



Daily Fixed Income Report (24 July 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar is trading 0.2% higher against the Namibian dollar at N\$17.6623, while the euro is trading 0.1% higher at N\$19.5523. Furthermore, the British pound has gained 0.2% against the Namibian dollar to trade at N\$22.6722. (Figure 3)

- The yield of the GC2026 bond declined from 9.20% to 9.17%. Additionally, the GC2048 bond's yield experienced a decline from 13.28% to 13.22% (Table 2)
- Figure 2 displayed a marginal increase 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>	21-Jul-23	24-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

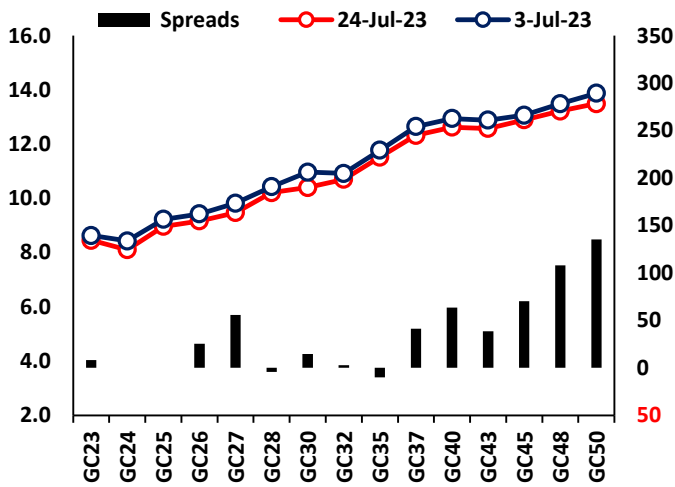
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	21-Jul-23	24-Jul-23	(bps)	24-Jul-23
GC23	8.85	15-Oct-23	8.63	8.48	8.45	-2.97	100.04
GC24	10.5	15-Oct-24	8.43	8.13	8.10	-2.90	102.72
GC25	8.5	15-Apr-25	9.23	8.99	8.97	-2.90	99.25
GC26	8.5	15-Apr-26	9.43	9.20	9.17	-2.90	98.40
GC27	8	15-Jan-27	9.82	9.50	9.47	-2.90	95.72
GC28	8.5	15-Oct-28	10.43	10.24	10.21	-2.20	93.17
GC30	8	15-Jan-30	10.97	10.42	10.40	-2.20	88.88
GC32	9	15-Apr-32	10.92	10.72	10.70	-2.00	90.46
GC35	9.5	15-Jul-35	11.78	11.55	11.52	-2.86	87.04
GC37	9.5	15-Jul-37	12.65	12.36	12.32	-3.20	81.39
GC40	9.8	15-Oct-40	12.94	12.66	12.62	-3.14	80.30
GC43	10	15-Jul-43	12.89	12.60	12.58	-2.20	81.27
GC45	9.85	15-Jul-45	13.07	12.92	12.90	-2.17	77.88
GC48	10	15-Oct-48	13.49	13.28	13.22	-5.87	77.10
GC50	10.25	15-Jul-50	13.88	13.53	13.49	-3.75	76.67

Source: BoN & HEI Research

Important disclosure:

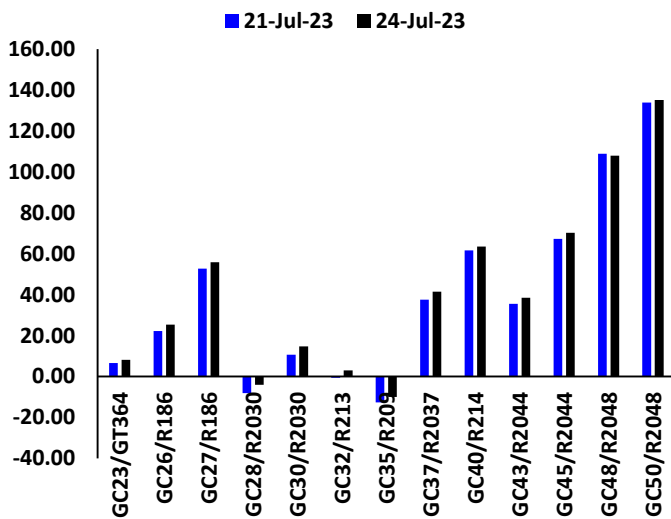
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Figure 1. Namibia Bond Yield: 03-July-2023 vs. 24-July-2023



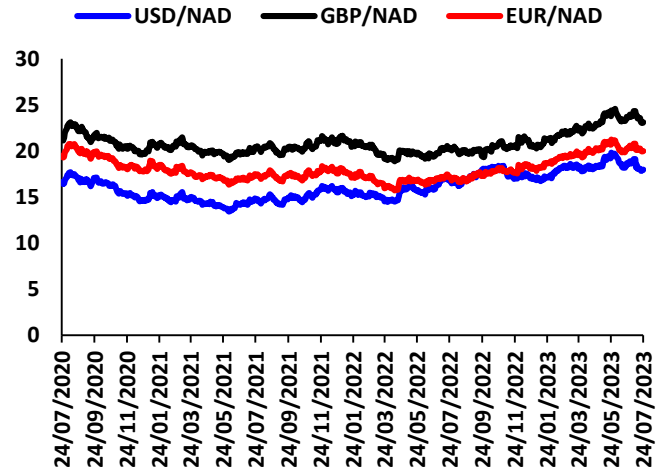
Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 21-July 2023 vs. 24-July-2023



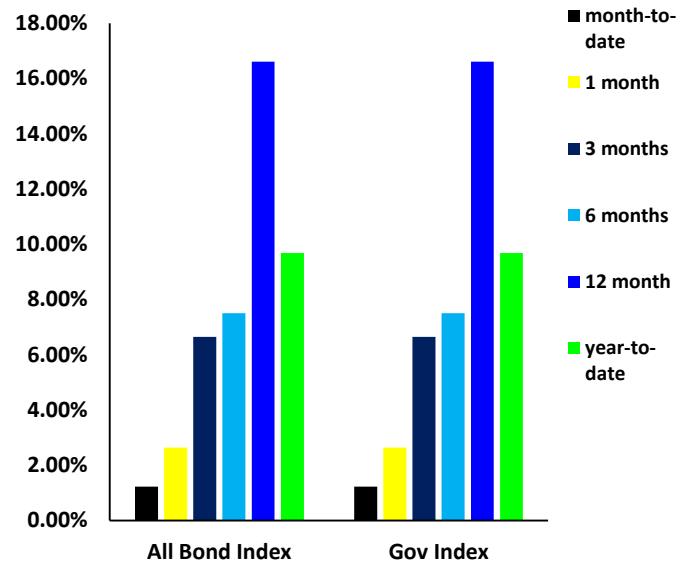
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 24th July 2023



Source: Bloomberg & HEI Research

Figure 4: Total Bond Returns as at 24th July 2023 (%)



Source: Bloomberg & HEI Database

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