



## Daily Fixed Income Report (06 November 2023)

### HEI FIXED INCOME MARKET COMMENTARY

- On Monday, the US dollar strengthened against the Namibian dollar by 0.7%, closing at N\$18.35, while the Euro increased by 0.41% at N\$19.65. Furthermore, the British pound traded higher against the Namibian dollar by 0.31% trading at N\$22.64(Figure 3)
- The yield of the GC2026 bond increased by 1.25 bps from 8.72% to 8.73%. The GC2048 bond experienced an upsurge in yield by 1.30 bps from 12.77% to 12.78%
- The Namibian bond yield curve continues to decline as illustrated in Figure 1
- In Figure 2, the Modified duration of bonds remained unchanged
- Based on the analysis depicted in Figure 4, total bond returns decreased on average by 0.72%
- Table 1 displayed no changes in fixed-term deposit rates

**Table 1: Fixed Term Deposits**

Term	3-Nov-23	6-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**

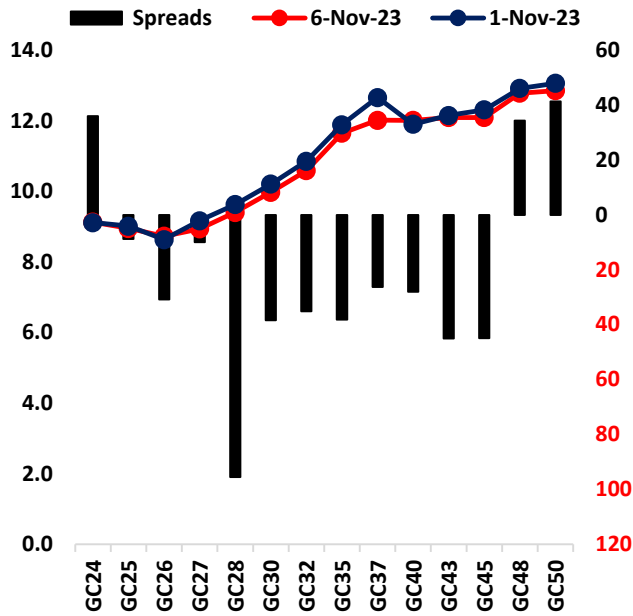
Bonds	Coupon	Maturity	YTM (%)	YTM (%)	YTM (%)	DTDA	Prices
			1-Nov-23	3-Nov-23	6-Nov-23	(bps)	6-Nov-23
GC24	10.5	Tuesday, October 15, 2024	9.12	9.13	9.13	0.00	101.20
GC25	8.5	Tuesday, April 15, 2025	9.02	8.94	8.95	1.00	99.39
GC26	8.5	Wednesday, April 15, 2026	8.63	8.72	8.73	1.25	99.49
GC27	8	Friday, January 15, 2027	9.17	8.93	8.94	1.25	97.42
GC28	8.5	Sunday, October 15, 2028	9.63	9.39	9.40	1.75	96.48
GC30	8	Tuesday, January 15, 2030	10.21	9.96	9.98	1.75	91.01
GC32	9	Thursday, April 15, 2032	10.86	10.57	10.59	1.40	91.26
GC35	9.5	Sunday, July 15, 2035	11.89	11.63	11.65	1.40	86.44
GC37	9.5	Wednesday, July 15, 2037	12.66	12.00	12.02	1.40	83.26
GC40	9.8	Monday, October 15, 2040	11.90	12.00	12.01	1.62	84.11
GC43	10	Wednesday, July 15, 2043	12.15	12.08	12.09	1.30	84.37
GC45	9.85	Saturday, July 15, 2045	12.31	12.08	12.10	1.30	82.86
GC48	10	Thursday, October 15, 2048	12.92	12.77	12.78	1.30	79.67
GC50	10.25	Friday, July 15, 2050	13.07	12.84	12.85	1.30	80.43

