

Daily Fixed Income Report (22 September 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar was trading at 0.7% lower than the Namibian dollar at N\$18.76 while the Euro marginally declined by 0.8% at N\$19.98. Furthermore, the British pound traded weaker against the Namibian dollar by 1.1% trading at N\$22.96 (Figure 3)

- The yield of the GC2026 bond remained unchanged at 9.11%. The GC2048 bond also experienced no changes in yield remaining at 12.85%. (Table 2)
- The Namibian bond spreads displayed no movement as illustrated in Figure 2
- Based on the analysis depicted in Figure 4, total bond returns declined, on average by 1.08% yesterday
- Table 1 indicated no change in fixed-term deposit rates

Table 1: Fixed Term Deposits

Term	21-Sep-23	22-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

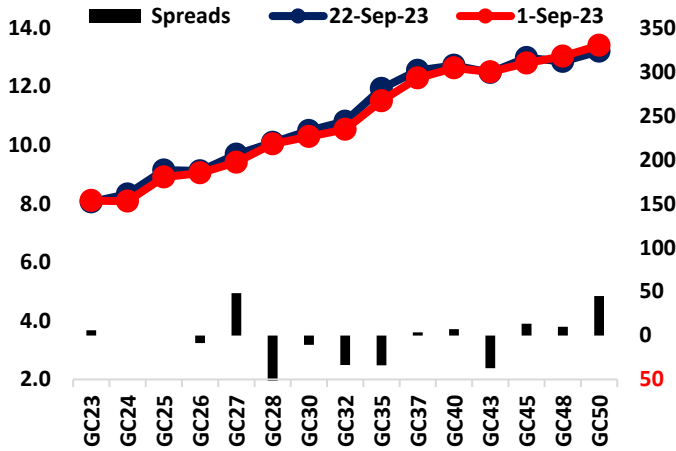
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Sep-23	21-Sep-23	22-Sep-23		(bps)
GC23	8.85	15-Oct-23	8.10	8.06	8.06	0.00	100.0294
GC24	10.5	15-Oct-24	8.08	8.32	8.32	0.00	102.1562
GC25	8.5	15-Apr-25	8.91	9.14	9.14	0.00	99.0719
GC26	8.5	15-Apr-26	9.05	9.11	9.11	0.00	98.6130
GC27	8	15-Jan-27	9.41	9.68	9.68	0.00	95.3085
GC28	8.5	15-Oct-28	10.04	10.08	10.08	0.00	93.8248
GC30	8	15-Jan-30	10.29	10.49	10.49	0.00	88.6776
GC32	9	15-Apr-32	10.54	10.81	10.81	0.00	90.0473
GC35	9.5	15-Jul-35	11.51	11.93	11.93	0.00	84.8035
GC37	9.5	15-Jul-37	12.28	12.55	12.55	0.00	80.2143
GC40	9.8	15-Oct-40	12.63	12.72	12.72	0.00	79.8446
GC43	10	15-Jul-43	12.49	12.47	12.47	0.00	81.9409
GC45	9.85	15-Jul-45	12.80	12.98	12.98	0.00	77.4045
GC48	10	15-Oct-48	13.03	12.85	12.85	0.00	79.2510
GC50	10.25	15-Jul-50	13.40	13.20	13.20	0.00	78.3497

Source: BoN & HEI Research

Important disclosure:

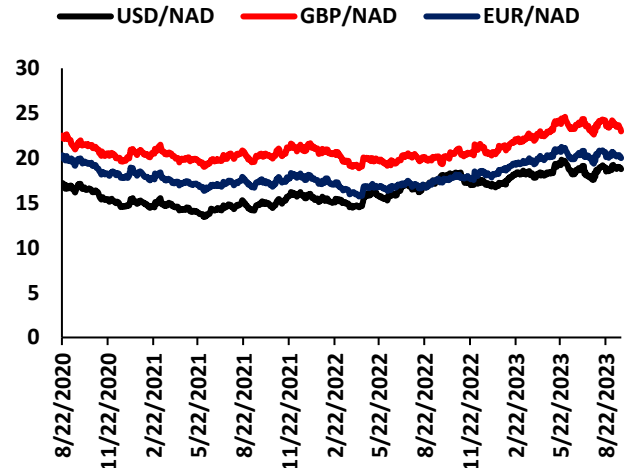
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Figure 1. Namibia Bond Yield: 01-September-2023 vs. 22-September-2023



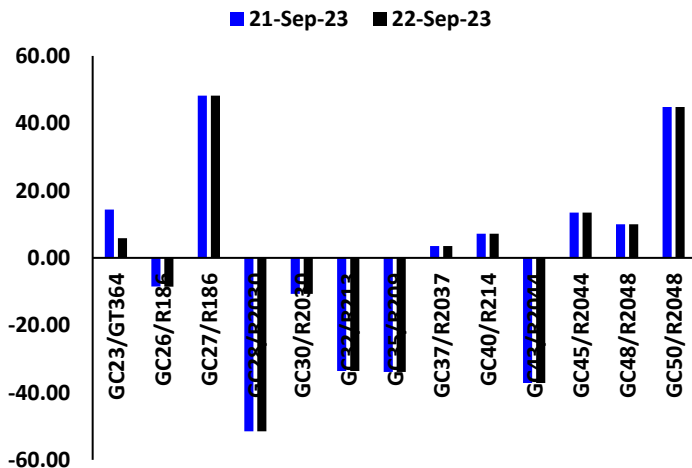
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 22-September-2023



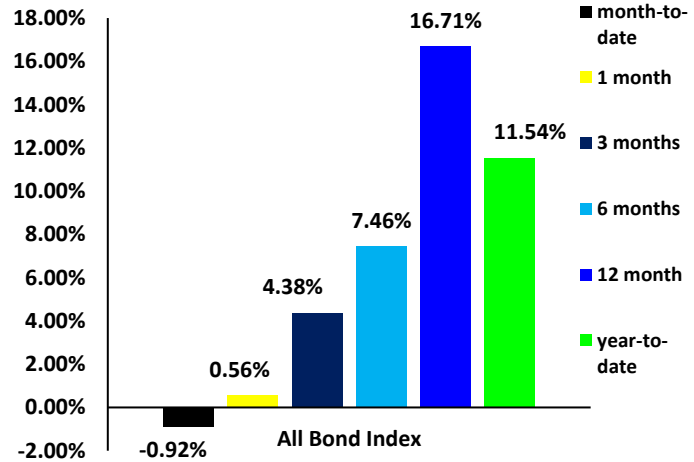
Source: Investing.com & HEI Research

Figure 2. Namibia vs. South Africa Bond Spreads: 21-September-2023 vs. 22-September-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns as of 22-September-2023 (%)



Source: HEI Research

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