



Daily Fixed Income Report (09 October 2023)

HEI FIXED INCOME MARKET COMMENTARY

- Yesterday, the US dollar strengthened against the Namibian dollar by 0.3%, closing at N\$19.34, while the Euro also soared by 0.34% at N\$20.43. Furthermore, the British pound traded higher against the Namibian dollar by 0.42% trading at N\$23.56(Figure 3)

- The yield of the GC2026 bond declined by 1.42 bps from 9.19% to 9.18%. The GC2048 bond experienced a marginal increase in yield by 0.33 bps from 13.03% to 13.03%
- The Namibian bond spreads returned back to previously held positions on the 2nd October 2023 as illustrated in Figure 1
- In Figure 2, the Modified duration of bonds declined by 1bps
- Based on the analysis depicted in Figure 4, total bond returns slightly increased on average by 0.31%
- Table 1 showed no changes in fixed-term deposit rates.

Table 1: Fixed Term Deposits

Term	6-Oct-23	9-Oct-23
1 Month	7.48	7.48
2 Months	7.55	7.55
3 Months	7.59	7.59
4 Months	7.70	7.70
5 Months	7.75	7.75
6 Months	8.10	8.10
7 Months	8.14	8.14
8 Months	8.19	8.19
9 Months	8.26	8.26
10 Months	8.36	8.36
11 Months	8.43	8.43
12 Months	8.50	8.50

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

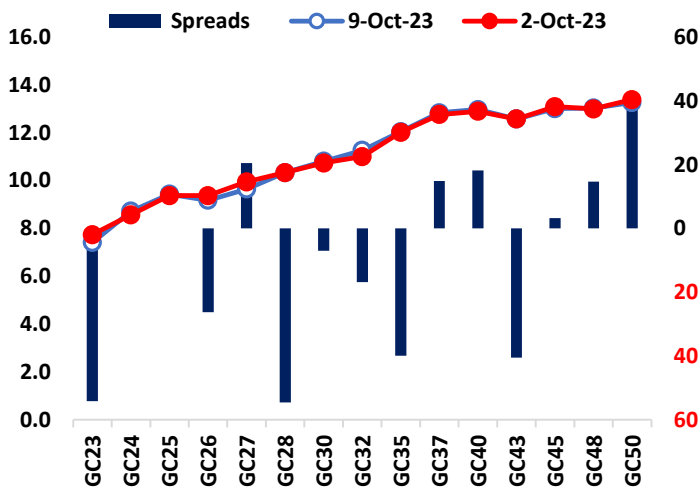
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			2-Oct-23	6-Oct-23	9-Oct-23	(bps)	9-Oct-23
GC23	8.85	15-Oct-23	7.74	7.45	7.41	-3.67	100.0169
GC24	10.5	15-Oct-24	8.57	8.74	8.72	-1.38	101.6860
GC25	8.5	15-Apr-25	9.37	9.45	9.43	-1.25	98.7070
GC26	8.5	15-Apr-26	9.37	9.19	9.18	-1.42	98.5059
GC27	8	15-Jan-27	9.95	10.04	9.64	-39.34	95.4619
GC28	8.5	15-Oct-28	10.34	10.35	10.34	-0.87	92.9385
GC30	8	15-Jan-30	10.74	10.92	10.81	-10.50	87.4008
GC32	9	15-Apr-32	11.01	11.27	11.27	-0.75	87.7911
GC35	9.5	15-Jul-35	12.03	12.05	12.05	-0.25	84.1435
GC37	9.5	15-Jul-37	12.76	12.83	12.84	0.50	78.6494
GC40	9.8	15-Oct-40	12.90	12.97	12.98	0.25	78.3956
GC43	10	15-Jul-43	12.58	12.58	12.58	0.33	81.2935
GC45	9.85	15-Jul-45	13.10	13.01	13.02	0.33	77.1906
GC48	10	15-Oct-48	13.00	13.03	13.03	0.33	78.1836
GC50	10.25	15-Jul-50	13.39	13.27	13.27	0.25	77.9438

Source: BoN & HEI Research

Important disclosure:

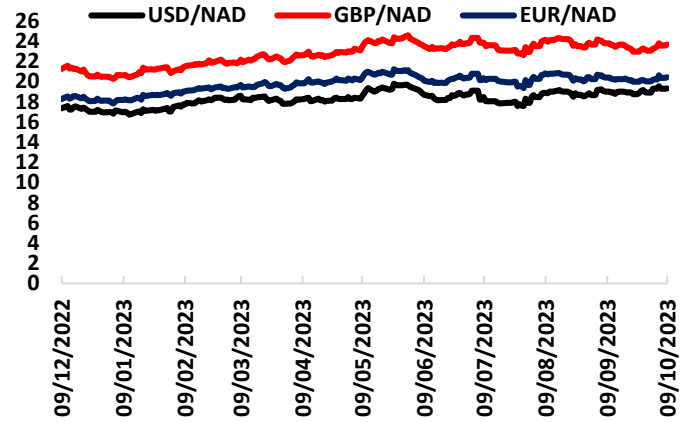
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Figure 1. Namibia Bond Yield: 02-October-2023 vs. 09-October-2023



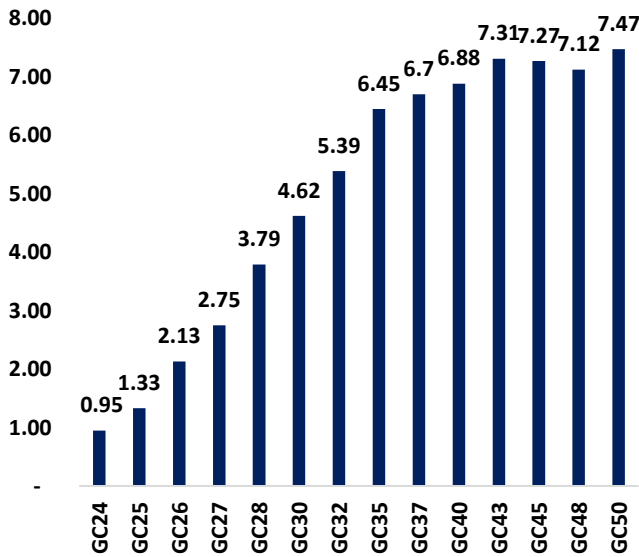
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 09-October-2023



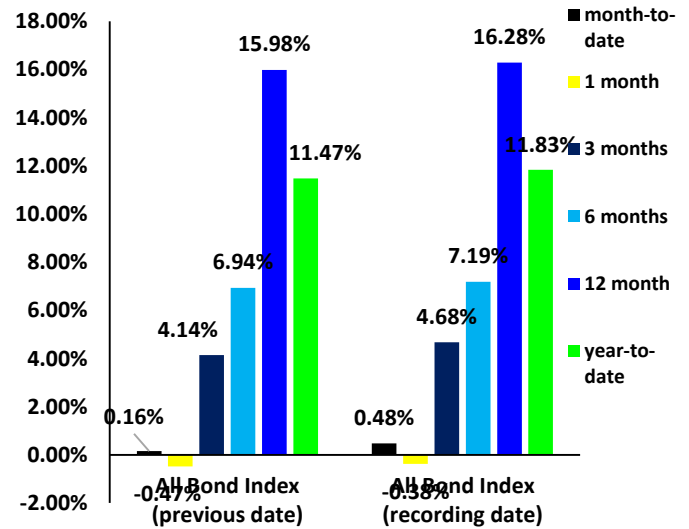
Source: Investing.com & HEI Research

Figure 2. Modified duration as of 09-October-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns (%) as of 09-October-2023



Source: HEI Research

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