



Daily Fixed Income Report (02 November 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Thursday, the US dollar weakened against the Namibian dollar by 0.7%, closing at N\$18.36, while the Euro decreased by 0.36% at N\$19.52. Furthermore, the British pound traded lower against the Namibian dollar by 0.49% trading at N\$22.41(Figure 3)
- The yield of the GC2026 bond decreased by 17.74bps from 8.63% to 8.46%. The GC2048 bond experienced a decline in yield by 10.30 bps from 12.92% to 12.82%
- 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 1.08%
- Table 1 displayed no changes in fixed-term deposit rates

Table 1: Fixed Term Deposits

Term	1-Nov-23	2-Nov-23
1 Month	7.58	7.58
2 Months	7.57	7.57
3 Months	7.66	7.66
4 Months	7.74	7.74
5 Months	7.79	7.79
6 Months	8.13	8.13
7 Months	8.16	8.16
8 Months	8.21	8.21
9 Months	8.28	8.28
10 Months	8.36	8.36
11 Months	8.41	8.41
12 Months	8.46	8.46

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

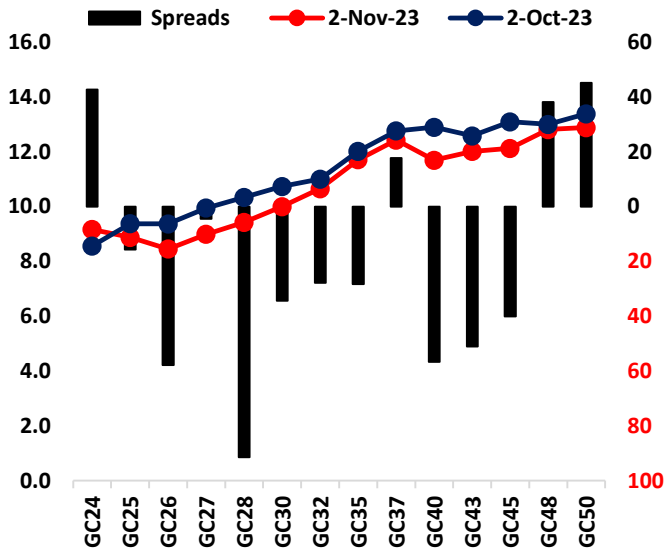
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			2-Oct-23	1-Nov-23	2-Nov-23	(bps)	2-Nov-23
GC24	10.5	Tuesday, October 15, 2024	8.57	9.12	9.17	4.98	101.18
GC25	8.5	Tuesday, April 15, 2025	9.37	9.02	8.88	-13.80	99.49
GC26	8.5	Wednesday, April 15, 2026	9.37	8.63	8.46	-17.74	100.09
GC27	8	Friday, January 15, 2027	9.95	9.17	8.99	-17.72	97.28
GC28	8.5	Sunday, October 15, 2028	10.34	9.63	9.43	-19.87	96.38
GC30	8	Tuesday, January 15, 2030	10.74	10.21	10.00	-20.87	90.89
GC32	9	Thursday, April 15, 2032	11.01	10.86	10.66	-19.90	90.91
GC35	9.5	Sunday, July 15, 2035	12.03	11.89	11.71	-18.00	86.07
GC37	9.5	Wednesday, July 15, 2037	12.76	12.66	12.43	-22.88	80.90
GC40	9.8	Monday, October 15, 2040	12.90	11.90	11.70	-20.38	86.12
GC43	10	Wednesday, July 15, 2043	12.58	12.15	12.02	-13.30	84.85
GC45	9.85	Saturday, July 15, 2045	13.10	12.31	12.13	-18.03	82.63
GC48	10	Thursday, October 15, 2048	13.00	12.92	12.82	-10.30	79.47
GC50	10.25	Friday, July 15, 2050	13.39	13.07	12.89	-17.98	80.2285

Source: BoN & HEI Research

Important disclosure:

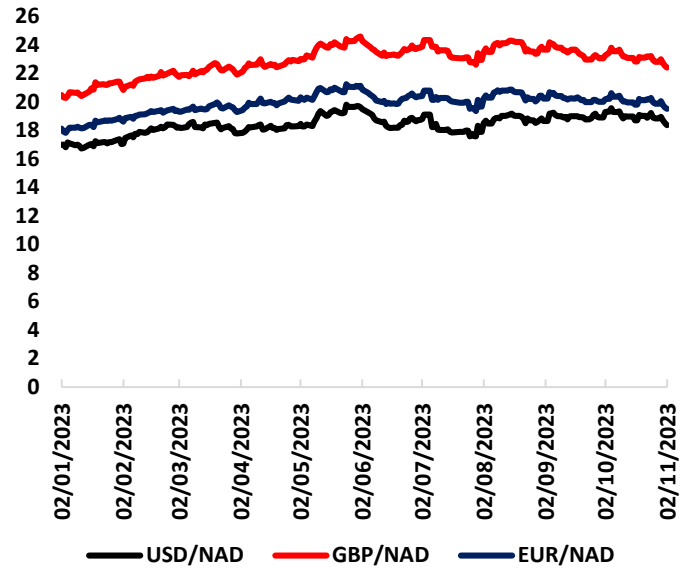
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Figure 1. Namibia Bond Yield: 02-October-2023 vs. 01-November-2023



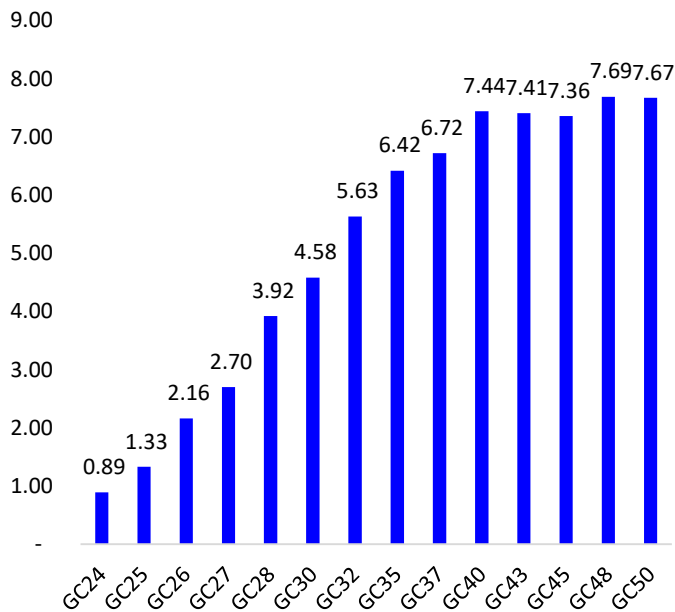
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 02-November-2023



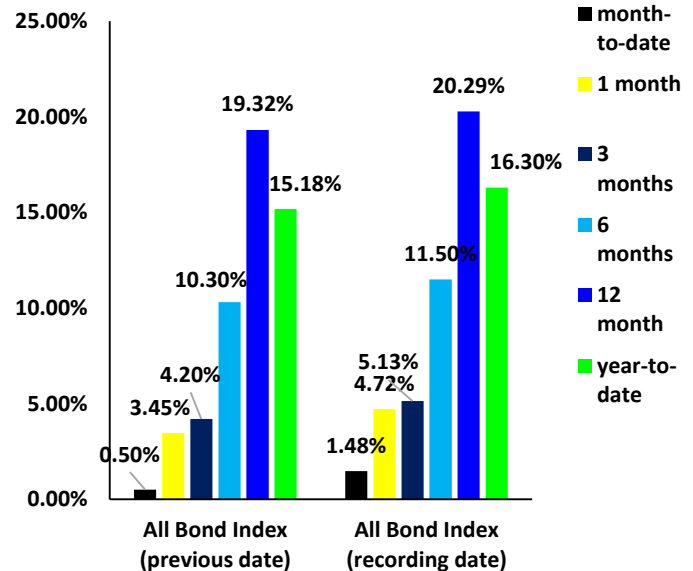
Source: Investing.com & HEI Research

Figure 2. Modified duration as of 02-November-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns (%) as of 02-November-2023



Source: HEI Research

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