



FY2020/21 BORROWING STRATEGY SUMMARY

The Funding Strategy serves to outline the optimal approach to meeting the Government's financing requirements for FY2021/22, as illustrated in the national budget. The financing requirement increased exponentially during FY2022/21 and is estimated at N\$29.4 billion. These figures are summarised in Table 2 below.

Table 1: Borrowing Requirement

	FY2021/22
Total Revenue	52,065
Total Expenditure	-67,950
Budget deficit	-15,886
Other financing requirements	-13,562
Net borrowing requirement	-29,448

BORROWING STRATEGY

The Net Funding Requirement for FY2021/22 will be financed through a combination of cash and other financing as well as borrowing from the domestic market and multilateral entities, as summarised in Table 2 below.

Table 2: Financing Strategy FY2021/22 (N\$ million)

Funding Strategy	
Cash and Other Financing	5,234
AfDB Project Financing	1,299
AfDB Covid-19	1,500
IMF (RFI)	3,900
Net Domestic Borrowing	-17,515

a) Domestic Market

The remaining balance of N\$17.5 billion to be raised from the domestic market. This balance of the domestic borrowing will be split between Treasury bills and bonds (Table 3).

Table 3: Domestic Borrowing Strategy FY2021/22 (N\$ million)

Debt Securities	FY2021/22
Borrowing Requirement	-29,448
Borrowing Plan	
T-Bills Issuance	4,594
Fixed-rate Bonds	10,820
Inflation-linked Bonds	2,100
Domestic Borrowing	17,514

i. Treasury Bills

A total of N\$4.5 billion will be sourced from Treasury bills during the FY2021/22, representing 24 percent of the domestic borrowing requirement. The amount will be raised by adjusting the values on the existing Treasury bills upwards, and these Treasury bills will be rolled over on a continuous basis.

Table 4: Treasury Bills Allocation (N\$ million)

TREASURY BILLS	FY2020/21
GT-91	250
GT-182	850
GT-273	1,444
GT-365	2,050
Total T-Bills Issuance	4,594

ii. Treasury Bonds

An amount of N\$12.9 billion has been allocated on Treasury Bonds. A sum of N\$10.8 billion has been allocated to fixed-rate bonds. The Government aims to raise N\$6.0 billion through domestic bond issuance and utilise the proceeds to supplement the balances on the Sinking Funds for the redemption of the Eurobond. The transactions will be undertaken at special auctions which will be open to all market participants and will be allocated at prevailing market prices. The funding plan also includes an introduction of a new fixed-rate bond, the GC48, maturing on 15 October 2048. The following bonds are also off-the-run and will only be re-opened during special auctions: GI21 GC22, GC24, GC25 and GC27. Switch auctions for the GC22 will continue during FY2021/22.

Table 5: Fixed-Income Bond Allocation (N\$ million)

FIXED-RATE BONDS	FY2021/22	Monthly Issue
GC22	-	-
GC23	1,350	70
GC24	210	-
GC25	240	-
GC26	1,470	80
GC27	150	0
GC30	1,230	70
GC32	1,125	65
GC35	945	65
GC37	795	55
GC40	735	55
GC43	735	55
GC45	675	55
GC48 (New)	530	50
GC50	630	50
Total Bond Issuance	10,820	670

iii. Inflation-linked Bonds

Given prevailing benign inflation environment, only N\$2.1 billion of the total domestic borrowing is to be sourced from inflation-linked bonds. The borrowing plan also propose the introduction of an additional linker, the GI27, to provide the market with a new short-dated ILB. The GI22 and GI22 continue to be off the run and will not be offered at primary auctions. Switch auctions for the GI22 will be commence during the FY2021/22.

Table 7: Inflation Linked Bond Allocation (N\$ million)

INFLATION-LINKED BONDS	FY2020/21	Monthly Issue
GI22	-	-
GI25	-	-
GI27 (New)	525	25
GI29	525	25
GI33	525	25
GI36	525	25
Total Bond Issuance	2,100	100

Borrowing Plan FY2021/22 (N\$ million)

