

Private Sector Credit Extension

August 2024

0.0005	4.85%
0.1003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Overview

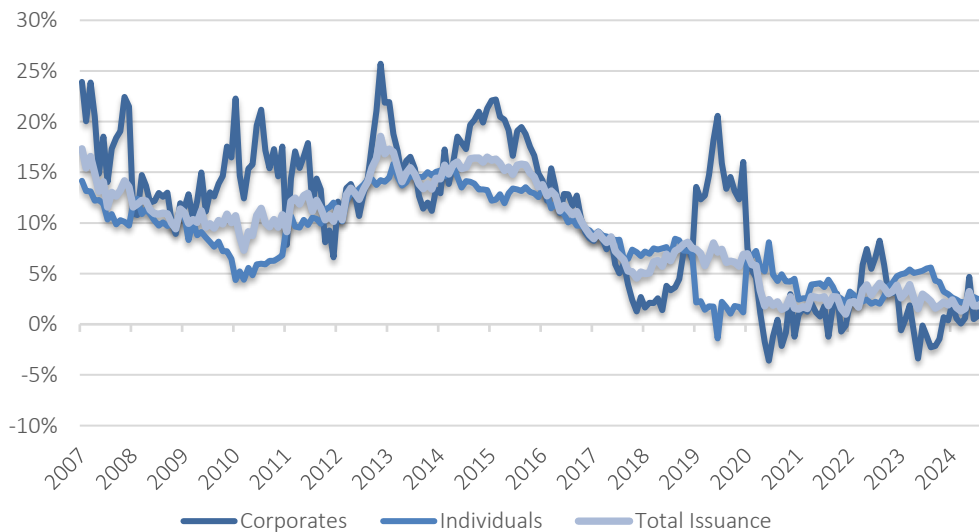
Category	N\$ Millions Outstanding	Change in N\$ Millions		% Change	
		One Month	One Year	m/m	y/y
Corporates	46,156.2	234.5	967.6	0.51%	2.14%
Individuals	67,812.1	125.9	1,378.4	0.19%	2.07%
Mortgage Loans	59,367.5	43.2	385.1	0.07%	0.65%
Other Loans & Advances	30,295.6	143.9	2,005.5	0.48%	7.09%
Overdrafts	10,978.3	94.9	(1,674.5)	0.87%	-13.23%
Instalment Credit	13,326.9	78.5	1,630.0	0.59%	13.93%
Total PSCE*	113,968.3	360.4	2,346.0	0.32%	2.10%

*Normalised for claims on non-resident private sectors

Source: Bank of Namibia, IJG Securities

Private sector credit (PSCE) grew by 0.3% m/m, translating to a meagre annual growth rate of 2.1% in August 2024. The normalised cumulative credit outstanding amounted to N\$113.97 billion (removing the interbank swaps the Bank of Namibia (BoN) accounts for in non-resident private sector claims). Over the past twelve months, N\$2.35 billion worth of credit was extended to the private sector, which is 5.7% less than the N\$2.48 billion issued over the same period a year ago. Individuals took up N\$1.38 billion worth of credit over this period, while corporates took up N\$967.6 million.

PSCE Issuance
Growth (% y/y)



