



Daily Fixed Income Report (07 November 2023)

HEI FIXED INCOME MARKET COMMENTARY

- On Tuesday the US dollar strengthened against the Namibian dollar by 0.1%, closing at N\$18.37, while the Euro decreased by 0.10% at N\$19.63. Furthermore, the British pound traded lower against the Namibian dollar by 0.35% trading at N\$22.56(Figure 3)
- The yield of the GC2026 bond increased by 3.38 bps from 8.73% to 8.76%. The GC2048 bond experienced a decline in yield by 31.27 bps from 12.78% to 12.47%
- The Namibian bond yield curve is slowly starting to pick up as illustrated in Figure 1
- In Figure 2, the Modified duration of bonds with longer maturity increased
- Based on the analysis depicted in Figure 4, total bond returns decreased on average by 0.67%
- Table 1 displayed an uptick in fixed-term deposit rates

Table 1: Fixed Term Deposits

Term	6-Nov-23	7-Nov-23
1 Month	7.58	7.58
2 Months	7.57	7.57
3 Months	7.66	7.66
4 Months	7.74	7.75
5 Months	7.79	7.80
6 Months	8.13	8.13
7 Months	8.16	8.16
8 Months	8.21	8.22
9 Months	8.28	8.28
10 Months	8.36	8.37
11 Months	8.41	8.41
12 Months	8.46	8.48

Source: BoN & HEI Research

Table 2. Namibia Government Bonds

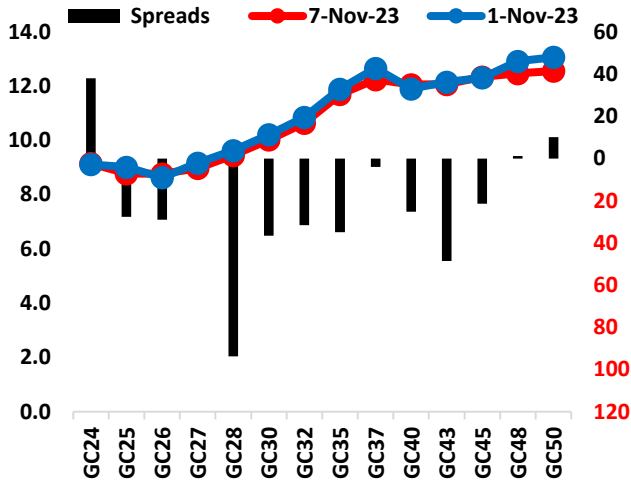
Bonds	Coupon	Maturity	YTM (%)			DTDA (bps)	Prices 7-Nov-23
			1-Nov-23	6-Nov-23	7-Nov-23		
GC24	10.5	Tuesday, October 15, 2024	9.12	9.13	9.15	1.99	101.18
GC25	8.5	Tuesday, April 15, 2025	9.02	8.95	8.78	-17.39	99.62
GC26	8.5	Wednesday, April 15, 2026	8.63	8.73	8.76	3.38	99.42
GC27	8	Friday, January 15, 2027	9.17	8.94	8.97	3.37	97.33
GC28	8.5	Sunday, October 15, 2028	9.63	9.40	9.45	4.75	96.30
GC30	8	Tuesday, January 15, 2030	10.21	9.98	10.02	4.75	90.81
GC32	9	Thursday, April 15, 2032	10.86	10.59	10.64	5.60	90.98
GC35	9.5	Sunday, July 15, 2035	11.89	11.65	11.70	5.30	86.14
GC37	9.5	Wednesday, July 15, 2037	12.66	12.02	12.24	22.70	81.96
GC40	9.8	Monday, October 15, 2040	11.90	12.01	12.06	4.25	83.84
GC43	10	Wednesday, July 15, 2043	12.15	12.09	12.07	-2.42	84.52
GC45	9.85	Saturday, July 15, 2045	12.31	12.10	12.34	24.53	81.29
GC48	10	Thursday, October 15, 2048	12.92	12.78	12.47	-31.27	81.59
GC50	10.25	Friday, July 15, 2050	13.07	12.85	12.56	-29.26	82.2756

