



Daily Fixed Income Report (25 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the US dollar was trading 0.1% lower against the Namibian dollar at N\$18.70, while the Euro was trading 0.6% lower at N\$20.21. Furthermore, the British pound slightly declined against the Namibian dollar by 0.1% trading at N\$23.52 (Figure 3)

- The yield of the GC2026 bond marginally declined by 0.45 basis points, from 9.09% to 9.08%. Additionally, the GC2048 bond's yield also experienced deterioration by 0.50 basis points, however, remaining unchanged at 12.96.(Table 2)
- The Nam vs SA Spreads displayed mixed market sentiments (Figure 2).
- Based on the analysis depicted in Figure 4, total bond returns a increased, when compared to the previous day
- Table 1 indicated no change in fixed-term deposits

Table 1: Fixed Term Deposits

Term	24-Aug-23	25-Aug-23
1 Month	7.65	7.65
2 Months	7.72	7.72
3 Months	7.73	7.73
4 Months	7.77	7.77
5 Months	7.86	7.86
6 Months	8.16	8.16
7 Months	8.24	8.24
8 Months	8.29	8.29
9 Months	8.35	8.35
10 Months	8.45	8.45
11 Months	8.53	8.53
12 Months	8.59	8.59

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

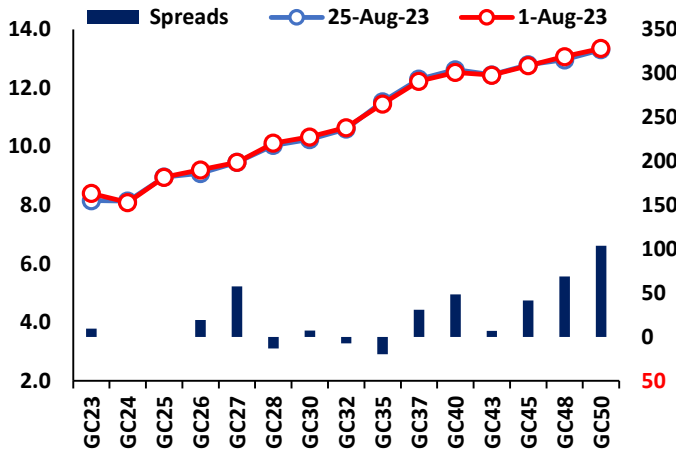
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	24-Aug-23	25-Aug-23	(bps)	25-Aug-23
GC23	8.85	15-Oct-23	8.40	8.35	8.16	-19.24	100.06
GC24	10.5	15-Oct-24	8.09	8.14	8.14	-0.55	102.50
GC25	8.5	15-Apr-25	8.95	8.96	8.96	-0.55	99.30
GC26	8.5	15-Apr-26	9.20	9.09	9.08	-0.45	98.65
GC27	8	15-Jan-27	9.46	9.47	9.46	-0.64	95.83
GC28	8.5	15-Oct-28	10.12	10.05	10.04	-0.90	93.92
GC30	8	15-Jan-30	10.33	10.25	10.24	-0.90	89.66
GC32	9	15-Apr-32	10.64	10.61	10.60	-1.60	91.08
GC35	9.5	15-Jul-35	11.45	11.54	11.53	-0.95	87.02
GC37	9.5	15-Jul-37	12.23	12.30	12.30	0.10	81.54
GC40	9.8	15-Oct-40	12.53	12.64	12.62	-1.30	80.35
GC43	10	15-Jul-43	12.44	12.43	12.44	1.05	82.11
GC45	9.85	15-Jul-45	12.76	12.80	12.79	-0.94	78.51
GC48	10	15-Oct-48	13.07	12.96	12.96	-0.50	78.60
GC50	10.25	15-Jul-50	13.35	13.31	13.31	-0.50	77.72

Source: BoN & HEI Research

Important disclosure:

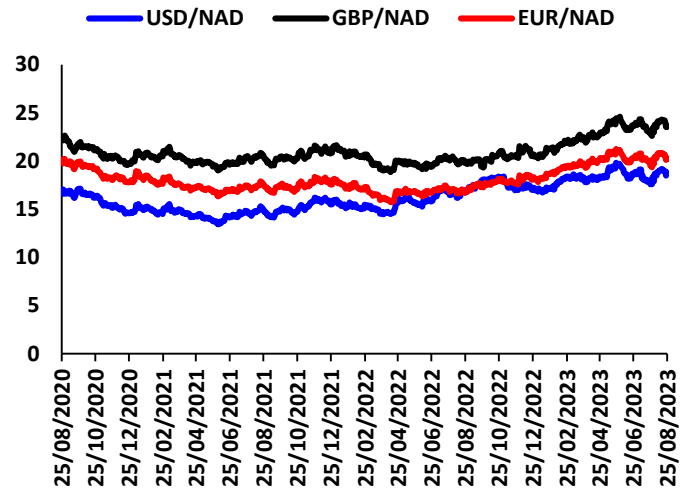
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 25-August-2023



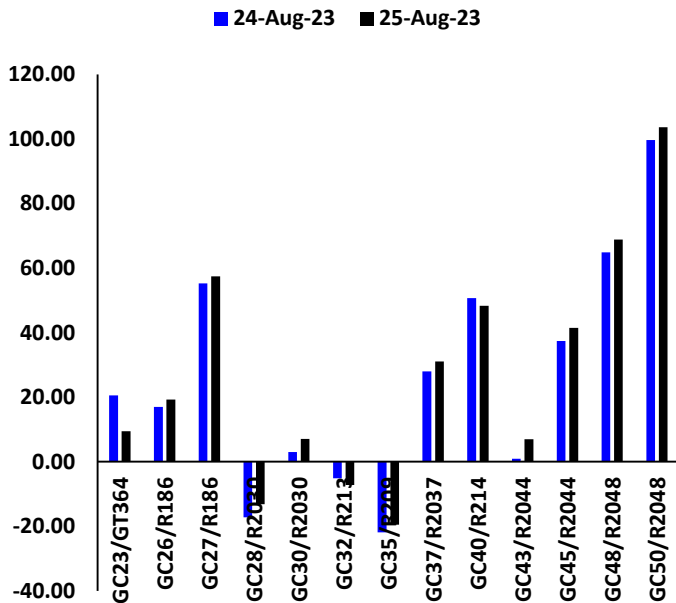
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 24-August 2023



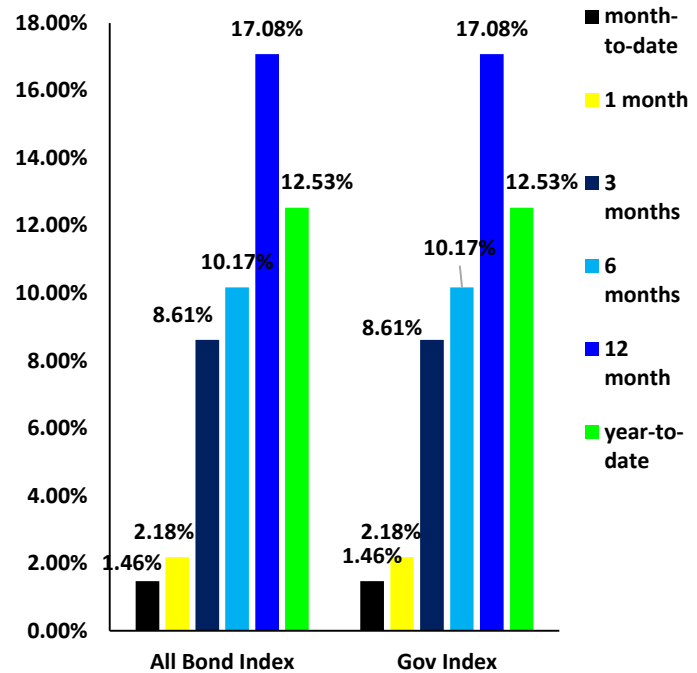
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 24-August-2023 vs. 25-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 25-August 2023 (%)



Source: Bloomberg & HEI Database

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