



Daily Fixed Income Report (14 July 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the US dollar is trading 0.2% higher against the Namibian dollar at N\$18.1154, while the euro is trading 0.1% higher at N\$20.3368. Furthermore, the British pound has gained 0.1% against the Namibian dollar to trade at N\$23. 7164 (Figure 3)

- The yield of the GC2026 bond soared from 9.38% to 9.41%. Additionally, the GC2048 bond's yield experienced an increase from 13.45% to 13.48% (Table 2)
- Figure 2 displayed a significant decline in the daily bond spreads.
- Based on the analysis depicted in Figure 4, total bond returns are exhibiting signs of a recovery heading on an upward trajectory
- Table 1 indicated no change in fixed-term deposits

Table 1: Fixed Term Deposits

<i>Term</i>	12-Jul-23	13-Jul-23
<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

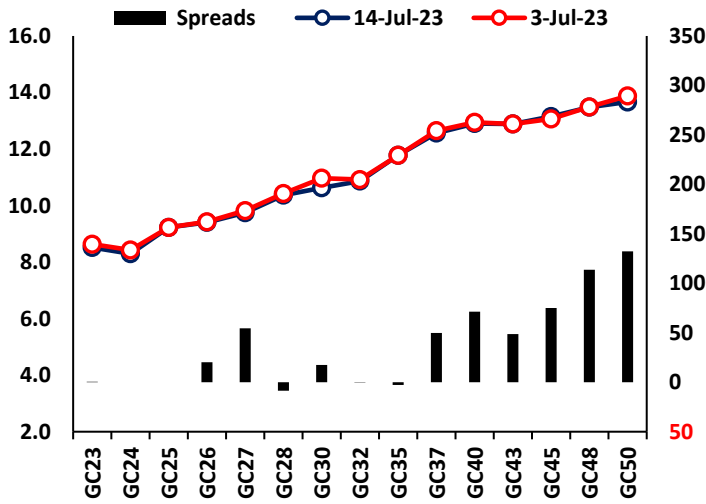
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	12-Jul-23	13-Jul-23	(bps)	13-Jul-23
GC23	8.85	15-Oct-23	8.63	8.66	8.52	-14.12	100.04
GC24	10.5	15-Oct-24	8.43	8.28	8.30	1.55	102.55
GC25	8.5	15-Apr-25	9.23	9.21	9.23	1.95	98.82
GC26	8.5	15-Apr-26	9.43	9.38	9.41	2.27	97.82
GC27	8	15-Jan-27	9.82	9.77	9.75	-2.50	94.90
GC28	8.5	15-Oct-28	10.43	10.43	10.37	-5.70	92.55
GC30	8	15-Jan-30	10.97	10.81	10.63	-17.71	87.87
GC32	9	15-Apr-32	10.92	10.86	10.87	0.61	89.60
GC35	9.5	15-Jul-35	11.78	11.71	11.78	7.64	85.53
GC37	9.5	15-Jul-37	12.65	12.50	12.56	6.79	80.04
GC40	9.8	15-Oct-40	12.94	12.89	12.90	1.75	78.69
GC43	10	15-Jul-43	12.89	12.87	12.89	1.96	79.44
GC45	9.85	15-Jul-45	13.07	13.10	13.15	5.12	76.42
GC48	10	15-Oct-48	13.49	13.45	13.48	3.18	75.63
GC50	10.25	15-Jul-50	13.88	13.68	13.67	-1.45	75.70

Source: BoN & HEI Research

Important disclosure:

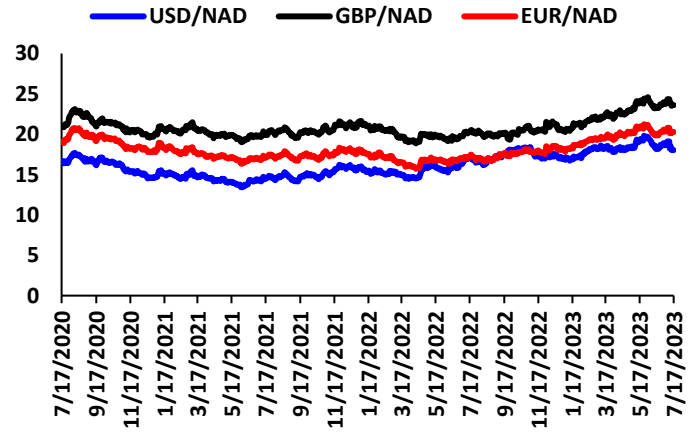
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Figure 1. Namibia Bond Yield: 03-July-2023 vs. 14-July-2023



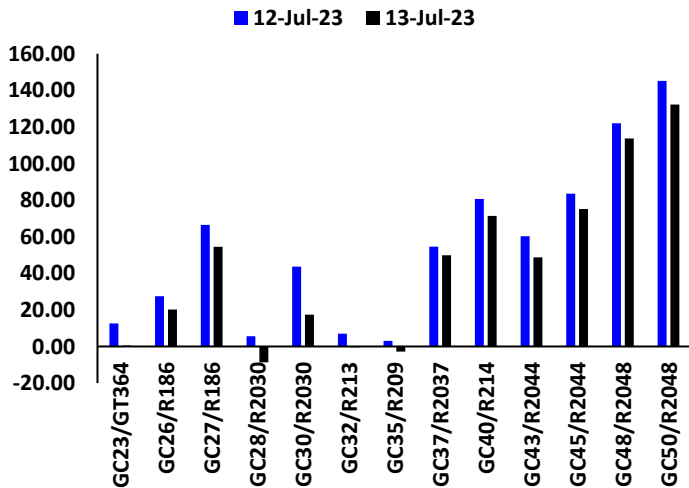
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 17th July 2023



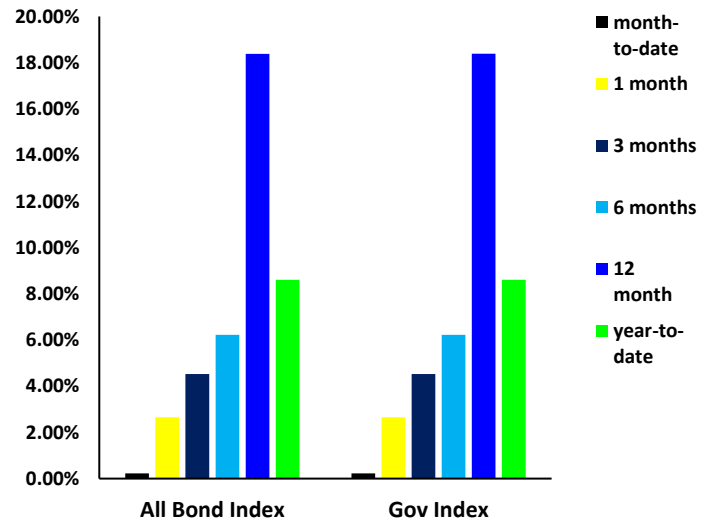
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 12-July 2023 vs. 13-July-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 12th July 2023 (%)



Source: Bloomberg & HEI Database

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