Source: BoN & HEI Research

Important disclosure:

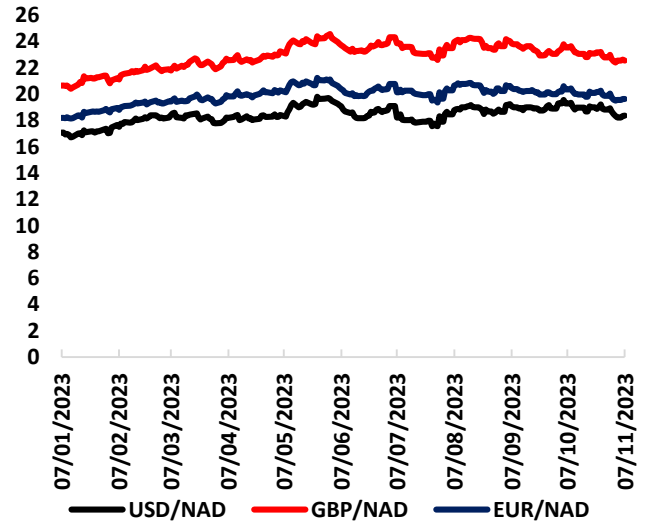
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Figure 1. Namibia Bond Yield: 01-November-2023 vs. 07-November-2023



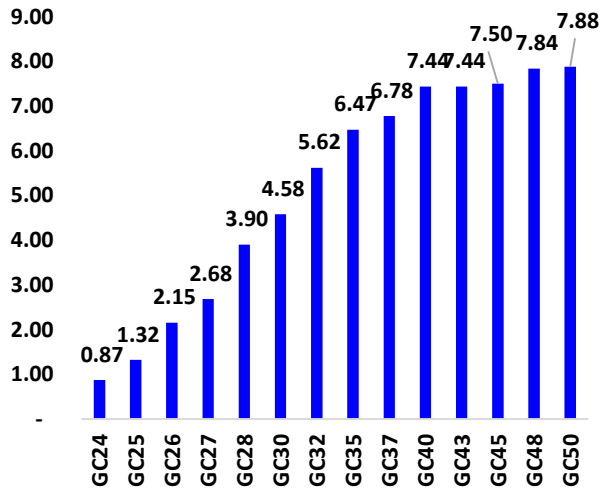
Source: BoN & HEI Research

Figure 3: Historic FX Trends till 07-November-2023



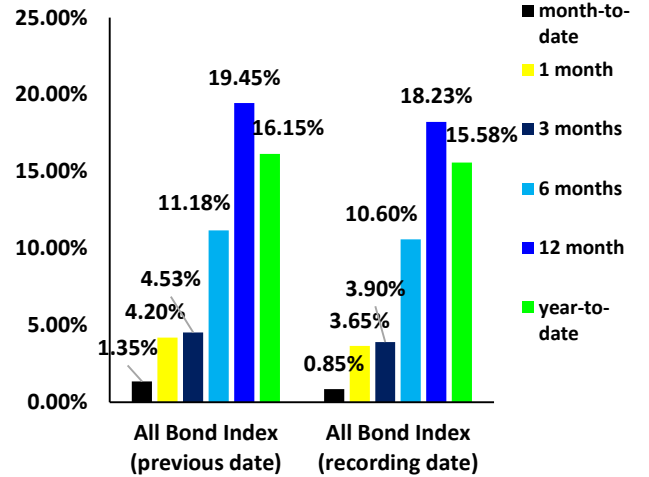
Source: Investing.com & HEI Research

Figure 2. Modified duration as of 07-November-2023



Source: BoN & HEI Research

Figure 4: Total Bond Returns (%) as of 07-November-2023



Source: HEI Research

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