



Daily Fixed Income Report (21 July 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the US dollar is trading 0.2% higher against the Namibian dollar at N\$17.9825, while the euro is trading 0.1% higher at N\$20.0092. Furthermore, the British pound has gained 0.2% against the Namibian dollar to trade at N\$23.1343. (Figure 3)
- The yield of the GC2026 bond remained unchanged at 9.20%. Additionally, the GC2048 bond's yield experienced a decline from 13.32% to 13.28% (Table 2)
- Figure 2 displayed a significantly increased in the daily bond spreads.
- Based on the analysis depicted in Figure 4, total bond returns significantly declined.
- Table 1 indicated no change in fixed-term deposits

Table 1: Fixed Term Deposits

<i>Term</i>	20-Jul-23	21-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

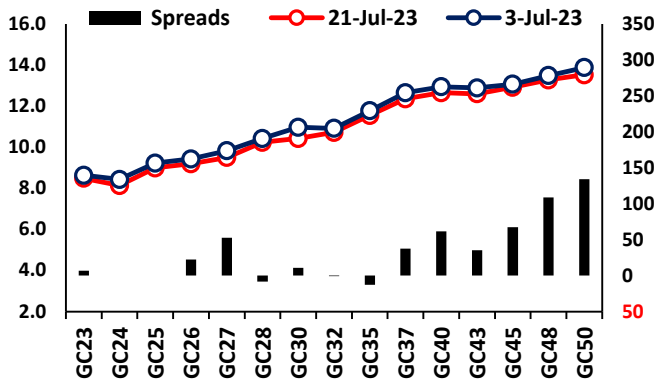
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	20-Jul-23	21-Jul-23	(bps)	21-Jul-23
GC23	8.85	15-Oct-23	8.63	8.61	8.48	-12.84	100.04
GC24	10.5	15-Oct-24	8.43	8.13	8.13	0.00	102.70
GC25	8.5	15-Apr-25	9.23	8.99	8.99	0.00	99.20
GC26	8.5	15-Apr-26	9.43	9.20	9.20	0.00	98.32
GC27	8	15-Jan-27	9.82	9.50	9.50	0.00	95.63
GC28	8.5	15-Oct-28	10.43	10.23	10.24	0.30	93.07
GC30	8	15-Jan-30	10.97	10.42	10.42	0.30	88.77
GC32	9	15-Apr-32	10.92	10.71	10.72	1.10	90.35
GC35	9.5	15-Jul-35	11.78	11.55	11.55	-0.60	86.88
GC37	9.5	15-Jul-37	12.65	12.36	12.36	-0.20	81.20
GC40	9.8	15-Oct-40	12.94	12.69	12.66	-3.50	80.12
GC43	10	15-Jul-43	12.89	12.65	12.60	-4.50	81.14
GC45	9.85	15-Jul-45	13.07	12.97	12.92	-4.63	77.75
GC48	10	15-Oct-48	13.49	13.32	13.28	-3.88	76.77
GC50	10.25	15-Jul-50	13.88	13.56	13.53	-2.75	76.46

Source: BoN & HEI Research

Important disclosure:

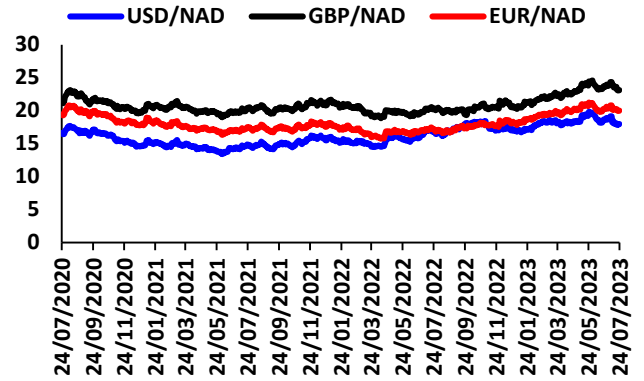
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Figure 1. Namibia Bond Yield: 03-July-2023 vs. 21-July-2023



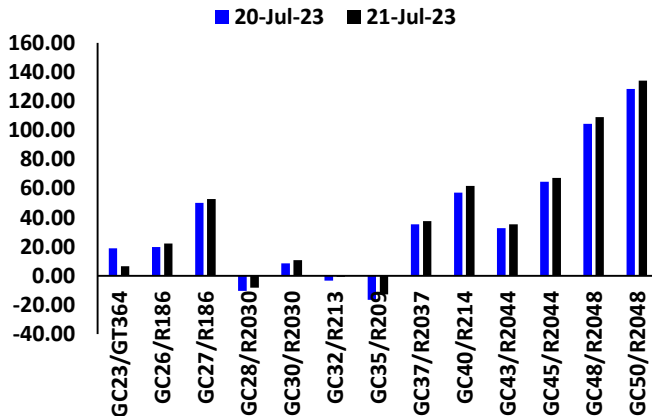
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 24th July 2023



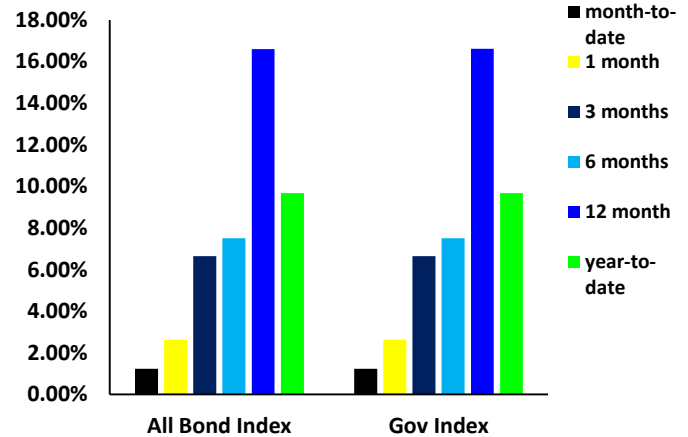
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 20-July 2023 vs. 21-July-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 23rd July 2023 (%)



Source: Bloomberg & HEI Database

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