



## Daily Fixed Income Report (30 June 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the Namibian dollar saw the US dollar trading 0.2% lower at N\$18.822. Similarly, the euro exhibited similar movement and was trading at N\$20.531. Additionally, the British pound experienced a 0.1% decline against the Namibian dollar, resulting in a trading value of N\$23.905 (Figure 3)
- The yield of the GC2026 bond saw a slight uptick, rising from 9.41% to 9.42%. In addition, there was a negligible decrease in the yield of

the longer-term GC2048 bond, falling from 13.50% to 13.49% (Table 2)

- Figure 2 illustrates that most bonds experienced a slight decrease in the daily yield spread for shorter-dated maturities compared to longer-dated bonds
- As analyzed in Figure 4, total returns on bond continues to increase significantly
- Table 1 indicated significant increase of 1bps in 1 month fixed-term deposits

**Table 1: Fixed Term Deposits**

<i>Term</i>	<b>29-Jun-23</b>	<b>30-Jun-23</b>
<i>1 Month</i>	7.75	8.75
<i>2 Months</i>	7.90	8.90
<i>3 Months</i>	7.95	8.95
<i>4 Months</i>	8.01	9.01
<i>5 Months</i>	8.09	9.09
<i>6 Months</i>	8.34	9.34
<i>7 Months</i>	8.45	9.45
<i>8 Months</i>	8.51	9.51
<i>9 Months</i>	8.58	9.58
<i>10 Months</i>	8.68	9.68
<i>11 Months</i>	8.75	9.75
<i>12 Months</i>	8.79	9.79

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

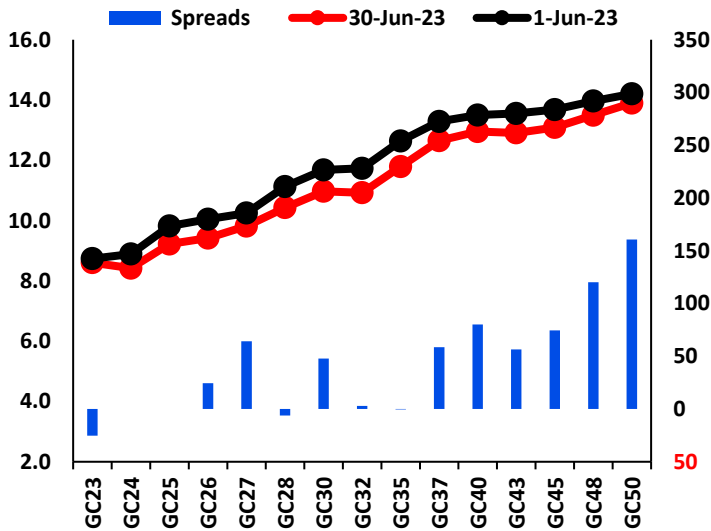
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			1-Jun-23	29-Jun-23	30-Jun-23	(bps)	30-Jun-23
GC23	8.85	15-Oct-23	8.74	8.69	8.60	-8.65	100.03
GC24	10.5	15-Oct-24	8.89	8.41	8.42	0.88	102.47
GC25	8.5	15-Apr-25	9.82	9.21	9.22	0.88	98.81
GC26	8.5	15-Apr-26	10.05	9.41	9.42	0.88	97.76
GC27	8	15-Jan-27	10.25	9.81	9.82	0.88	94.66
GC28	8.5	15-Oct-28	11.13	10.43	10.43	0.07	92.27
GC30	8	15-Jan-30	11.68	10.97	10.97	0.08	86.37
GC32	9	15-Apr-32	11.73	10.93	10.92	-0.62	89.27
GC35	9.5	15-Jul-35	12.64	11.80	11.79	-0.53	85.44
GC37	9.5	15-Jul-37	13.29	12.65	12.65	0.12	79.53
GC40	9.8	15-Oct-40	13.50	12.96	12.95	-0.70	78.40
GC43	10	15-Jul-43	13.55	12.93	12.91	-1.60	79.28
GC45	9.85	15-Jul-45	13.68	13.09	13.09	-0.27	76.75
GC48	10	15-Oct-48	13.97	13.50	13.49	-1.07	75.55
GC50	10.25	15-Jul-50	14.21	13.91	13.90	-1.07	74.42

