



Daily Fixed Income Report (26 July 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar is trading 0.1% lower against the Namibia at N\$17.5812, while the euro is trading marginally lower at N\$19.5266. Furthermore, the British pound has gained 0.1% against the Namibia to trade at N\$22.7960 (Figure 3)

- The yield of the GC2026 bond increased from 9.15% to 9.17%. Additionally, the GC2048 bond's yield experienced a decline from 13.25% to 13.15% (Table 2)
- Figure 2 displayed a marginal decline in the daily bond spreads with across all maturities.
- Based on the analysis depicted in Figure 4, total bond returns significantly increased
- Table 1 indicated that fixed-term deposits remained unchanged.

Table 1: Fixed Term Deposits

<i>Term</i>	25-Jul-23	26-Jul-23
<i>1 Month</i>	7.82	7.82
<i>2 Months</i>	7.88	7.88
<i>3 Months</i>	7.91	7.91
<i>4 Months</i>	8.00	8.00
<i>5 Months</i>	8.04	8.04
<i>6 Months</i>	8.34	8.34
<i>7 Months</i>	8.41	8.41
<i>8 Months</i>	8.47	8.47
<i>9 Months</i>	8.53	8.53
<i>10 Months</i>	8.64	8.64
<i>11 Months</i>	8.69	8.69
<i>12 Months</i>	8.78	8.78

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

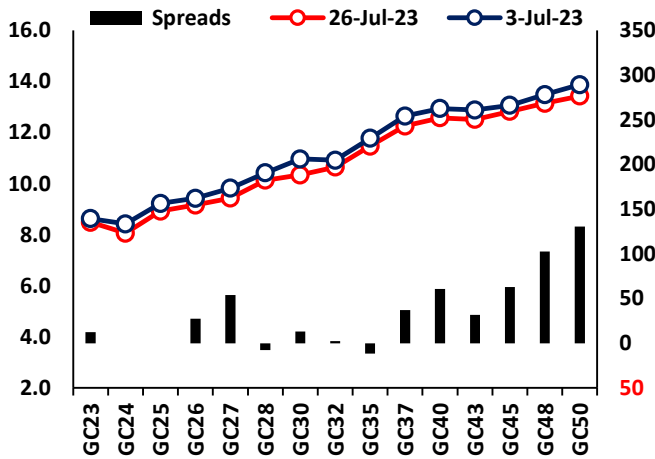
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			3-Jul-23	25-Jul-23	26-Jul-23	(bps)	26-Jul-23
GC23	8.85	15-Oct-23	8.63	8.47	8.49	1.62	100.03
GC24	10.5	15-Oct-24	8.43	8.09	8.06	-2.19	102.75
GC25	8.5	15-Apr-25	9.23	8.95	8.92	-2.21	99.31
GC26	8.5	15-Apr-26	9.43	9.15	9.17	1.61	98.41
GC27	8	15-Jan-27	9.82	9.45	9.43	-2.30	95.84
GC28	8.5	15-Oct-28	10.43	10.20	10.14	-6.15	93.46
GC30	8	15-Jan-30	10.97	10.39	10.35	-4.24	89.13
GC32	9	15-Apr-32	10.92	10.69	10.65	-4.09	90.74
GC35	9.5	15-Jul-35	11.78	11.52	11.47	-4.32	87.32
GC37	9.5	15-Jul-37	12.65	12.33	12.26	-7.40	81.75
GC40	9.8	15-Oct-40	12.94	12.66	12.58	-8.21	80.58
GC43	10	15-Jul-43	12.89	12.60	12.52	-8.33	81.66
GC45	9.85	15-Jul-45	13.07	12.92	12.83	-8.86	78.28
GC48	10	15-Oct-48	13.49	13.25	13.15	-10.15	77.49
GC50	10.25	15-Jul-50	13.88	13.48	13.43	-5.39	77.02

Source: BoN & HEI Research

Important disclosure:

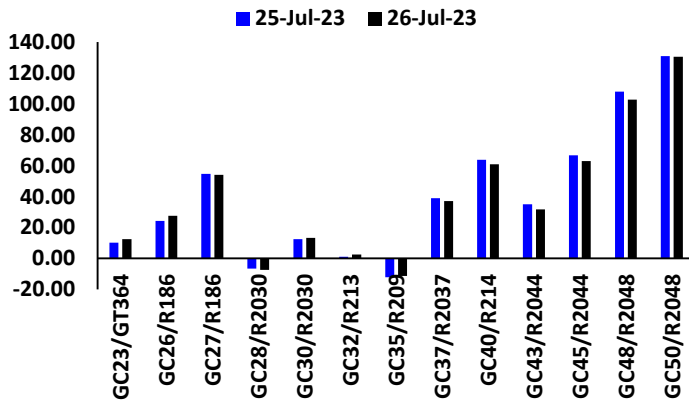
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Figure 1. Namibia Bond Yield: 03-July-2023 vs. 26-July-2023



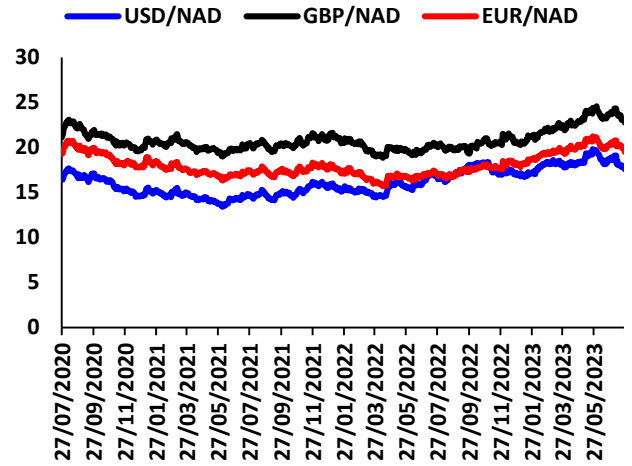
Source: BoN & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 26-July 2023 vs. 25-July-2023



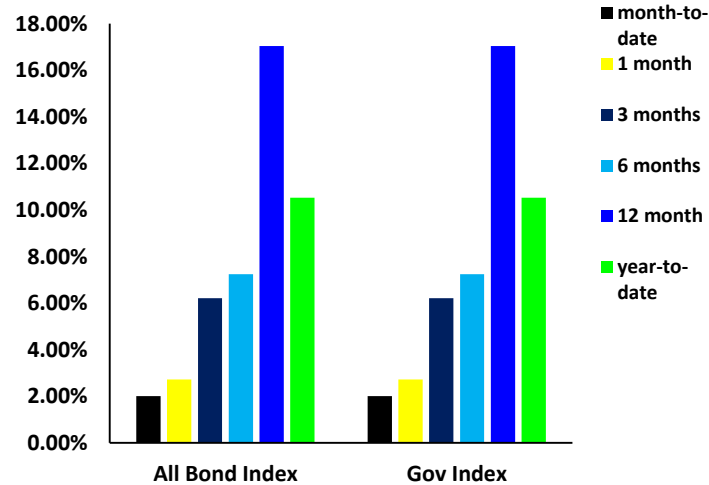
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 26th July 2023



Source: Bloomberg & HEI Research

Figure 4: Total Bond Returns as at 26th July 2023 (%)



Source: Bloomberg & HEI Database

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