Source: Bank of Namibia, IJG Securities

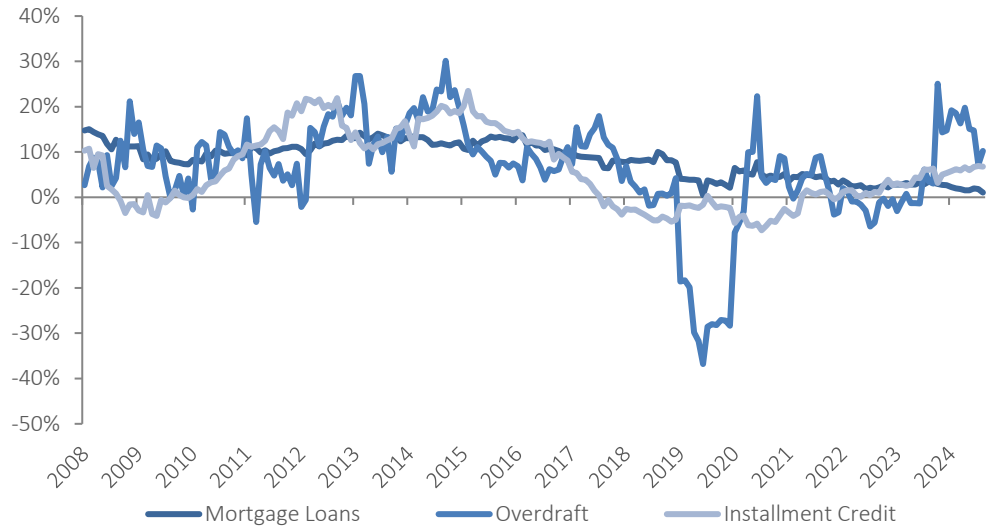
Credit Extension to Individuals

Credit extended to individuals rose by 0.2% m/m and 2.1% y/y in August. All credit lines for individuals saw a rise in annual growth during the month. Overdraft facilities extended to individuals expanded by 1.4% m/m and 10.2% y/y, marking continuous annual growth in this category since June 2023. Mortgage loans extended to individuals saw a slight contraction of 0.01% m/m but still grew by 1.1% y/y. Other loans and advances, which include credit cards, personal loans, and term loans, increased by 0.4% m/m and 1.5% y/y, reaching N\$12.1 billion, the highest level on record. Instalment credit annual growth slowed, as credit extended in this category rose by 0.7% m/m and 6.7% y/y.



0,0005	4,85%
0,0003	13,04%
0,0001	50,00%
0,0003	14,29%
0,0005	12,50%

Annual Credit Growth (Individuals)

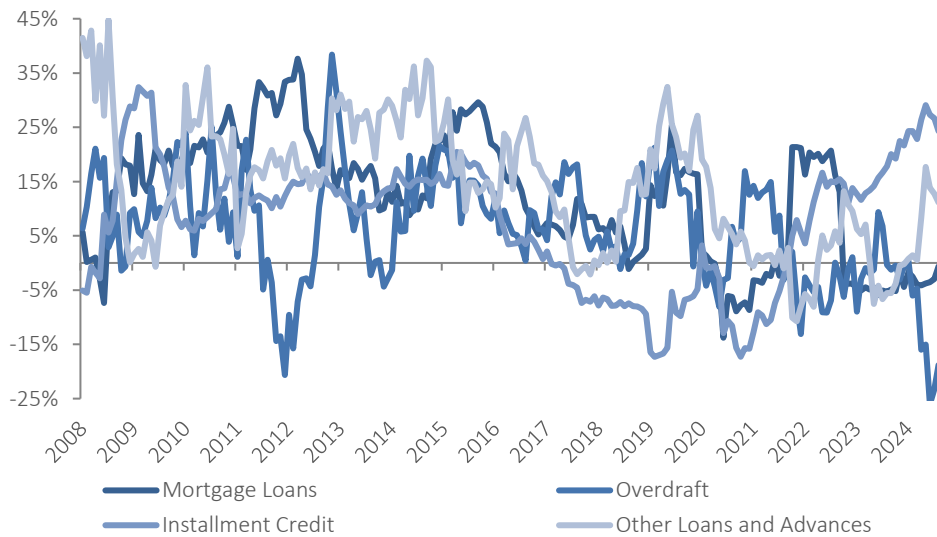


Source: Bank of Namibia, IJG Securities

Credit Extension to Corporates

Credit extended to corporates rose by 0.5% m/m and 2.1% y/y in August. According to the BoN, this growth was driven by increased demand for credit facilities from corporates in the mining sector during the period. Mortgage loans increased by 0.3% m/m but fell 0.7% y/y. Overdrafts grew by 0.7% m/m but saw a significant drop of 18.8% y/y. Instalment credit rose by 0.5% m/m and 24.3% y/y, while other loans and advances to corporates increased by 0.5% m/m and 11.1% y/y. Overall credit demand from corporates in Namibia however remains weak.

