

Daily Fixed Income Report (07 September 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading at 0.008% lower than the Namibian dollar at N\$19.08, while the Euro marginally declined by 0.008% at N\$20.46. Furthermore, the British pound slightly traded weaker against the Namibian dollar by 0.008% trading at N\$23.86 (Figure 3)

- The yield of the GC2026 bond declined by 3.84 bps from 9.10% to 9.06%. The GC2045 bond's yield weakened by 8.01 bps, from 12.98% to 12.90%. (Table 2)
- The Namibian bond spreads declined drastically on the short and long-end curves (Figure 2).
- Based on the analysis depicted in Figure 4, total bond returns increased radically
- Table 1 indicated no changes in futures fixed-term deposit rates

Table 1: Fixed Term Deposits

Term	6-Sep-23	7-Sep-23
1 Month	7.63	7.63
2 Months	7.69	7.69
3 Months	7.69	7.69
4 Months	7.73	7.73
5 Months	7.83	7.83
6 Months	8.15	8.15
7 Months	8.21	8.21
8 Months	8.26	8.26
9 Months	8.31	8.31
10 Months	8.40	8.40
11 Months	8.47	8.47
12 Months	8.53	8.53

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

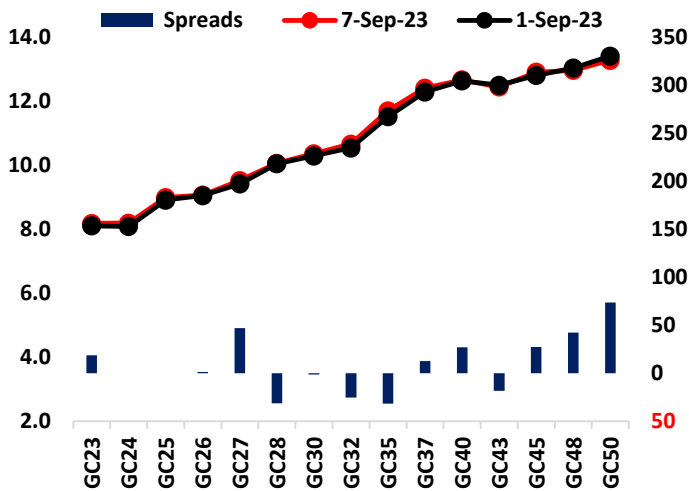
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Sep-23	6-Sep-23	7-Sep-23		
GC23	8.85	15-Oct-23	8.10	8.12	8.18	5.08	100.04
GC24	10.5	15-Oct-24	8.08	8.20	8.19	-1.55	102.38
GC25	8.5	15-Apr-25	8.91	9.03	8.99	-3.85	99.27
GC26	8.5	15-Apr-26	9.05	9.10	9.06	-3.84	98.70
GC27	8	15-Jan-27	9.41	9.55	9.52	-3.15	95.71
GC28	8.5	15-Oct-28	10.04	10.09	10.06	-3.15	93.88
GC30	8	15-Jan-30	10.29	10.39	10.36	-3.25	89.20
GC32	9	15-Apr-32	10.54	10.69	10.66	-3.35	90.80
GC35	9.5	15-Jul-35	11.51	11.78	11.69	-8.28	86.09
GC37	9.5	15-Jul-37	12.28	12.51	12.41	-10.02	80.97
GC40	9.8	15-Oct-40	12.63	12.73	12.66	-6.95	80.15
GC43	10	15-Jul-43	12.49	12.52	12.44	-7.99	82.13
GC45	9.85	15-Jul-45	12.80	12.98	12.90	-8.01	77.87
GC48	10	15-Oct-48	13.03	13.04	12.96	-8.13	78.61
GC50	10.25	15-Jul-50	13.40	13.35	13.27	-7.66	77.92

Source: BoN & HEI Research

Important disclosure:

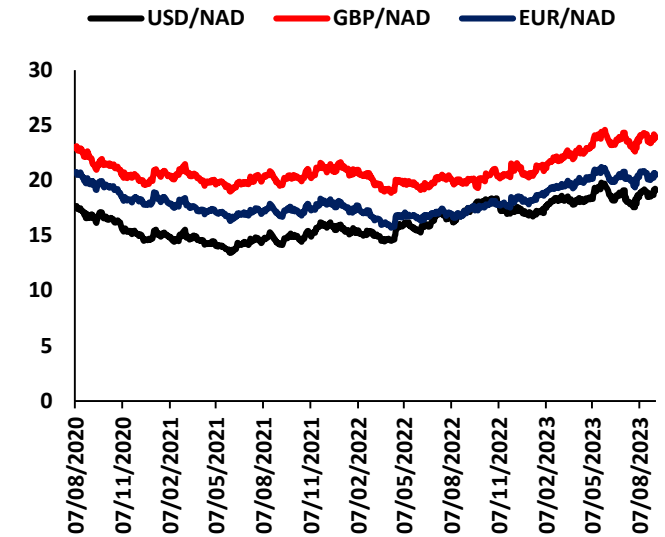
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Figure 1. Namibia Bond Yield: 01-September-2023 vs. 07-September-2023



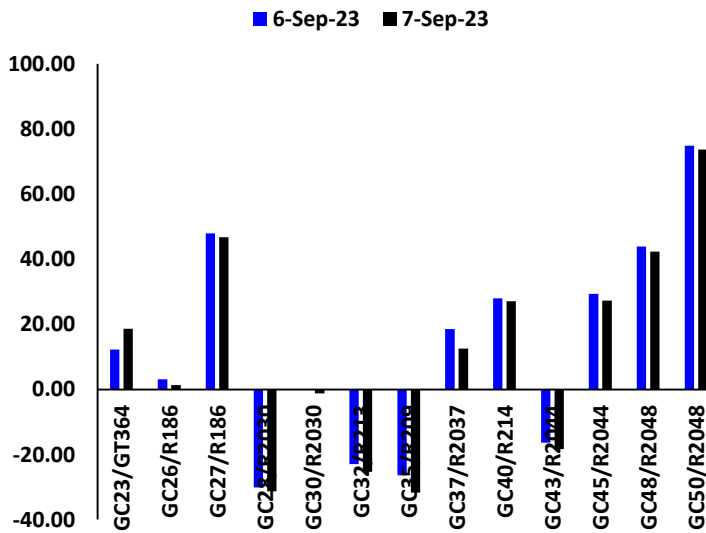
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 07-September-2023



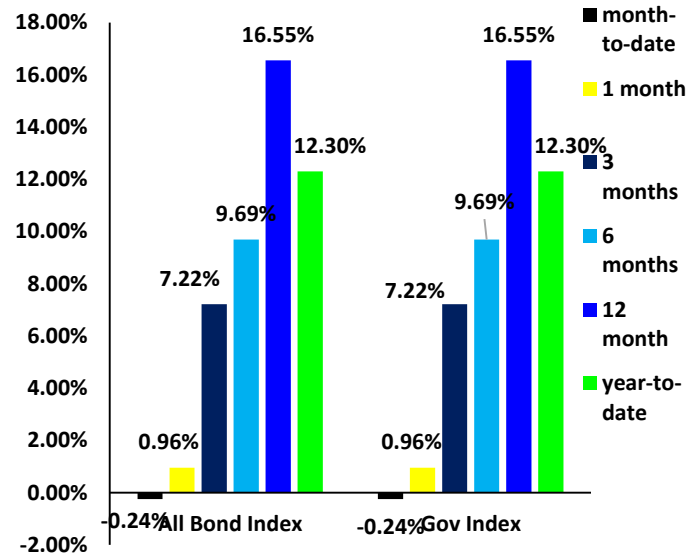
Source: Investing.com & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 06-September-2023 vs. 07-September-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as of 07-September-2023 (%)



Source: HEI Research

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