



Daily Fixed Income Report (24 August 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading 0.2% higher against the Namibian dollar at N\$18.84, while the Euro was trading 1.1% higher at N\$20.33. Furthermore, the British pound slightly increased against the Namibian dollar by 0.7% trading at N\$23.69 (Figure 3)
- The yield of the GC2026 bond significantly declined by 16.45 basis points, from 9.25% to 9.09%. Additionally, the GC2048 bond's yield also experienced deterioration by 14.02 basis points, spanning from 13.10% to 12.96% (Table 2)
- The Nam vs SA Spreads remained unchanged (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	23-Aug-23	24-Aug-23
1 Month	7.65	7.65
2 Months	7.72	7.72
3 Months	7.75	7.73
4 Months	7.80	7.77
5 Months	7.89	7.86
6 Months	8.19	8.16
7 Months	8.26	8.24
8 Months	8.31	8.29
9 Months	8.38	8.35
10 Months	8.49	8.45
11 Months	8.55	8.53
12 Months	8.61	8.59

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

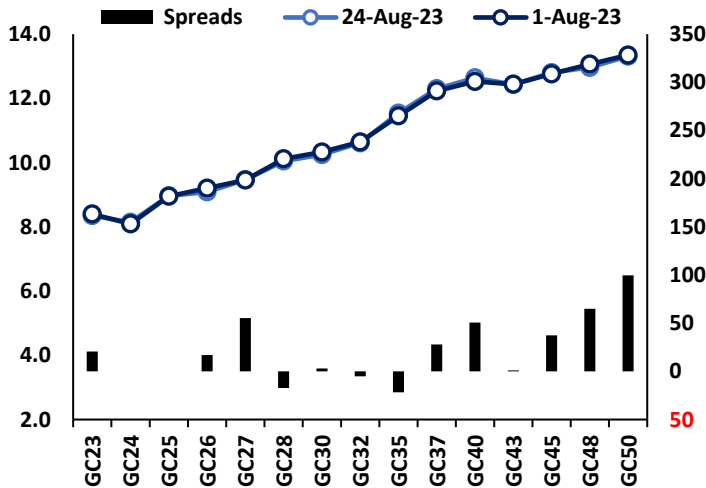
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	23-Aug-23	24-Aug-23	(bps)	24-Aug-23
GC23	8.85	15-Oct-23	8.40	8.23	8.35	11.78	100.03
GC24	10.5	15-Oct-24	8.09	8.32	8.14	-17.95	102.50
GC25	8.5	15-Apr-25	8.95	9.14	8.96	-17.95	99.29
GC26	8.5	15-Apr-26	9.20	9.25	9.09	-16.45	98.63
GC27	8	15-Jan-27	9.46	9.64	9.47	-17.66	95.81
GC28	8.5	15-Oct-28	10.12	10.19	10.05	-14.20	93.88
GC30	8	15-Jan-30	10.33	10.43	10.25	-18.00	89.62
GC32	9	15-Apr-32	10.64	10.75	10.61	-13.40	90.99
GC35	9.5	15-Jul-35	11.45	11.72	11.54	-18.45	86.96
GC37	9.5	15-Jul-37	12.23	12.49	12.30	-18.90	81.55
GC40	9.8	15-Oct-40	12.53	12.80	12.64	-16.10	80.27
GC43	10	15-Jul-43	12.44	12.58	12.43	-15.05	82.17
GC45	9.85	15-Jul-45	12.76	12.95	12.80	-15.06	78.46
GC48	10	15-Oct-48	13.07	13.10	12.96	-14.02	78.57
GC50	10.25	15-Jul-50	13.35	13.43	13.31	-11.75	77.69

Source: BoN & HEI Research

Important disclosure:

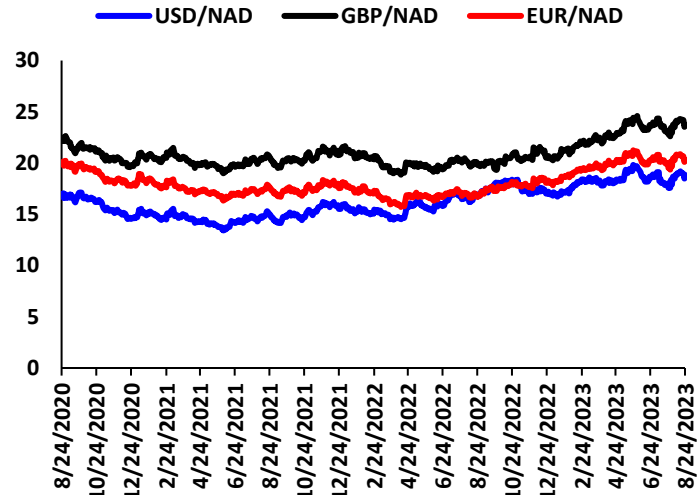
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 24-August-2023



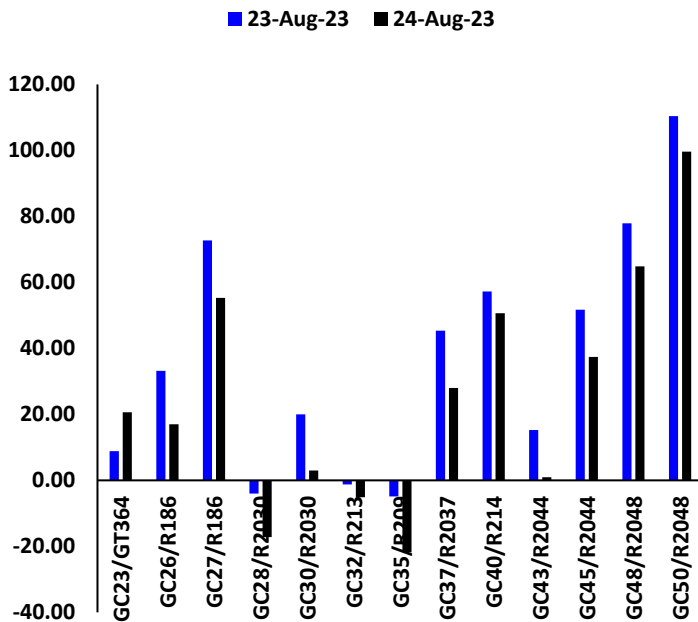
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 24-August 2023



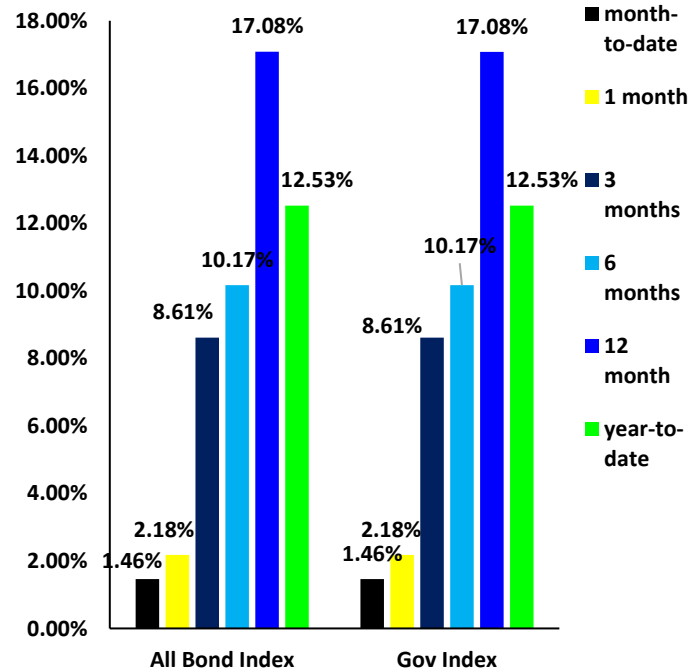
Source: Bloomberg & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 23-August-2023 vs. 24-August-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as at 24-August 2023 (%)



Source: Bloomberg & HEI Database

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