



Daily Fixed Income Report (18 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the US dollar was trading 0.2% lower against the Namibian dollar at N\$19.01, while the euro was trading 0.2% marginally lesser at N\$20.68. Furthermore, the British pound slightly declined against the Namibian dollar by 0.2% trading at N\$24.21(Figure 3)

- The yield of the GC2026 bond slightly increased from 9.16% to 9.25%. Additionally, the GC2048 bond's yield also experienced an up soar from 13.00% to 13.09% (Table 2)
- The Nam vs SA Spreads marginally increased (Figure 2).
- Based on the analysis depicted in Figure 4, total bond returns a increased, when compared to the previous day
- Table 1 indicated a decline in fixed-term deposits

Table 1: Fixed Term Deposits

Term	17-Aug-23	18-Aug-23
1 Month	7.75	7.75
2 Months	7.82	7.82
3 Months	7.87	7.86
4 Months	7.94	7.93
5 Months	8.01	8.00
6 Months	8.28	8.26
7 Months	8.35	8.34
8 Months	8.40	8.39
9 Months	8.46	8.45
10 Months	8.58	8.56
11 Months	8.62	8.61
12 Months	8.68	8.68

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

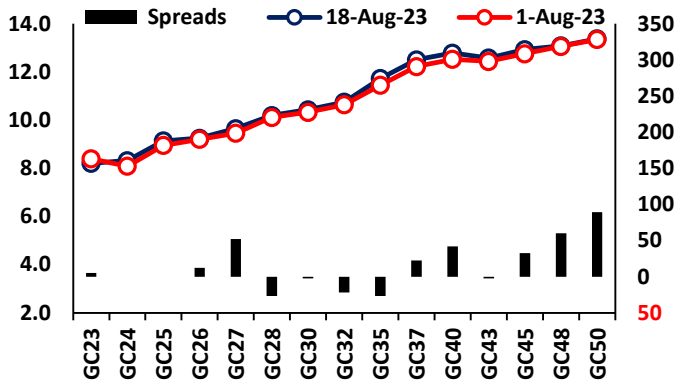
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	17-Aug-23	18-Aug-23	(bps)	18-Aug-23
GC23	8.85	15-Oct-23	8.40	8.37	8.21	-15.92	100.06
GC24	10.5	15-Oct-24	8.09	8.23	8.32	9.10	102.33
GC25	8.5	15-Apr-25	8.95	9.05	9.14	9.00	99.01
GC26	8.5	15-Apr-26	9.20	9.16	9.25	8.90	98.24
GC27	8	15-Jan-27	9.46	9.56	9.65	9.00	95.29
GC28	8.5	15-Oct-28	10.12	10.09	10.19	10.50	93.31
GC30	8	15-Jan-30	10.33	10.34	10.44	9.50	88.80
GC32	9	15-Apr-32	10.64	10.68	10.75	7.10	90.28
GC35	9.5	15-Jul-35	11.45	11.64	11.73	8.80	85.85
GC37	9.5	15-Jul-37	12.23	12.43	12.51	8.10	80.39
GC40	9.8	15-Oct-40	12.53	12.70	12.78	8.30	79.41
GC43	10	15-Jul-43	12.44	12.50	12.58	8.75	81.26
GC45	9.85	15-Jul-45	12.76	12.87	12.93	6.52	77.67
GC48	10	15-Oct-48	13.07	13.00	13.09	8.87	77.85
GC50	10.25	15-Jul-50	13.35	13.32	13.38	6.13	77.31

Source: BoN & HEI Research

Important disclosure:

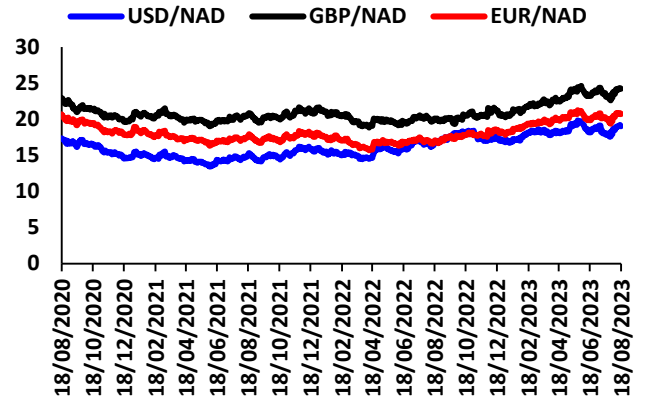
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 18-August-2023



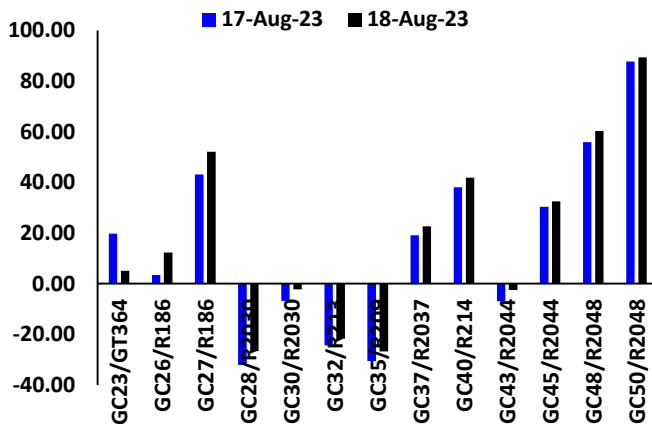
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 18-August 2023



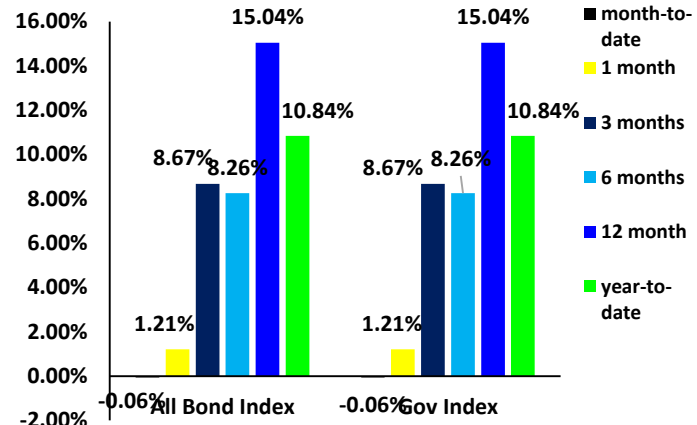
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 17-August-2023 vs. 18-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 18-August 2023 (%)



Source: Bloomberg & HEI Database

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