



Daily Fixed Income Report (21 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading 0.4% lower against the Namibian dollar at N\$18.94, while the euro was trading 0.1% marginally lesser at N\$20.66. Furthermore, the British pound slightly declined against the Namibian dollar by 0.1% trading at N\$24.19(Figure 3)

- The yield of the GC2026 bond slightly increased from 9.25% to 9.29%. Additionally, the GC2048 bond's yield also experienced an up soar from 13.09% to 13.14% (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	18-Aug-23	21-Aug-23
1 Month	7.75	7.75
2 Months	7.82	7.85
3 Months	7.86	7.84
4 Months	7.93	7.91
5 Months	8.00	7.96
6 Months	8.26	8.24
7 Months	8.34	8.33
8 Months	8.39	8.38
9 Months	8.45	8.44
10 Months	8.56	8.53
11 Months	8.61	8.60
12 Months	8.68	8.66

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

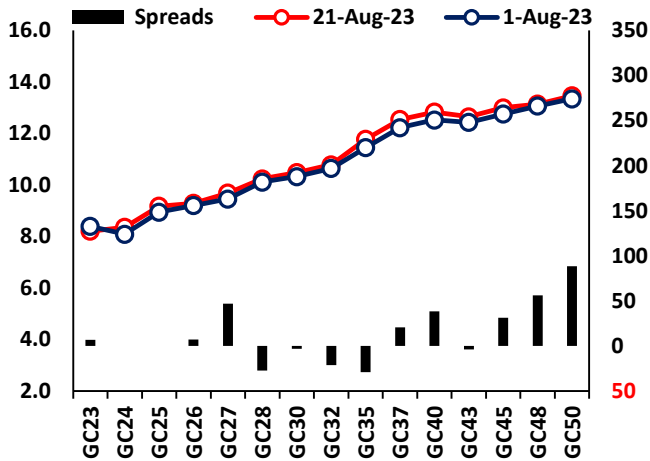
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	18-Aug-23	21-Aug-23	(bps)	21-Aug-23
GC23	8.85	15-Oct-23	8.40	8.21	8.21	-0.03	100.06
GC24	10.5	15-Oct-24	8.09	8.32	8.36	3.90	102.28
GC25	8.5	15-Apr-25	8.95	9.14	9.18	3.90	98.96
GC26	8.5	15-Apr-26	9.20	9.25	9.29	3.90	98.16
GC27	8	15-Jan-27	9.46	9.65	9.69	3.90	95.19
GC28	8.5	15-Oct-28	10.12	10.19	10.24	4.60	93.15
GC30	8	15-Jan-30	10.33	10.44	10.48	4.60	88.61
GC32	9	15-Apr-32	10.64	10.75	10.79	4.30	90.07
GC35	9.5	15-Jul-35	11.45	11.73	11.78	4.50	85.59
GC37	9.5	15-Jul-37	12.23	12.51	12.55	4.00	80.17
GC40	9.8	15-Oct-40	12.53	12.78	12.83	4.90	79.14
GC43	10	15-Jul-43	12.44	12.58	12.65	6.94	80.84
GC45	9.85	15-Jul-45	12.76	12.93	13.00	6.95	77.26
GC48	10	15-Oct-48	13.07	13.09	13.14	5.30	77.54
GC50	10.25	15-Jul-50	13.35	13.38	13.47	8.67	76.81

Source: BoN & HEI Researc

Important disclosure:

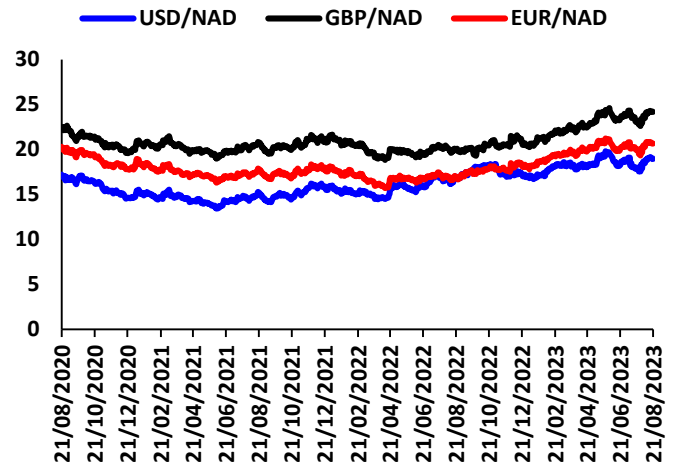
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 21-August-2023



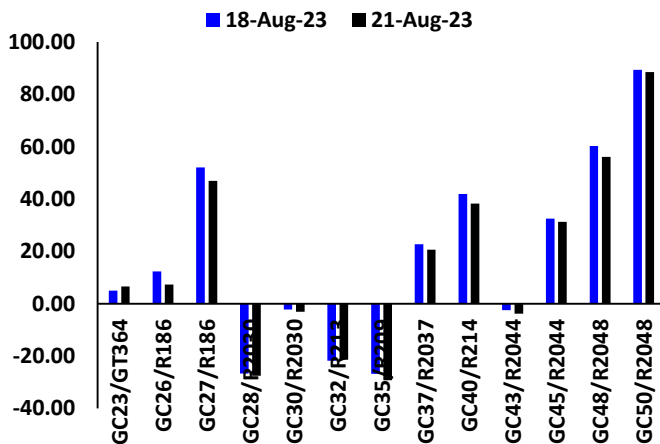
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 21-August 2023



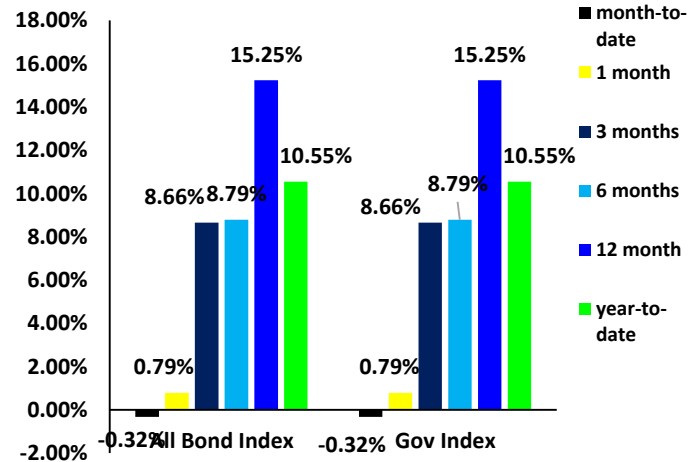
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 18-August-2023 vs. 21-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 21-August 2023 (%)



Source: Bloomberg & HEI Database

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