

## Daily Fixed Income Report (21 September 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading at 0.2% lower than the Namibian dollar at N\$18.90, while the Euro marginally increased by 0.1% at N\$20.14. Furthermore, the British pound slightly traded weaker against the Namibian dollar by 0.4% trading at N\$23.22(Figure 3)

- The yield of the GC2026 bond increased by 7.46bps from 9.04% to 9.11%. The GC2048 bond's yield significantly soared by 8.13 bps, from 12.77% to 12.85%. (Table 2)
- The Namibian bond spreads declined as illustrated in Figure 2
- Based on the analysis depicted in Figure 4, total bond returns increased, on average by 0.63 % yesterday
- Table 1 indicated no change in fixed-term deposit rates

**Table 1: Fixed Term Deposits**

Term	20-Sep-23	21-Sep-23
1 Month	7.58	7.58
2 Months	7.64	7.64
3 Months	7.58	7.58
4 Months	7.69	7.69
5 Months	7.75	7.75
6 Months	8.09	8.09
7 Months	8.14	8.14
8 Months	8.19	8.19
9 Months	8.23	8.23
10 Months	8.38	8.38
11 Months	8.43	8.43
12 Months	8.50	8.50

**Source: BoN & HEI Research**

**Table 2. Namibia Government Bonds**

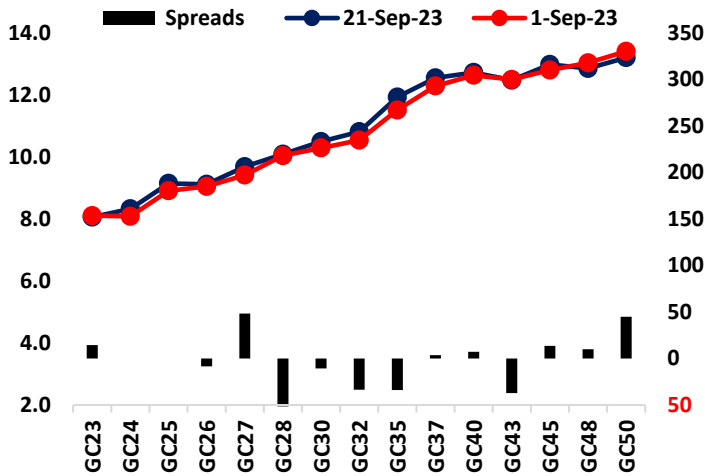
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA (bps)	Prices
			1-Sep-23	20-Sep-23	21-Sep-23		21-Sep-23
GC23	8.85	15-Oct-23	8.10	8.01	8.06	4.70	100.03
<b>GC24</b>	10.5	15-Oct-24	8.08	8.24	8.32	8.35	102.16
<b>GC25</b>	8.5	15-Apr-25	8.91	9.06	9.14	8.35	99.07
<b>GC26</b>	8.5	15-Apr-26	9.05	9.04	9.11	7.46	98.61
<b>GC27</b>	8	15-Jan-27	9.41	9.60	9.68	8.15	95.31
<b>GC28</b>	8.5	15-Oct-28	10.04	10.01	10.08	7.30	93.82
<b>GC30</b>	8	15-Jan-30	10.29	10.40	10.49	8.90	88.67
<b>GC32</b>	9	15-Apr-32	10.54	10.76	10.81	4.65	90.04
<b>GC35</b>	9.5	15-Jul-35	11.51	11.85	11.93	8.00	84.80
<b>GC37</b>	9.5	15-Jul-37	12.28	12.49	12.55	5.90	80.21
<b>GC40</b>	9.8	15-Oct-40	12.63	12.66	12.72	6.20	79.84
<b>GC43</b>	10	15-Jul-43	12.49	12.38	12.47	9.37	81.94
<b>GC45</b>	9.85	15-Jul-45	12.80	12.90	12.98	8.38	77.40
<b>GC48</b>	10	15-Oct-48	13.03	12.77	12.85	8.13	79.25
<b>GC50</b>	10.25	15-Jul-50	13.40	13.17	13.20	3.12	78.35

**Source: BoN & HEI Research**

**Important disclosure:**

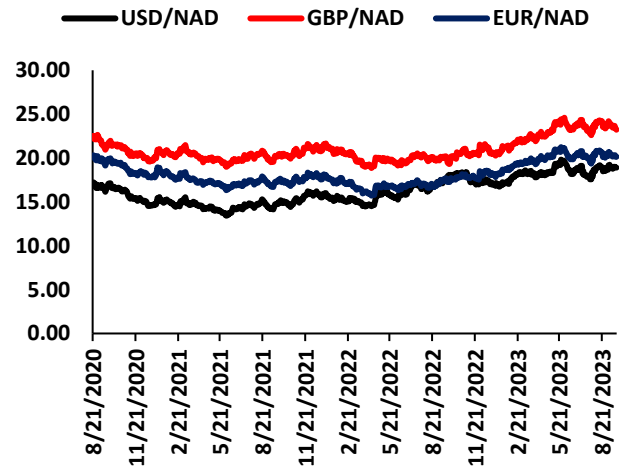
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Figure 1. Namibia Bond Yield: 01-September-2023 vs. 21-September-2023



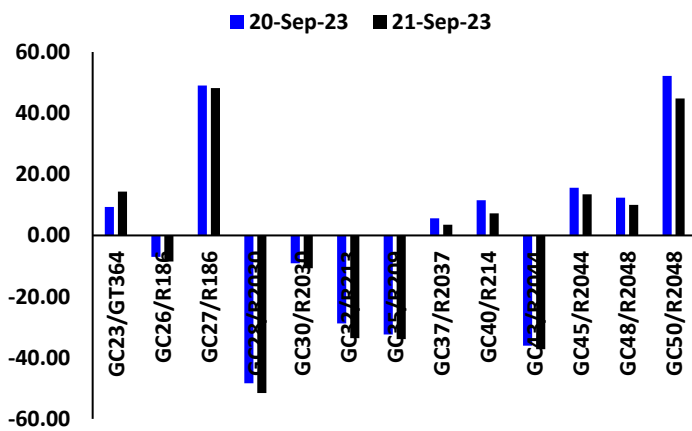
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 21-September-2023



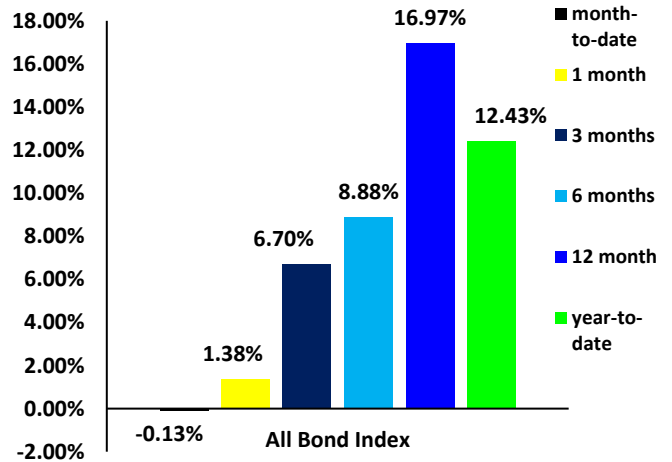
Source: Investing.com & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 20-September-2023 vs. 21-September-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as of 21-September-2023 (%)



Source: HEI Research

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