

Daily Fixed Income Report (01 November 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Wednesday, the US dollar weakened against the Namibian dollar by 1.1%, closing at N\$18.49, while the Euro decreased by 0.75% at N\$19.59. Furthermore, the British pound traded lower against the Namibian dollar by 0.81% trading at N\$22.52(Figure 3)
- The yield of the GC2026 bond decreased by 1.12bps from 8.64% to 8.63%. The GC2048 bond experienced a decline in yield by 3.00 bps from 12.95% to 12.92%
- The Namibian bond yield curve continues to decline as illustrated in Figure 1
- In Figure 2, the Modified duration of bonds slightly declined
- Based on the analysis depicted in Figure 4, total bond returns increased on average by 0.04%
- Table 1 displayed an upsurge in fixed-term deposit rates

Table 1: Fixed Term Deposits

Term	31-Oct-23	1-Nov-23
1 Month	7.57	7.58
2 Months	7.57	7.57
3 Months	7.65	7.66
4 Months	7.73	7.74
5 Months	7.79	7.79
6 Months	8.11	8.13
7 Months	8.15	8.16
8 Months	8.18	8.21
9 Months	8.26	8.28
10 Months	8.35	8.36
11 Months	8.41	8.41
12 Months	8.46	8.46

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

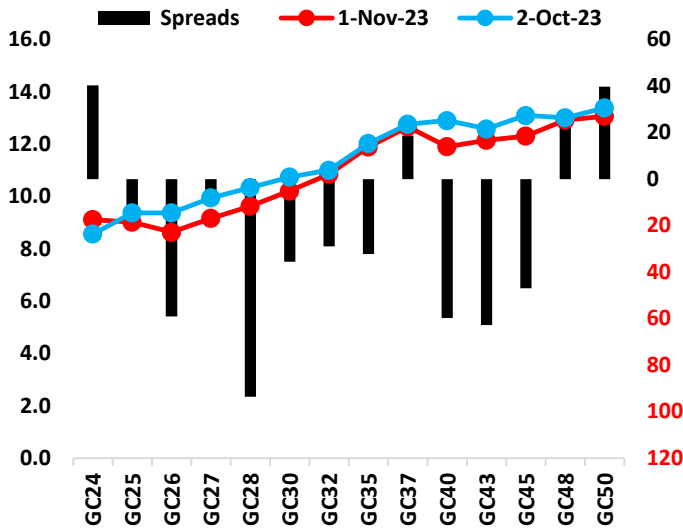
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			2-Oct-23	31-Oct-23	1-Nov-23	(bps)	1-Nov-23
GC24	10.5	Tuesday, October 15, 2024	8.57	9.14	9.12	-2.20	101.23
GC25	8.5	Tuesday, April 15, 2025	9.37	9.02	9.02	-0.50	99.30
GC26	8.5	Wednesday, April 15, 2026	9.37	8.64	8.63	-1.12	99.70
GC27	8	Friday, January 15, 2027	9.95	9.18	9.17	-1.13	96.80
GC28	8.5	Sunday, October 15, 2028	10.34	9.66	9.63	-2.75	95.63
GC30	8	Tuesday, January 15, 2030	10.74	10.24	10.21	-2.75	90.00
GC32	9	Thursday, April 15, 2032	11.01	10.86	10.86	-0.20	89.89
GC35	9.5	Sunday, July 15, 2035	12.03	11.92	11.89	-2.60	85.06
GC37	9.5	Wednesday, July 15, 2037	12.76	12.70	12.66	-3.50	79.64
GC40	9.8	Monday, October 15, 2040	12.90	11.94	11.90	-3.63	84.81
GC43	10	Wednesday, July 15, 2043	12.58	12.16	12.15	-1.00	83.99
GC45	9.85	Saturday, July 15, 2045	13.10	12.34	12.31	-3.20	81.48
GC48	10	Thursday, October 15, 2048	13.00	12.95	12.92	-3.00	78.86
GC50	10.25	Friday, July 15, 2050	13.39	13.10	13.07	-3.00	79.1382

Source: BoN & HEI Research

Important disclosure:

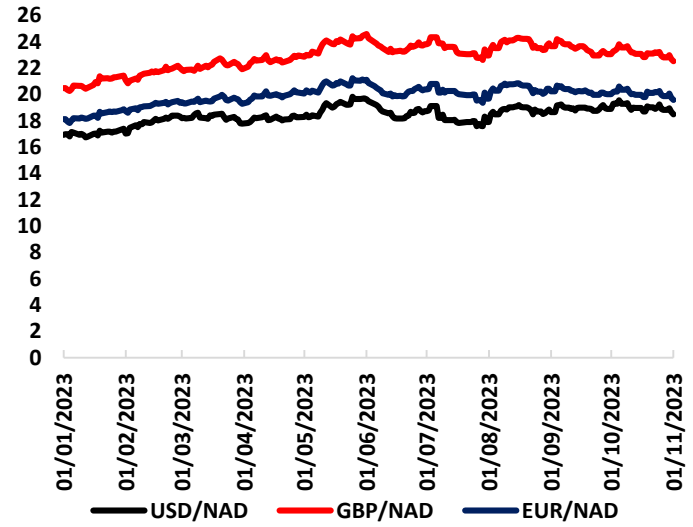
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Figure 1. Namibia Bond Yield: 02-October-2023 vs. 01-November-2023



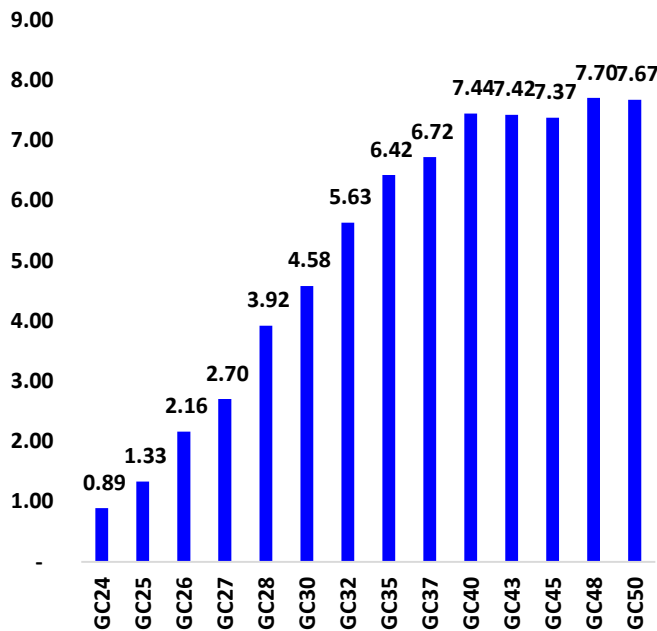
Source: BoN & HEI Research

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



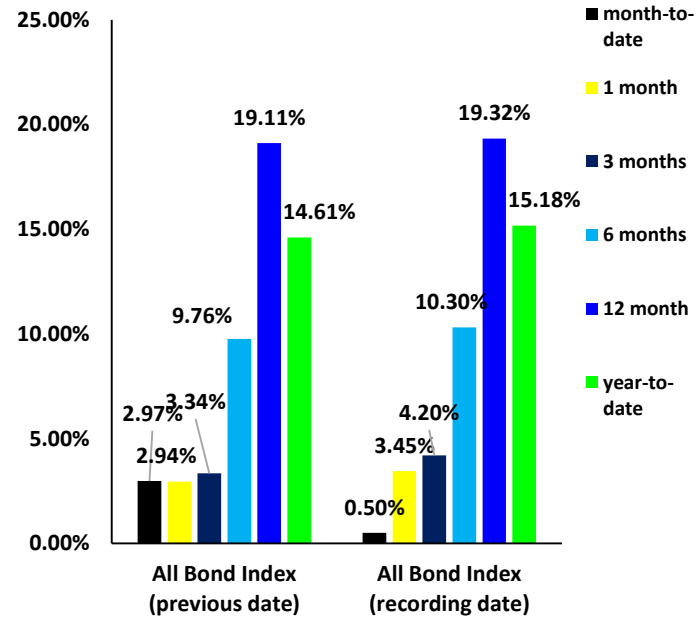
Source: Investing.com & HEI Research

Figure 2. Modified duration as of 01-November-2023



Source: BoN & HEI Research

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



Source: HEI Research

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