread
- According to the analysis presented in Figure 4, there is a notable decline in bond returns month-to-date
- Table 1 indicated no change in fixed-term deposits

**Table 1: Fixed Term Deposits**

<i>Term</i>	<b>3-Jul-23</b>	<b>4-Jul-23</b>
<i>1 Month</i>	8.75	8.75
<i>2 Months</i>	8.90	8.90
<i>3 Months</i>	8.95	8.95
<i>4 Months</i>	9.01	9.01
<i>5 Months</i>	9.09	9.09
<i>6 Months</i>	9.34	9.34
<i>7 Months</i>	9.45	9.45
<i>8 Months</i>	9.51	9.51
<i>9 Months</i>	9.58	9.58
<i>10 Months</i>	9.68	9.68
<i>11 Months</i>	9.75	9.75
<i>12 Months</i>	9.79	9.79

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

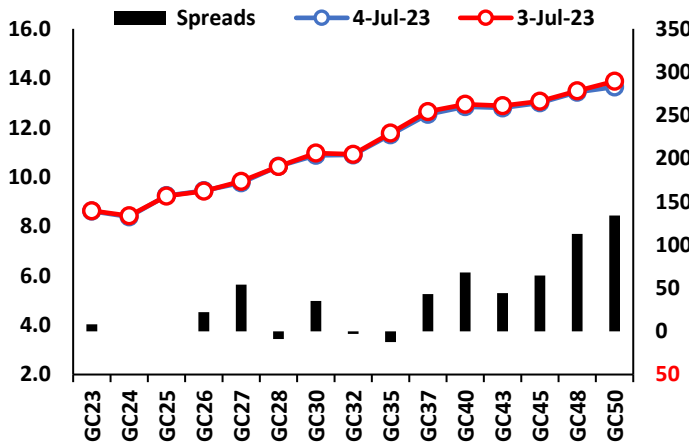
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	3-Jul-23	4-Jul-23	(bps)	4-Jul-23
GC23	8.85	15-Oct-23	8.63	8.63	8.61	-1.76	100.02
GC24	10.5	15-Oct-24	8.43	8.43	8.39	-3.99	102.49
GC25	8.5	15-Apr-25	9.23	9.23	9.25	1.78	98.78
GC26	8.5	15-Apr-26	9.43	9.43	9.44	1.84	97.71
GC27	8	15-Jan-27	9.82	9.82	9.76	-6.11	94.83
GC28	8.5	15-Oct-28	10.43	10.43	10.44	0.76	92.27
GC30	8	15-Jan-30	10.97	10.97	10.88	-9.10	86.78
GC32	9	15-Apr-32	10.92	10.92	10.89	-2.50	89.43
GC35	9.5	15-Jul-35	11.78	11.78	11.71	-6.85	85.92
GC37	9.5	15-Jul-37	12.65	12.65	12.54	-11.40	80.17
GC40	9.8	15-Oct-40	12.94	12.94	12.85	-9.60	78.99
GC43	10	15-Jul-43	12.89	12.89	12.80	-8.67	79.94
GC45	9.85	15-Jul-45	13.07	13.07	13.00	-6.42	77.26
GC48	10	15-Oct-48	13.49	13.49	13.43	-5.63	75.89
GC50	10.25	15-Jul-50	13.88	13.88	13.65	-23.09	75.80

**Source: BoN & HEI Research**

**Important disclosure:**

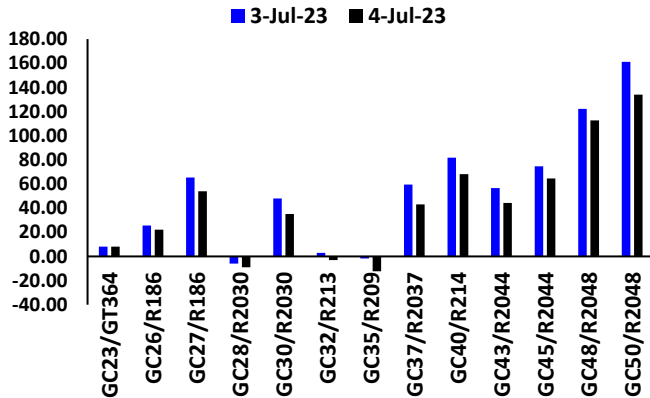
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Figure 1. Namibia Bond Yield: 03-June-2023 vs. 4-July-2023



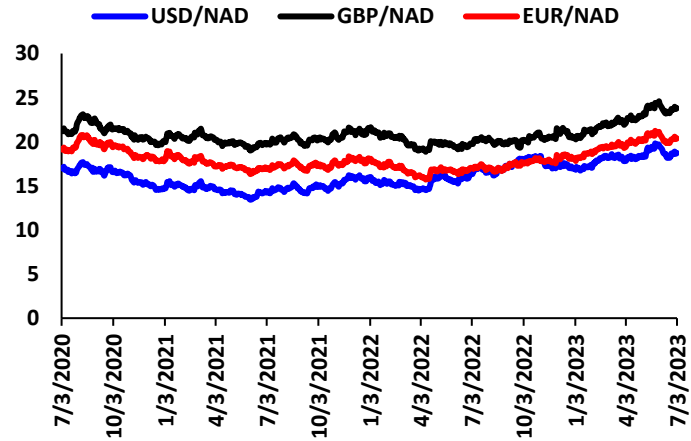
Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 3-July 2023 vs. 4-July-2023



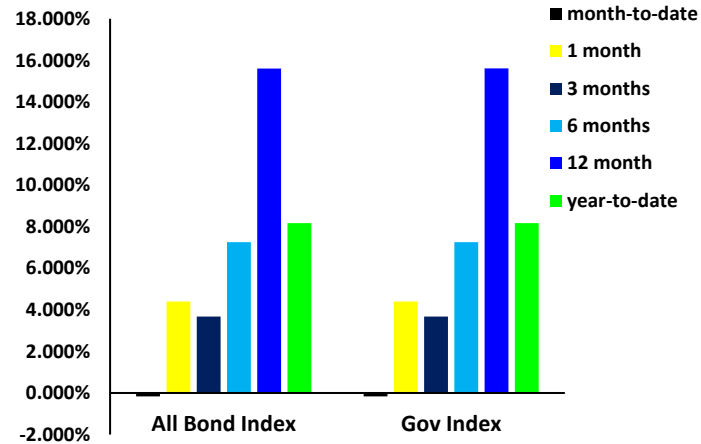
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 3<sup>rd</sup> July 2023



Source: Bloomberg & HEI Research

Figure 4: Total Bond Returns as at 4<sup>th</sup> July 2023 (%)



Source: Bloomberg & HEI Database

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