

## Daily Fixed Income Report (23 August 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading 0.2% lower against the Namibian dollar at N\$18.49, while the Euro was trading 1.4% lesser at N\$20.10. Furthermore, the British pound slightly declined against the Namibian dollar by 1.7% trading at N\$23.53 (Figure 3)

- The yield of the GC2026 bond slightly declined from 9.30% to 9.25%. Additionally, the GC2048 bond's yield also experienced a deterioration from 13.15% to 13.10% (Table 2)
- The Nam vs SA Spreads significantly 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	22-Aug-23	23-Aug-23
1 Month	7.67	7.65
2 Months	7.74	7.72
3 Months	7.76	7.75
4 Months	7.84	7.80
5 Months	7.90	7.89
6 Months	8.19	8.19
7 Months	8.28	8.26
8 Months	8.33	8.31
9 Months	8.39	8.38
10 Months	8.50	8.49
11 Months	8.55	8.55
12 Months	8.61	8.61

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

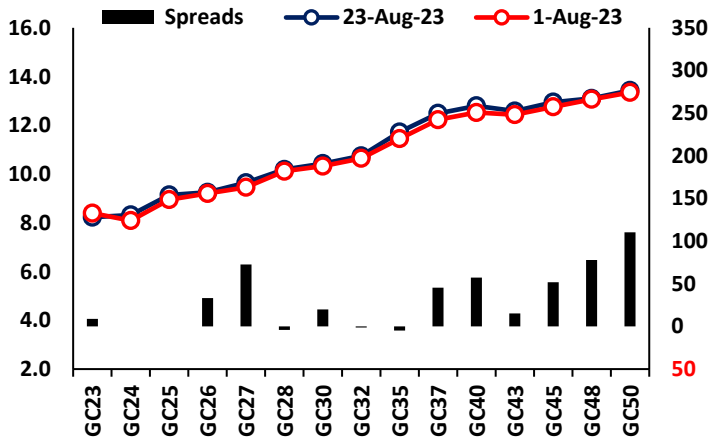
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA (bps)	Prices 23-Aug-23
			1-Aug-23	22-Aug-23	23-Aug-23		
GC23	8.85	15-Oct-23	8.40	8.23	8.23	-0.40	100.05
GC24	10.5	15-Oct-24	8.09	8.37	8.32	-4.80	102.31
GC25	8.5	15-Apr-25	8.95	9.19	9.14	-4.80	99.02
GC26	8.5	15-Apr-26	9.20	9.30	9.25	-5.32	98.26
GC27	8	15-Jan-27	9.46	9.70	9.64	-5.54	95.32
GC28	8.5	15-Oct-28	10.12	10.23	10.19	-3.89	93.34
GC30	8	15-Jan-30	10.33	10.48	10.43	-5.50	88.85
GC32	9	15-Apr-32	10.64	10.79	10.75	-4.12	90.29
GC35	9.5	15-Jul-35	11.45	11.78	11.72	-5.40	85.90
GC37	9.5	15-Jul-37	12.23	12.55	12.49	-5.70	80.49
GC40	9.8	15-Oct-40	12.53	12.84	12.80	-4.10	79.34
GC43	10	15-Jul-43	12.44	12.66	12.58	-7.20	81.25
GC45	9.85	15-Jul-45	12.76	13.01	12.95	-5.75	77.57
GC48	10	15-Oct-48	13.07	13.15	13.10	-4.60	77.76
GC50	10.25	15-Jul-50	13.35	13.47	13.43	-4.53	77.02

**Source: BoN & HEI Research**

**Important disclosure:**

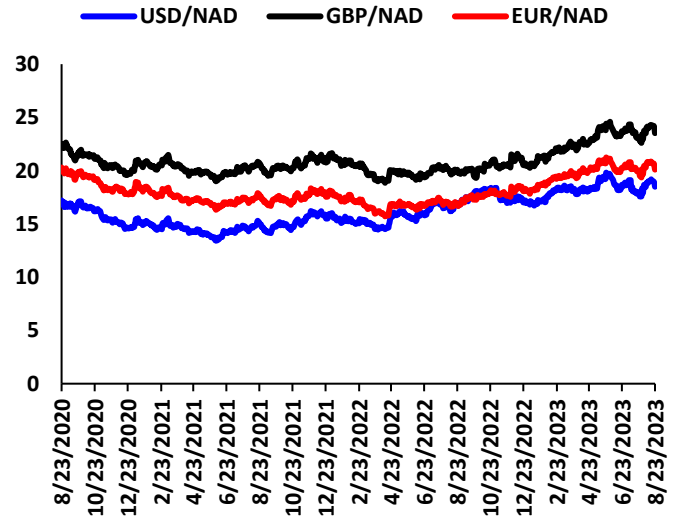
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 23-August-2023



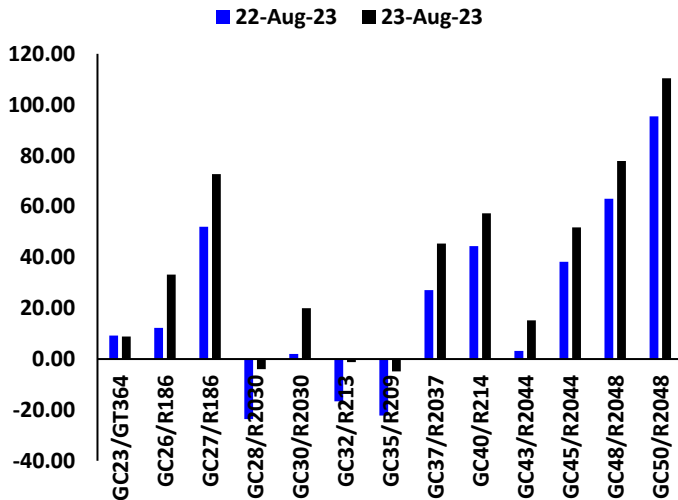
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 23-August 2023



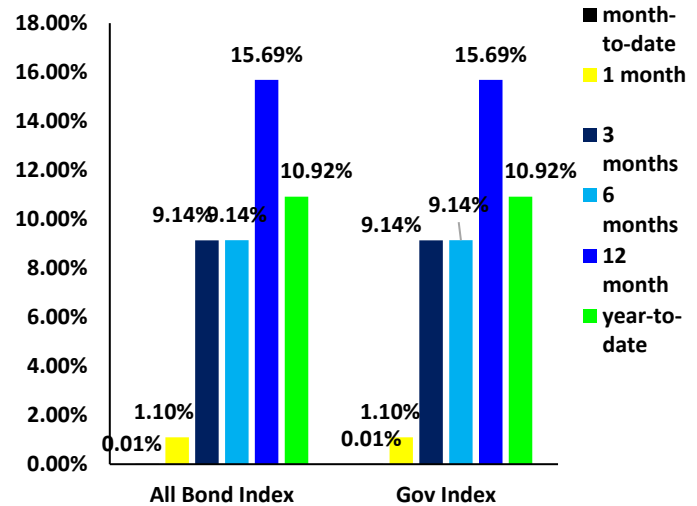
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 22-August-2023 vs. 23-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 23-August 2023 (%)



Source: Bloomberg & HEI Database

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