



Daily Fixed Income Report (08 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading 0.5% higher against Namibian dollar at N\$18.87 while the euro was trading 0.2% marginally higher at N\$20.07. Furthermore, the British pound amplified against the Namibia by 0.5% trading at N\$24.08 (Figure 3)

- The yield of the GC2026 bond declined from 9.14% to 9.10%. Additionally, the GC2048 bond's yield experienced a weakening from 13.08% to 13.09% (Table 2)
- Figure 2 displayed mixed behavior in the daily bond spreads.
- Based on the analysis depicted in Figure 4, total bond returns exhibited a slight increase
- Table 1 indicated a slight decline all in fixed-term deposits

Table 1: Fixed Term Deposits

<i>Term</i>	7-Aug-23	8-Aug-23
<i>1 Month</i>	7.66	7.65
<i>2 Months</i>	7.74	7.73
<i>3 Months</i>	7.91	7.90
<i>4 Months</i>	8.00	7.99
<i>5 Months</i>	8.04	8.03
<i>6 Months</i>	8.34	8.33
<i>7 Months</i>	8.41	8.40
<i>8 Months</i>	8.46	8.45
<i>9 Months</i>	8.53	8.51
<i>10 Months</i>	8.64	8.63
<i>11 Months</i>	8.68	8.67
<i>12 Months</i>	8.74	8.73

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

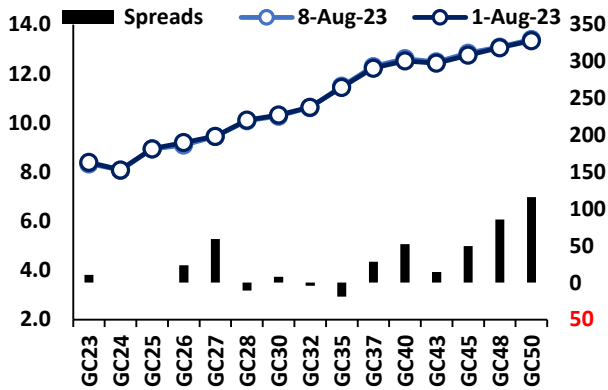
<i>Bonds</i>	<i>Coupon</i>	<i>Maturity</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>YTM (%)</i>	<i>DTDA</i>	<i>Prices</i>
			1-Aug-23	7-Aug-23	8-Aug-23	(bps)	8-Aug-23
GC23	8.85	15-Oct-23	8.40	8.33	8.34	1.58	100.05
GC24	10.5	15-Oct-24	8.09	8.12	8.08	-4.01	102.66
GC25	8.5	15-Apr-25	8.95	8.98	8.94	-4.00	99.30
GC26	8.5	15-Apr-26	9.20	9.14	9.10	-4.00	98.58
GC27	8	15-Jan-27	9.46	9.49	9.45	-4.00	95.82
GC28	8.5	15-Oct-28	10.12	10.11	10.09	-1.70	93.67
GC30	8	15-Jan-30	10.33	10.30	10.28	-1.70	89.45
GC32	9	15-Apr-32	10.64	10.63	10.63	-0.50	90.88
GC35	9.5	15-Jul-35	11.45	11.50	11.50	0.20	87.18
GC37	9.5	15-Jul-37	12.23	12.29	12.30	0.80	81.53
GC40	9.8	15-Oct-40	12.53	12.84	12.62	-22.50	80.35
GC43	10	15-Jul-43	12.44	12.49	12.49	-0.13	81.84
GC45	9.85	15-Jul-45	12.76	12.84	12.84	-0.12	78.19
GC48	10	15-Oct-48	13.07	13.08	13.09	1.06	77.83
GC50	10.25	15-Jul-50	13.35	13.10	13.40	29.68	77.21

Source: BoN & HEI Research

Important disclosure:

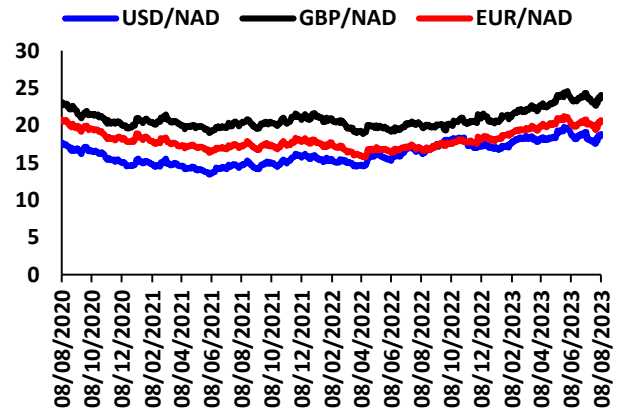
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 08-August-2023



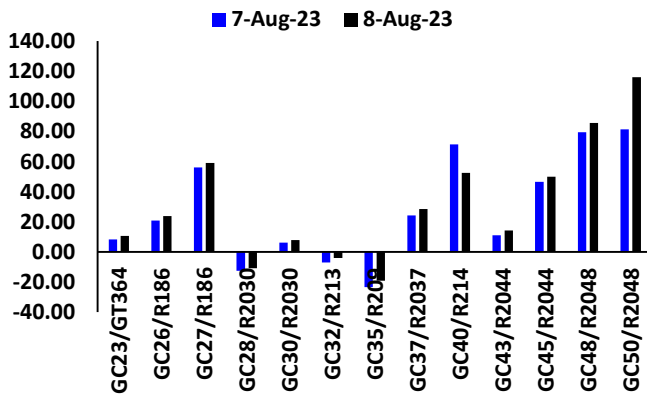
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 08-August 2023



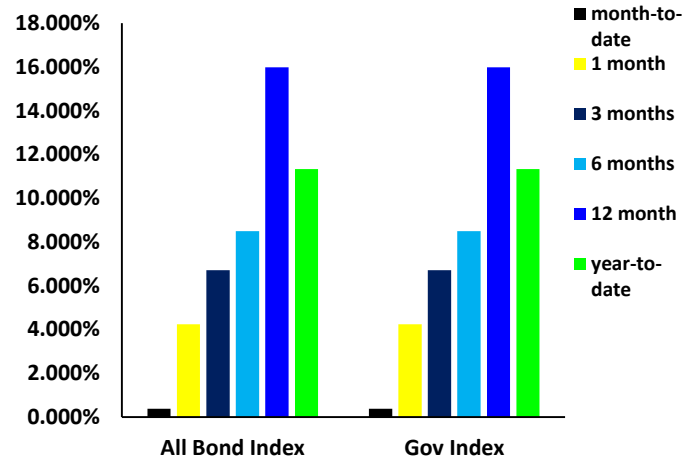
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 08-August-2023 vs. 07-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 08-August 2023 (%)



Source: Bloomberg & HEI Database

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