Annual Credit Growth (Corporates)



Source: Bank of Namibia, IJG Securities

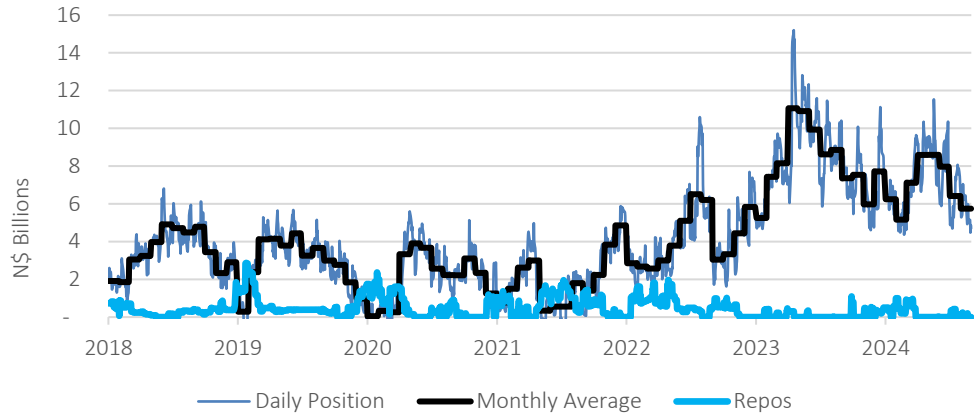
Banking Sector Liquidity

Commercial banks' overall liquidity declined by N\$668.5 million in August, averaging N\$5.75 billion, compared to N\$6.41 billion in July. The central bank attributed this decrease to substantial cross-border payments and reduced government spending during the month. Despite this slight drop, liquidity levels remain healthy.



0,0005	4,85%
0,0003	13,04%
0,0001	50,00%
0,0003	14,29%
0,0005	12,50%

Namibian Banking Liquidity

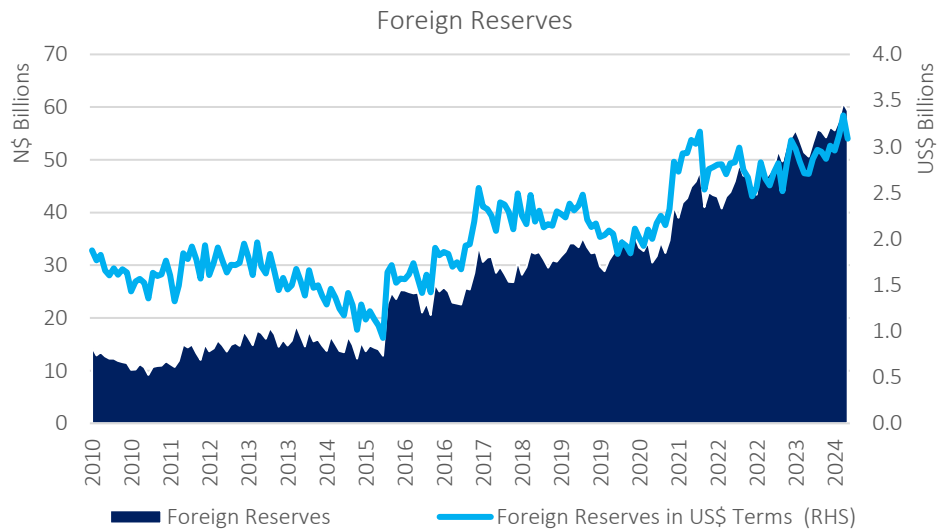


Source: Bank of Namibia, IJG Securities

Money Supply and Reserves

In August, the stock of international reserves fell by N\$1.49 billion, or 2.5% m/m, to N\$59.3 billion, providing 4.0 months of import cover, which remains comfortably above the international benchmark of 3.0 months. The Bank of Namibia attributed this decline primarily to withdrawals of Customer Foreign Currency.