**Source: BoN & HEI Research**

**Important disclosure:**

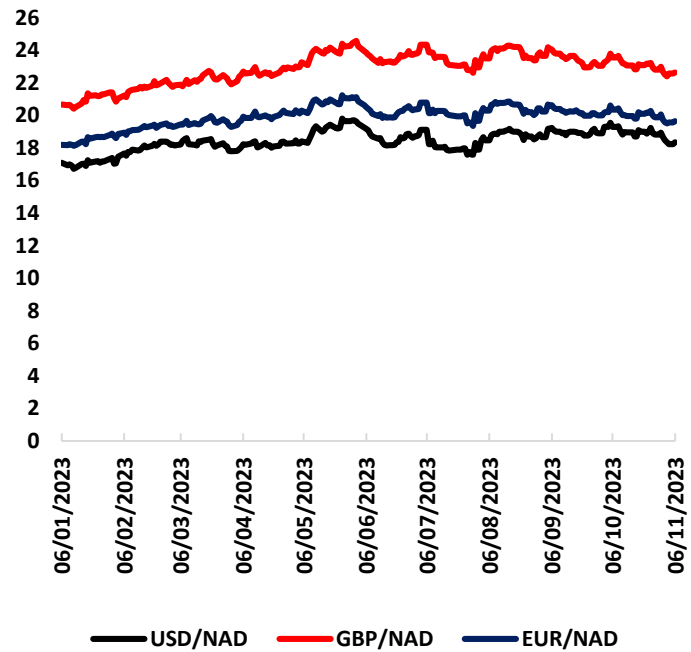
Readers should be aware that the opinions, estimates, and projections expressed in this report are based on current market conditions, publicly available information, and our analysis, and may change without notice. This report is not intended to be the sole basis for any investment decision, and investors should consult with their financial advisor or do their own research before making any investment decisions.

Figure 1. Namibia Bond Yield: 01-November-2023 vs. 06-November-2023



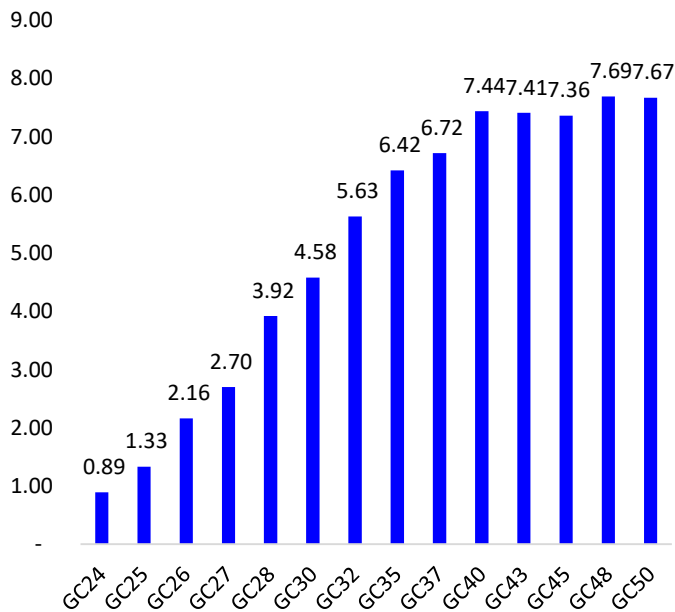
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 06-November-2023



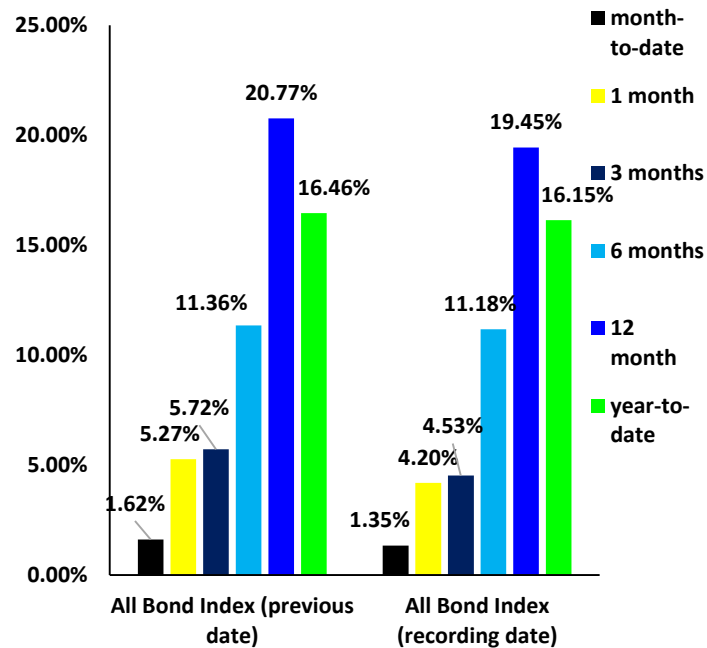
Source: Investing.com & HEI Research

Figure 2. Modified duration as of 06-November-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns (%) as of 06-November-2023



Source: HEI Research

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