



## Daily Fixed Income Report (18 July 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar is trading 0.2% higher against the Namibian dollar at N\$17.8990, while the euro is trading 0.2% higher at N\$20.0925. Additionally, the British pound has gained 0.2% against the Namibian dollar to trade at N\$23.3049 (Figure 3)

- The yield of the GC2026 bond declined from 9.33% to 9.26%. Additionally, the GC2048 bond's yield experienced a decrease from 13.45% to 13.40% (Table 2)
- Figure 2 displayed a significant increase in the daily bond spreads.
- Based on the analysis depicted in Figure 4, total bond returns are exhibiting an upward trajectory
- Table 1 indicated no change in fixed-term deposits

**Table 1: Fixed Term Deposits**

<i>Term</i>	<b>17-Jul-23</b>	<b>18-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**

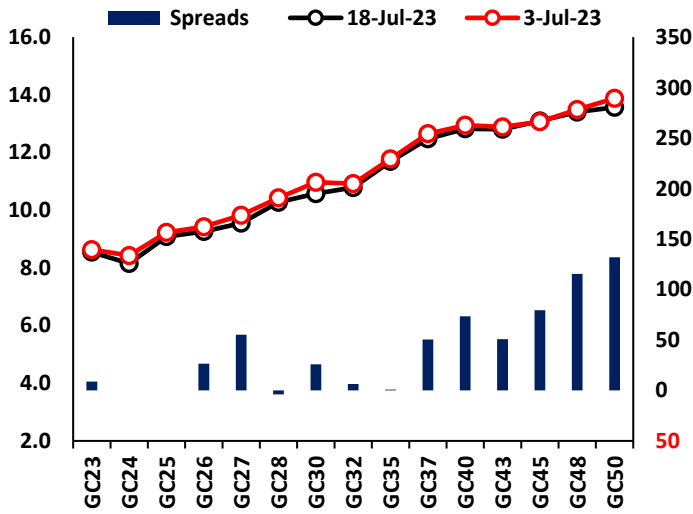
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	17-Jul-23	18-Jul-23	(bps)	18-Jul-23
GC23	8.85	15-Oct-23	8.63	8.52	8.54	2.49	100.03
GC24	10.5	15-Oct-24	8.43	8.22	8.15	-6.40	102.70
GC25	8.5	15-Apr-25	9.23	9.15	9.08	-6.40	99.06
GC26	8.5	15-Apr-26	9.43	9.33	9.26	-6.40	98.17
GC27	8	15-Jan-27	9.82	9.61	9.55	-6.40	95.49
GC28	8.5	15-Oct-28	10.43	10.32	10.27	-4.80	92.92
GC30	8	15-Jan-30	10.97	10.62	10.57	-4.80	88.13
GC32	9	15-Apr-32	10.92	10.83	10.78	-4.26	90.03
GC35	9.5	15-Jul-35	11.78	11.73	11.69	-3.95	86.06
GC37	9.5	15-Jul-37	12.65	12.51	12.47	-3.89	80.54
GC40	9.8	15-Oct-40	12.94	12.87	12.82	-4.60	79.15
GC43	10	15-Jul-43	12.89	12.86	12.81	-5.01	79.92
GC45	9.85	15-Jul-45	13.07	13.14	13.09	-4.94	76.76
GC48	10	15-Oct-48	13.49	13.45	13.40	-4.71	76.07
GC50	10.25	15-Jul-50	13.88	13.60	13.57	-3.50	76.26

**Source: BoN & HEI Research**

**Important disclosure:**

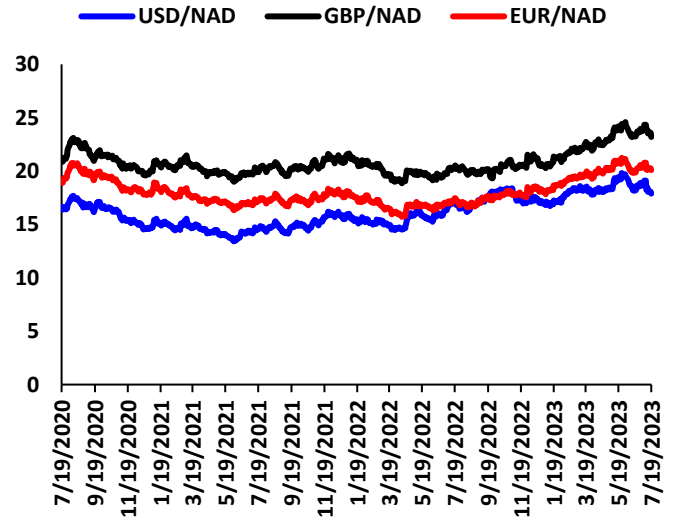
Readers should be aware that the opinions, estimates, and projections expressed in this report are based on current market conditions, publicly available information, and our analysis, and may change without notice. This report is not intended to be the sole basis for any investment decision, and investors should consult with their financial advisor or do their own research before making any investment decisions.

Figure 1. Namibia Bond Yield: 03-July-2023 vs. 18-July-2023



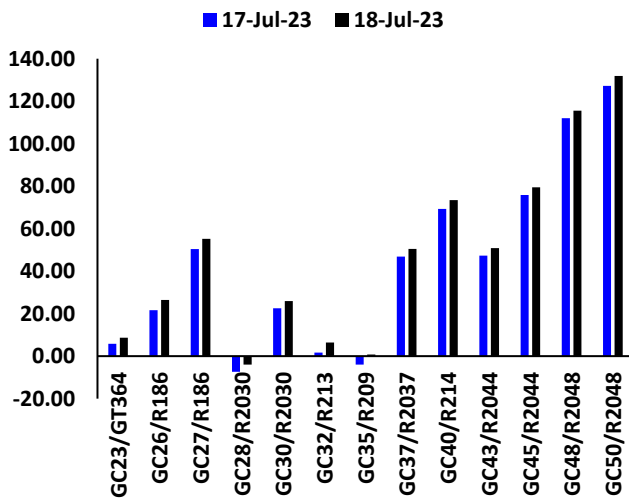
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 19<sup>th</sup> July 2023



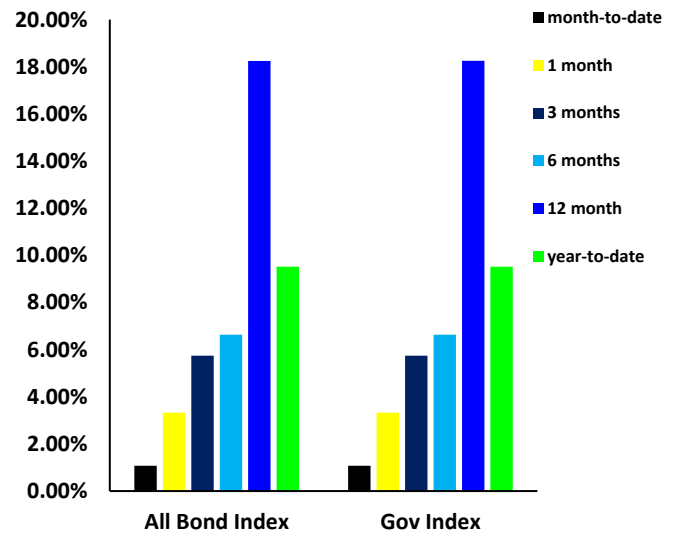
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 17-July 2023 vs. 18-July-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 18<sup>th</sup> July 2023 (%)



Source: Bloomberg & HEI Database

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