Net Issues	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	FY2020/21
GT-91	50	-	50	50	50	-	-	-	50	-	-	-	250
GT-182	100	-	-	50	50	600	-	-	-	-	-	50	850
GT-273	118	100	100	600	100	90	100	186	50	-	-	-	1,444
GT-364	200	150	100	50	100	600	650	200	50	-	-	-	2,100
Net Issuance of T-Bills	468	250	250	750	300	1,290	750	386	150	-	-	50	4,644
Fixed-rate Bonds	620	620	1,630	670	670	1,630	1,630	670	670	670	670	670	10,820
GC21	-	-	-	-	-	-	-	-	-	-	-	-	-
GC22	-	-	-	-	-	-	-	-	-	-	-	-	-
GC23	70	70	240	70	70	240	240	70	70	70	70	70	1,350
GC24	-	-	70	-	-	70	70	-	-	-	-	-	210
GC25	-	-	80	-	-	80	80	-	-	-	-	-	240
GC26	80	80	250	80	80	250	250	80	80	80	80	80	1,470
GC27	-	-	50	-	-	50	50	-	-	-	-	-	150
GC30	70	70	200	70	70	200	200	70	70	70	70	70	1,230
GC32	65	65	180	65	65	180	180	65	65	65	65	65	1,125
GC35	65	65	120	65	65	120	120	65	65	65	65	65	945
GC37	55	55	100	55	55	100	100	55	55	55	55	55	795
GC40	55	55	80	55	55	80	80	55	55	55	55	55	735
GC43	55	55	80	55	55	80	80	55	55	55	55	55	735
GC45	55	55	60	55	55	60	60	55	55	55	55	55	675
GC48	-	-	60	50	50	60	60	50	50	50	50	50	530
GC50	50	50	60	50	50	60	60	50	50	50	50	50	630
Inflation-linked Bonds	75	75	400	100	100	400	400	100	100	100	100	100	2,050
GI22	-	-	-	-	-	-	-	-	-	-	-	-	-
GI25	-	-	-	-	-	-	-	-	-	-	-	-	-
GI27	-	-	100	25	25	100	100	25	25	25	25	25	475
GI29	25	25	100	25	25	100	100	25	25	25	25	25	525
GI33	25	25	100	25	25	100	100	25	25	25	25	25	525
GI36	25	25	100	25	25	100	100	25	25	25	25	25	525
Net Issuance of Bonds	695	695	2,030	770	770	2,030	2,030	770	770	770	770	770	12,870
TOTAL	1,163	945	2,280	1,520	1,070	3,320	2,780	1,156	920	770	770	820	17,514

End of Month balances	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Year-End
T-91	2,550	2,550	2,600	2,650	2,700	2,700	2,700	2,700	2,750	2,750	2,750	2,750	2,750
T-182	4,720	4,720	4,720	4,770	4,820	5,420	5,420	5,420	5,420	5,420	5,420	5,470	5,470
T-273	8,434	8,534	8,634	9,234	9,334	9,424	9,524	9,710	9,760	9,760	9,760	9,760	9,760
T-365	12,320	12,470	12,570	12,620	12,720	13,320	13,970	14,170	14,220	14,220	14,220	14,220	14,220
T-Bills	28,024	28,274	28,524	29,274	29,574	30,864	31,614	32,000	32,150	32,150	32,150	32,200	32,200
GC21	169	169	169	169	169	169	169	169	169	169	169	169	169
GC22	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622	1,622
GC23	3,561	3,631	3,871	3,941	4,011	4,251	4,491	4,561	4,631	4,701	4,771	4,841	4,841
GC24	3,853	3,853	3,923	3,923	3,923	3,993	4,063	4,063	4,063	4,063	4,063	4,063	4,063
GC25	3,733	3,733	3,813	3,813	3,813	3,893	3,973	3,973	3,973	3,973	3,973	3,973	3,973
GC26	2,340	2,420	2,670	2,750	2,830	3,080	3,330	3,410	3,490	3,570	3,650	3,730	3,730
GC27	4,293	4,293	4,343	4,343	4,343	4,393	4,443	4,443	4,443	4,443	4,443	4,443	4,443
GC30	4,824	4,894	5,094	5,164	5,234	5,434	5,634	5,704	5,774	5,844	5,914	5,984	5,984
GC32	3,911	3,976	4,156	4,221	4,286	4,466	4,646	4,711	4,776	4,841	4,906	4,971	4,971
GC35	3,479	3,544	3,664	3,729	3,794	3,914	4,034	4,099	4,164	4,229	4,294	4,359	4,359
GC37	3,008	3,063	3,163	3,218	3,273	3,373	3,473	3,528	3,583	3,638	3,693	3,748	3,748
GC40	3,140	3,195	3,275	3,330	3,385	3,465	3,545	3,600	3,655	3,710	3,765	3,820	3,820
GC43	1,473	1,528	1,608	1,663	1,718	1,798	1,878	1,933	1,988	2,043	2,098	2,153	2,153
GC45	2,921	2,976	3,036	3,091	3,146	3,206	3,266	3,321	3,376	3,431	3,486	3,541	3,541
GC48	-	-	60	110	160	220	280	330	380	430	480	530	530
GC50	1,487	1,537	1,597	1,647	1,697	1,757	1,817	1,867	1,917	1,967	2,017	2,067	2,067
Bonds	43,813	44,433	46,063	46,733	47,403	49,033	50,663	51,333	52,003	52,673	53,343	54,013	54,013
GI22	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
GI25	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963
GI27	-	-	100	125	150	250	350	375	400	425	450	475	475
GI29	1,990	2,015	2,115	2,140	2,165	2,265	2,365	2,390	2,415	2,440	2,465	2,490	2,490
GI33	664	689	789	814	839	939	1,039	1,064	1,089	1,114	1,139	1,164	1,164
GI36	358	383	483	508	533	633	733	758	783	808	833	858	858
Inflation-linked bonds	7,275	7,350	7,750	7,850	7,950	8,350	8,750	8,850	8,950	9,050	9,150	9,250	9,250
TOTAL	79,112	80,057	82,337	83,857	84,927	88,246	91,026	92,183	93,103	93,873	94,643	95,463	95,463

