

## Daily Fixed Income Report (22 August 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading 0.1% lower against the Namibian dollar at N\$18.80, while the euro was trading 1.3% lesser at N\$20.39. Furthermore, the British pound slightly declined against the Namibian dollar by 1.3% trading at N\$24.94(Figure 3)

- The yield of the GC2026 bond slightly increased from 9.29% to 9.30%. Additionally, the GC2048 bond's yield also experienced an up soar from 13.14% to 13.15% (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 continuous decline in fixed-term deposits

**Table 1: Fixed Term Deposits**

Term	21-Aug-23	22-Aug-23
1 Month	7.75	7.67
2 Months	7.85	7.74
3 Months	7.84	7.76
4 Months	7.91	7.84
5 Months	7.96	7.90
6 Months	8.24	8.19
7 Months	8.33	8.28
8 Months	8.38	8.33
9 Months	8.44	8.39
10 Months	8.53	8.50
11 Months	8.60	8.55
12 Months	8.66	8.61

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

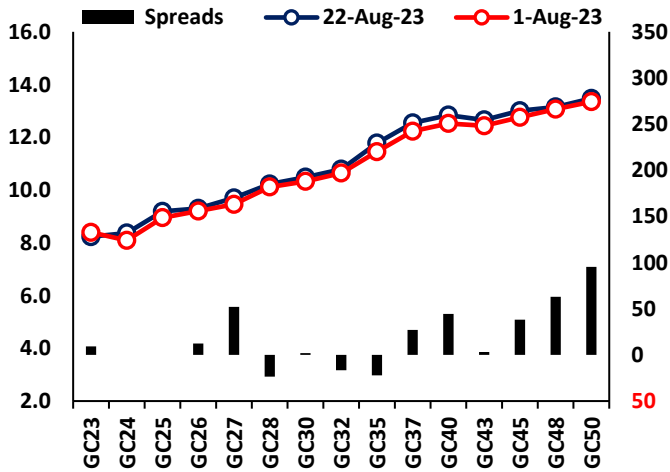
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	21-Aug-23	22-Aug-23		(bps)
GC23	8.85	15-Oct-23	8.40	8.21	8.23	2.60	100.05
GC24	10.5	15-Oct-24	8.09	8.36	8.37	1.00	102.26
GC25	8.5	15-Apr-25	8.95	9.18	9.19	1.00	98.95
GC26	8.5	15-Apr-26	9.20	9.29	9.30	1.00	98.13
GC27	8	15-Jan-27	9.46	9.69	9.70	1.00	95.16
GC28	8.5	15-Oct-28	10.12	10.24	10.23	-1.10	93.19
GC30	8	15-Jan-30	10.33	10.48	10.48	0.10	88.61
GC32	9	15-Apr-32	10.64	10.79	10.79	-0.20	90.08
GC35	9.5	15-Jul-35	11.45	11.78	11.78	0.01	85.59
GC37	9.5	15-Jul-37	12.23	12.55	12.55	-0.09	80.17
GC40	9.8	15-Oct-40	12.53	12.83	12.84	0.60	79.10
GC43	10	15-Jul-43	12.44	12.65	12.66	0.44	80.81
GC45	9.85	15-Jul-45	12.76	13.00	13.01	0.43	77.24
GC48	10	15-Oct-48	13.07	13.14	13.15	0.88	77.49
GC50	10.25	15-Jul-50	13.35	13.47	13.47	0.88	76.76

**Source: BoN & HEI Research**

**Important disclosure:**

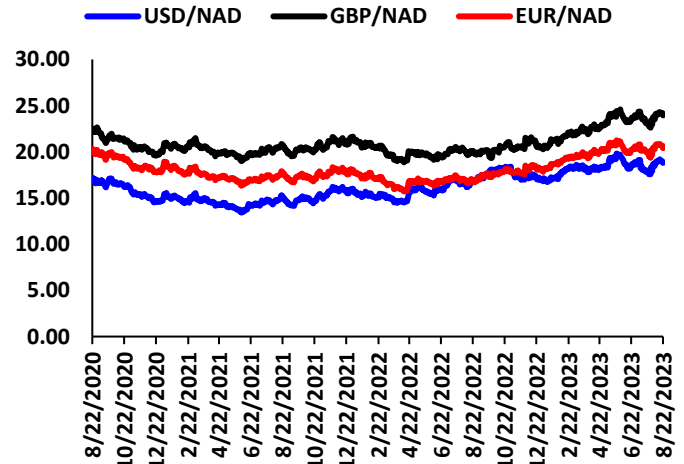
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 22-August-2023



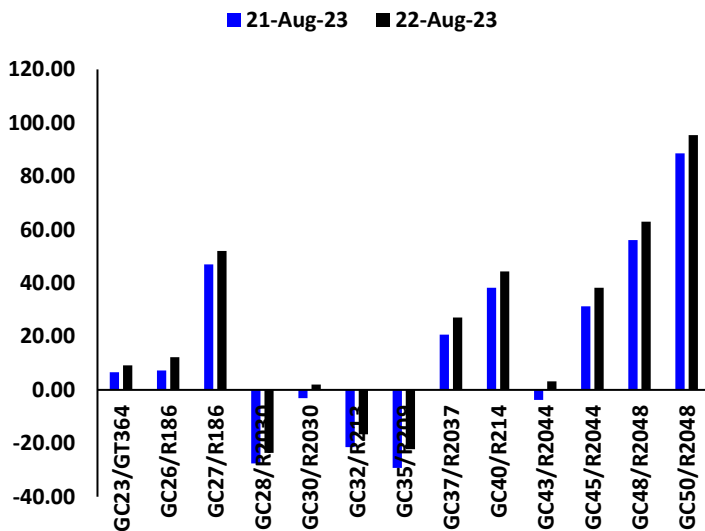
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 22-August 2023



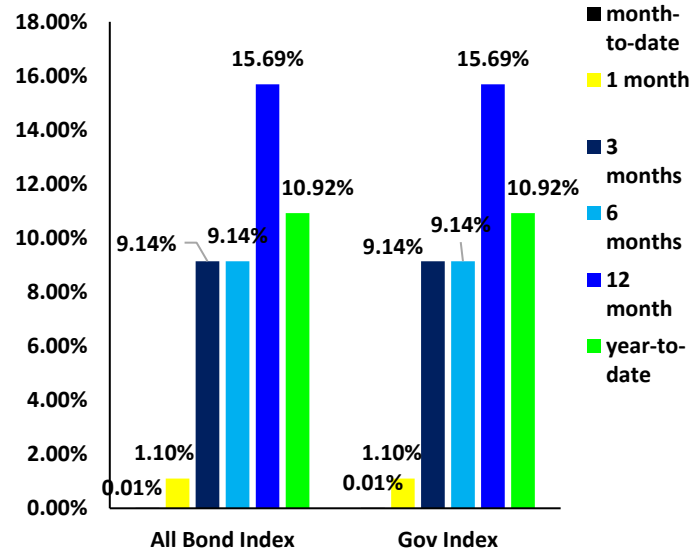
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 21-August-2023 vs. 22-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 22-August 2023 (%)



Source: Bloomberg & HEI Database

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