**Source: BoN & HEI Research**

**Important disclosure:**

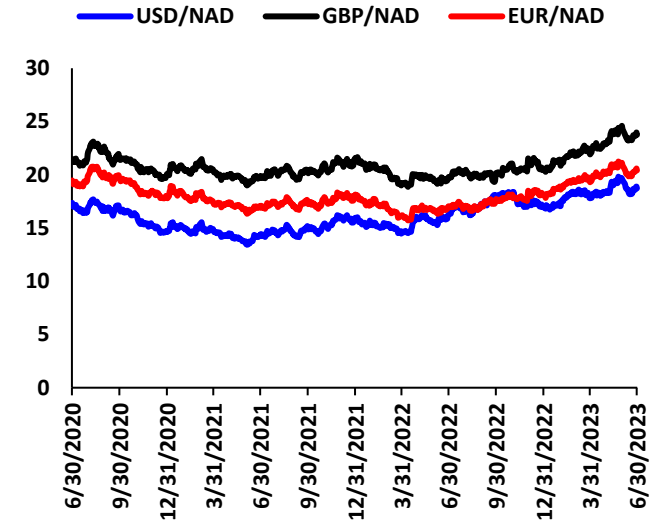
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Figure 1. Namibia Bond Yield: 01-June-2023 vs. 30-June-2023



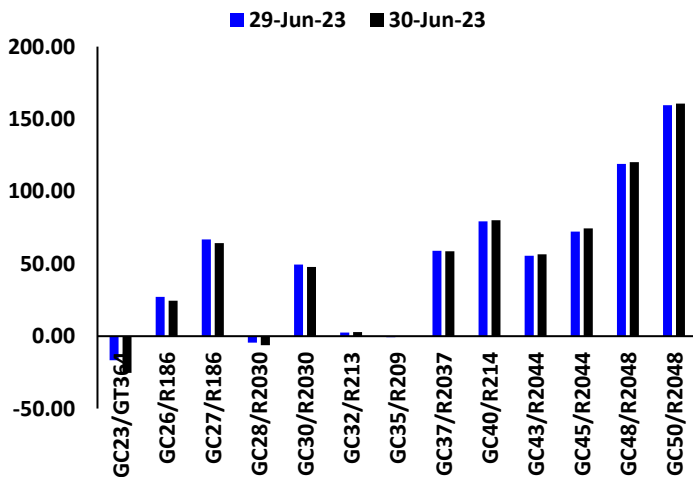
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 30<sup>th</sup> June 2023



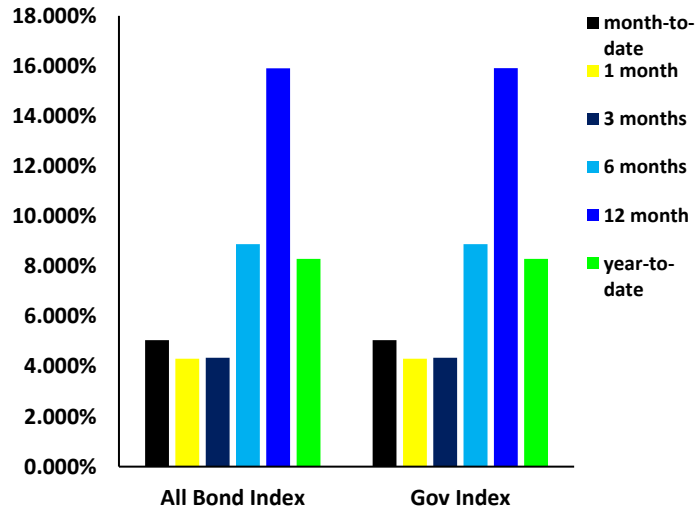
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 29-June-2023 vs. 30-June-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 30<sup>th</sup> June 2023 (%)



Source: Bloomberg & HEI Database

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