Republic of Namibia				
Auction Calendar For Government Domestic Debt Securities: FY2021/22				
	Instrument	Closing Date (t)	Issue Date(t+1)	Due Date
Apr-21				
	365-day TB	Wednesday, 31 March, 2021	Thursday, 01 April, 2021	Friday, 01 April, 2022
	91-day TB	Thursday, 08 April, 2021	Friday, 09 April, 2021	Friday, 09 July, 2021
	Coupon payments (GC21, GI22, GC23, GC24, GC25, GC26, GC32, GI33 & GC40)	Thursday, 15 April, 2021		
	182-day TB	Thursday, 15 April, 2021	Friday, 16 April, 2021	Friday, 15 October, 2021
	273-day TB	Thursday, 15 April, 2021	Friday, 16 April, 2021	Friday, 14 January, 2022
	IRS & ILBs	Wednesday, 21 April, 2021	Thursday, 22 April, 2021	
	91-day TB	Thursday, 22 April, 2021	Friday, 23 April, 2021	Friday, 23 July, 2021
	182-day TB	Thursday, 22 April, 2021	Friday, 23 April, 2021	Friday, 22 October, 2021
	364-day TB	Thursday, 22 April, 2021	Friday, 23 April, 2021	Friday, 22 April, 2022
May-21				
	IRS	Wednesday, 05 May, 2021	Thursday, 06 May, 2021	
	273-day TB	Thursday, 06 May, 2021	Friday, 07 May, 2021	Friday, 04 February, 2022
	364-day TB	Thursday, 06 May, 2021	Friday, 07 May, 2021	Friday, 06 May, 2022
	IRS	Wednesday, 12 May, 2021	Thursday, 13 May, 2021	
	273-day TB	Wednesday, 12 May, 2021	Friday, 14 May, 2021	Friday, 11 February, 2022
	364-day TB	Wednesday, 12 May, 2021	Friday, 14 May, 2021	Friday, 13 May, 2022
	91-day TB	Thursday, 20 May, 2021	Friday, 21 May, 2021	Friday, 20 August, 2021
	182-day TB	Thursday, 20 May, 2021	Friday, 21 May, 2021	Friday, 19 November, 2021
	364-day TB	Thursday, 20 May, 2021	Friday, 21 May, 2021	Friday, 20 May, 2022
	ILBs	Wednesday, 26 May, 2021	Thursday, 27 May, 2021	
	273-day TB	Thursday, 27 May, 2021	Friday, 28 May, 2021	Friday, 25 February, 2022
Jun-21				
	IRS & ILBs	Wednesday, 02 June, 2021	Thursday, 03 June, 2021	
	91-day TB	Thursday, 03 June, 2021	Friday, 04 June, 2021	Friday, 03 September, 2021
	273-day TB	Thursday, 03 June, 2021	Friday, 04 June, 2021	Friday, 04 March, 2022
	181-day TB	Thursday, 10 June, 2021	Friday, 11 June, 2021	Thursday, 09 December, 2021
	Book Closure (GC22, GI25, GC27, GI29, GC30, GC35, GI36, GC37, GC43, GC45 & GC50)	Tuesday, 15 June, 2021		
	91-day TB	Thursday, 17 June, 2021	Friday, 18 June, 2021	Friday, 17 September, 2021
	273-day TB	Thursday, 17 June, 2021	Friday, 18 June, 2021	Friday, 18 March, 2022
	364-day TB	Thursday, 17 June, 2021	Friday, 18 June, 2021	Friday, 17 June, 2022
	GC22 Switch Auction	Wednesday, 23 June, 2021	Thursday, 24 June, 2021	
	364-day TB	Thursday, 24 June, 2021	Friday, 25 June, 2021	Friday, 24 June, 2022
Jul-21				
	273-day TB	Thursday, 01 July, 2021	Friday, 02 July, 2021	Friday, 01 April, 2022
	364-day TB	Thursday, 01 July, 2021	Friday, 02 July, 2021	Friday, 01 July, 2022
