

## Daily Fixed Income Report (01 September 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- On Friday, the US dollar was trading at 0.01% lower than the Namibian dollar at N\$18.66, while the Euro was marginally lower by 0.1% at N\$20.24. Furthermore, the British pound slightly traded weaker against the Namibian dollar by 0.01% trading at N\$23.66 (Figure 3)

- The yield of the GC2026 bond soared by 5.80 bps from 8.99% to 9.05%. The GC2048 bond's yield ascended by 2.88bps, from 13.00% to 13.03%. (Table 2)
- The Namibian bond spreads remained unchanged (Figure 2).
- Based on the analysis depicted in Figure 4, total bond returns declined when compared to the previous day
- Table 1 indicated no changes in futures fixed-term deposit rates

**Table 1: Fixed Term Deposits**

Term	31-Aug-23	1-Sep-23
1 Month	7.65	7.65
2 Months	7.72	7.72
3 Months	7.71	7.71
4 Months	7.75	7.75
5 Months	7.84	7.84
6 Months	8.15	8.15
7 Months	8.21	8.21
8 Months	8.28	8.28
9 Months	8.33	8.33
10 Months	8.38	8.38
11 Months	8.47	8.47
12 Months	8.55	8.55

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

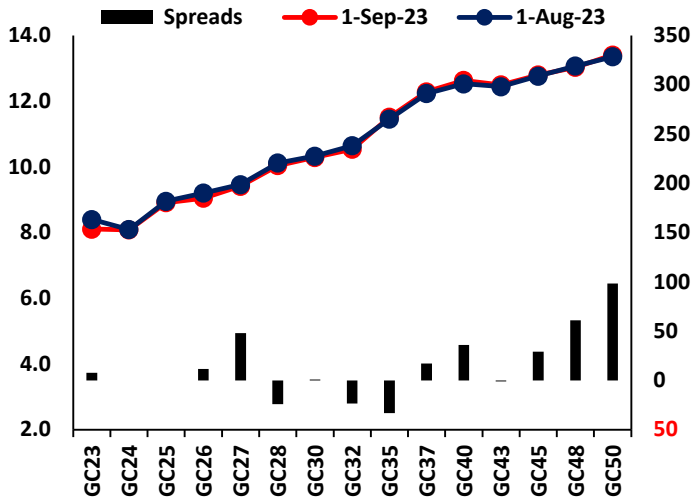
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Aug-23	31-Aug-23	1-Sep-23	(bps)	1-Sep-23
GC23	8.85	15-Oct-23	8.40	8.26	8.10	-15.53	100.06
GC24	10.5	15-Oct-24	8.09	8.02	8.08	5.80	102.52
GC25	8.5	15-Apr-25	8.95	8.85	8.91	5.80	99.38
GC26	8.5	15-Apr-26	9.20	8.99	9.05	5.80	98.73
GC27	8	15-Jan-27	9.46	9.35	9.41	5.80	95.99
GC28	8.5	15-Oct-28	10.12	9.99	10.04	4.70	93.94
GC30	8	15-Jan-30	10.33	10.24	10.29	4.70	89.48
GC32	9	15-Apr-32	10.64	10.50	10.54	3.90	91.42
GC35	9.5	15-Jul-35	11.45	11.47	11.51	4.30	87.14
GC37	9.5	15-Jul-37	12.23	12.24	12.28	4.90	81.64
GC40	9.8	15-Oct-40	12.53	12.59	12.63	4.20	80.32
GC43	10	15-Jul-43	12.44	12.47	12.49	2.00	81.80
GC45	9.85	15-Jul-45	12.76	12.78	12.80	2.00	78.47
GC48	10	15-Oct-48	13.07	13.00	13.03	2.88	78.19
GC50	10.25	15-Jul-50	13.35	13.37	13.40	2.87	77.17

Source: BoN & HEI Research

**Important disclosure:**

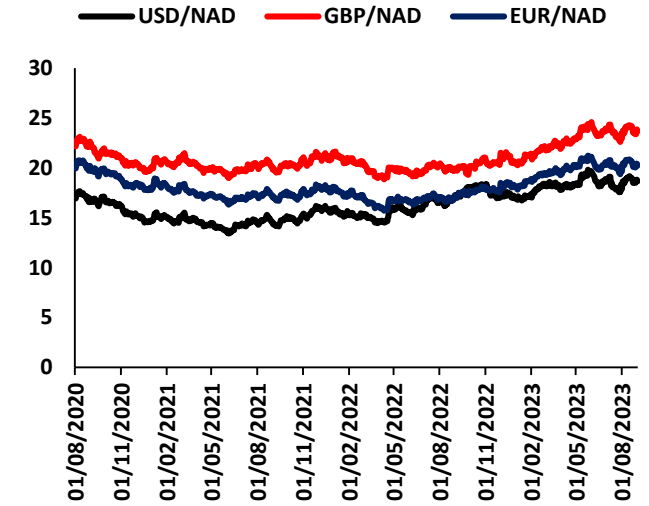
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Figure 1. Namibia Bond Yield: 01-August-2023 vs. 01-September-2023



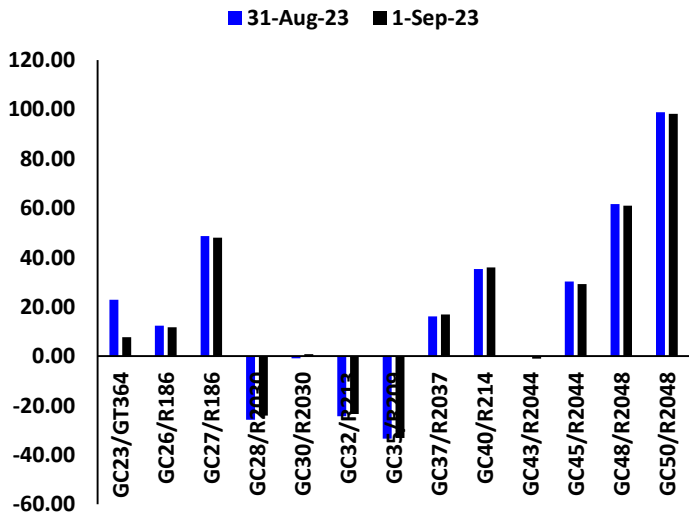
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 01-September-2023



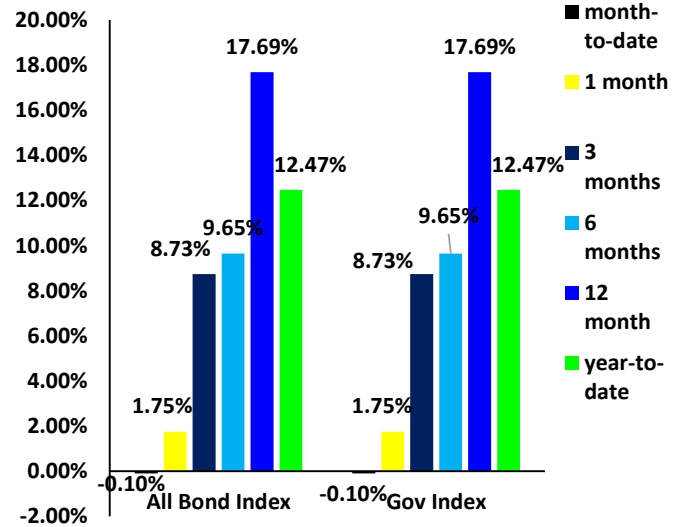
Source: Investing.com & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 31-August-2023 vs. 1-September-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as of 01-September-2023 (%)



Source: HEI Research

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