



Daily Fixed Income Report (07 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar is trading 1.6% higher against Namibian dollar at N\$18.78 while the euro is trading marginally higher at N\$20.65. Furthermore, the British pound has amplified against the Namibia to trade at N\$23.97 (Figure 3)
- The yield of the GC2026 bond declined from 9.21% to 9.14%. Additionally, the GC2048 bond's yield experienced a weakening from 13.09% to 13.08% (Table 2)
- Figure 2 displayed a significant deteriorated in the daily bond spreads.
- Based on the analysis depicted in Figure 4, total bond returns exhibited a slight increase
- Table 1 indicated no change in fixed-term deposits

Table 1: Fixed Term Deposits

<i>Term</i>	4-Aug-23	7-Aug-23
<i>1 Month</i>	7.66	7.66
<i>2 Months</i>	7.74	7.74
<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>	8.46	8.46
<i>9 Months</i>	8.53	8.53
<i>10 Months</i>	8.64	8.64
<i>11 Months</i>	8.68	8.68
<i>12 Months</i>	8.74	8.74

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

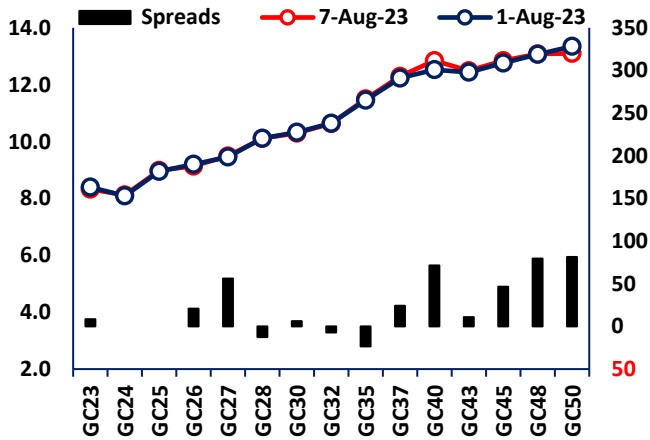
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			1-Aug-23	4-Aug-23	7-Aug-23	(bps)	7-Aug-23
GC23	8.85	15-Oct-23	8.40	8.41	8.33	-8.34	100.05
GC24	10.5	15-Oct-24	8.09	8.19	8.12	-7.08	102.62
GC25	8.5	15-Apr-25	8.95	9.05	8.98	-7.11	99.24
GC26	8.5	15-Apr-26	9.20	9.21	9.14	-7.10	98.49
GC27	8	15-Jan-27	9.46	9.56	9.49	-7.10	95.70
GC28	8.5	15-Oct-28	10.12	10.19	10.11	-8.11	93.60
GC30	8	15-Jan-30	10.33	10.46	10.30	-15.81	89.37
GC32	9	15-Apr-32	10.64	10.70	10.63	-6.75	90.85
GC35	9.5	15-Jul-35	11.45	11.54	11.50	-4.41	87.19
GC37	9.5	15-Jul-37	12.23	12.33	12.29	-3.40	81.58
GC40	9.8	15-Oct-40	12.53	12.62	12.84	22.69	79.05
GC43	10	15-Jul-43	12.44	12.50	12.49	-0.87	81.83
GC45	9.85	15-Jul-45	12.76	12.85	12.84	-0.88	78.19
GC48	10	15-Oct-48	13.07	13.09	13.08	-1.11	77.89
GC50	10.25	15-Jul-50	13.35	13.35	13.10	-25.13	78.94

Source: BoN & HEI Research

Important disclosure:

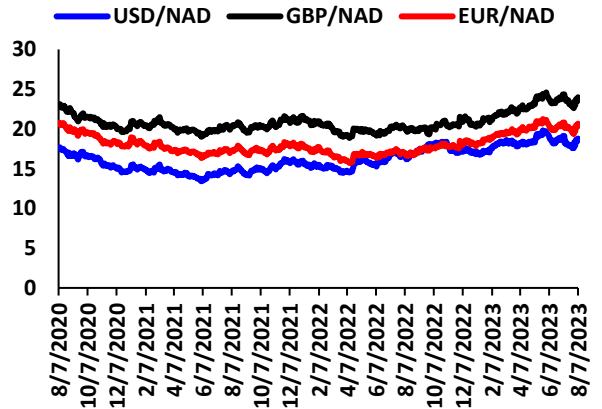
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 07-August-2023



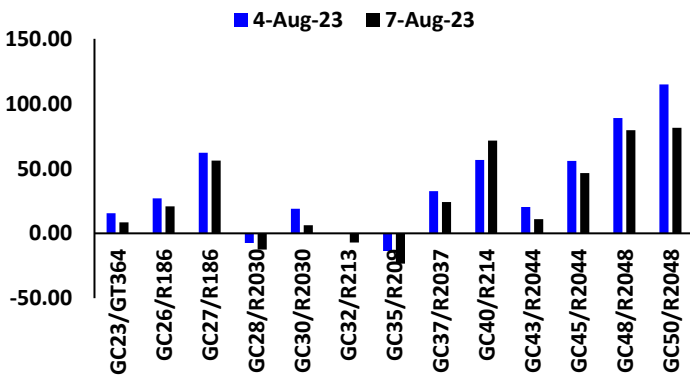
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 07-August 2023



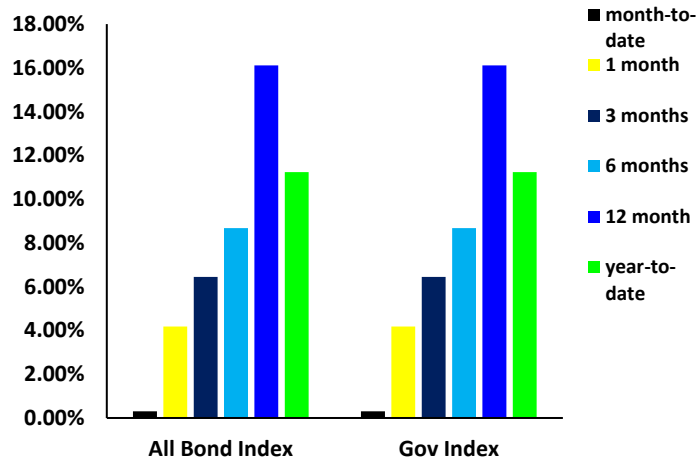
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 07-August-2023 vs. 04-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 07-August 2023 (%)



Source: Bloomberg & HEI Database

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