	91-day TB	Thursday, 08 July, 2021	Friday, 09 July, 2021	Friday, 08 October, 2021
	Coupon Payments (GC22, GI25, GC27, GI29, GC30, GC35, GI36, GC37, GC43, GC45 & 50)	Thursday, 15 July, 2021		
	182-day TB	Thursday, 15 July, 2021	Friday, 16 July, 2021	Friday, 14 January, 2022
	272-day TB	Thursday, 15 July, 2021	Friday, 16 July, 2021	Thursday, 14 April, 2022
	364-day TB	Thursday, 15 July, 2021	Friday, 16 July, 2021	Friday, 15 July, 2022
	IRS	Wednesday, 21 July, 2021	Thursday, 22 July, 2021	
	91-day TB	Thursday, 22 July, 2021	Friday, 23 July, 2021	Friday, 22 October, 2021
	182-day TB	Thursday, 22 July, 2021	Friday, 23 July, 2021	Friday, 21 January, 2022
	182-day TB	Thursday, 29 July, 2021	Friday, 30 July, 2021	Friday, 28 January, 2022
	273-day TB	Thursday, 29 July, 2021	Friday, 30 July, 2021	Friday, 29 April, 2022
	364-day TB	Thursday, 29 July, 2021	Friday, 30 July, 2021	Friday, 29 July, 2022
Aug-21				
	IRS	Wednesday, 11 August, 2021	Thursday, 12 August, 2021	
	182-day TB	Thursday, 12 August, 2021	Friday, 13 August, 2021	Friday, 11 February, 2022
	273-day TB	Thursday, 12 August, 2021	Friday, 13 August, 2021	Friday, 13 May, 2022
	IRS	Wednesday, 18 August, 2021	Thursday, 19 August, 2021	
	91-day TB	Thursday, 19 August, 2021	Friday, 20 August, 2021	Friday, 19 November, 2021
	364-day TB	Thursday, 19 August, 2021	Friday, 20 August, 2021	Friday, 19 August, 2022
	ILBs	Tuesday, 24 August, 2021	Wednesday, 25 August, 2021	
	273-day TB	Wednesday, 25 August, 2021	Friday, 27 August, 2021	Friday, 27 May, 2022
	363-day TB	Wednesday, 25 August, 2021	Friday, 27 August, 2021	Thursday, 25 August, 2022
Sep-21				
	IRS	Wednesday, 01 September, 2021	Thursday, 02 September, 2021	
	91-day TB	Thursday, 02 September, 2021	Friday, 03 September, 2021	Friday, 03 December, 2021
	182-day TB	Thursday, 09 September, 2021	Friday, 10 September, 2021	Friday, 11 March, 2022
	364-day TB	Thursday, 09 September, 2021	Friday, 10 September, 2021	Friday, 09 September, 2022
	Book Closure (GC21, GI22, GC23, GC24, GC25, GC26, GC32, GI33 & GC40)	Tuesday, 14 September, 2021		
	ILBs	Wednesday, 15 September, 2021	Thursday, 16 September, 2021	
	91-day TB	Thursday, 16 September, 2021	Friday, 17 September, 2021	Friday, 17 December, 2021
	273-day TB	Thursday, 16 September, 2021	Friday, 17 September, 2021	Friday, 17 June, 2022
	GC22 Switch Auction	Wednesday, 22 September, 2021	Thursday, 23 September, 2021	
	182-day TB	Thursday, 23 September, 2021	Friday, 24 September, 2021	Friday, 25 March, 2022
	364-day TB	Thursday, 23 September, 2021	Friday, 24 September, 2021	Friday, 23 September, 2022
	364-day TB	Thursday, 30 September, 2021	Friday, 01 October, 2021	Friday, 30 September, 2022