Foreign Reserves



Source: Bank of Namibia, IJG Securities

Outlook

Namibian PSCE growth remains modest, reflecting subdued demand from both individuals and corporates. Although individual credit lines, especially overdrafts, showed consistent annual growth, the overall credit extension remains tepid due to weak corporate demand, particularly in mortgages. With liquidity levels declining and credit conditions soft, PSCE growth is likely to remain constrained in the near term. Nonetheless, the mining sector could provide some support, albeit limited.



IJG Holdings

Mathews Hamutenya	Group Chairman		Tel: +264 (61) 256 699
Mark Späth	Group Managing Director	mark@ijg.net	Tel: +264 (81) 958 3510
Helena Amutenya	Group Financial Director	helena@ijg.net	Tel: +264 (81) 958 3528
Leonie De Klerk	Group Compliance Officer	leonie@ijg.net	Tel: +264 (81) 958 3533
Tashiya Josua	Financial Manager	tashiya@ijg.net	Tel: +264 (81) 958 3511
Benita Windisch	Financial Manager	benita@ijg.net	Tel: +264 (81) 958 3539
Lynnet Sasele	Financial Accountant	lynnet@ijg.net	Tel: +264 (81) 958 3536
Counney Kemp	Group PA	reception@ijg.net	Tel: +264 (81) 958 3500

IJG Securities

Eric van Zyl	Managing Director Designate	eric@ijg.net	Tel: +264 (81) 958 3530
Leon Maloney	Equity & Fixed Income Dealing	leon@ijg.net	Tel: +264 (81) 958 3512
Maria Amutenya	Settlements & Administration	maria@ijg.net	Tel: +264 (81) 958 3515
Zane Feris	Sales and Research	zane@ijg.net	Tel: +264 (81) 958 3543
Robin Sherbourne	Economist	robin@ijg.net	Tel: +264 (81) 958 3500

IJG Wealth Management

Andri Ntema	Managing Director	andri@ijg.net	Tel: +264 (81) 958 3518
Wim Boshoff	Head Wealth Manager	wim@ijg.net	Tel: +264 (81) 958 3537
Aretha Thiert	Wealth Manager	aretha@ijg.net	Tel: +264 (81) 958 3540
Katja Greeff	Wealth Manager	katja@ijg.net	Tel: +264 (81) 958 3538
Wetu Ishitile	Junior Wealth Manager	wetu@ijg.net	Tel: +264 (81) 958 3500
Maunda Rautenbach	Head of Operations	maunda@ijg.net	Tel: +264 (81) 958 3529
Lorein Kazombaruru	Wealth Administration	lorein@ijg.net	Tel: +264 (81) 958 3521
Francoise van Wyk	Wealth Administration	francoise@ijg.net	Tel: +264 (81) 958 3513
Calvin Mwinga	Wealth Administration	calvin@ijg.net	Tel: +264 (81) 958 3514

IJG Capital

Jakob de Klerk	Managing Director	jakob@ijg.net	Tel: +264 (81) 958 3517
Mirko Maier	Senior Manager: Investments	mirko@ijg.net	Tel: +264 (81) 958 3531
Fares Amunkete	Senior Manager: Investments	fares@ijg.net	Tel: +264 (81) 958 3527
Peterson Mbise	Manager: Investments	peterson@ijg.net	Tel: +264 (81) 958 3532
Veripi Ngapurue	Senior Associate	veripi@ijg.net	Tel: +264 (81) 958 3500
Jacinda Lima	Associate	jacinda@ijg.net	Tel: +264 (81) 958 3500

IJG Investment Managers & IJG Unit Trusts

Chidera Onwudinjio	Portfolio Manager	chidera@ijg.net	Tel: +264 (81) 958 3523
Danie van Wyk	Portfolio Manager	danie@ijg.net	Tel: +264 (81) 958 3534

IJG Advisory

Herbert Maier	Managing Director	herbert@ijg.net	Tel: +264 (81) 958 3522
Jolyon Irwin	Director	jolyon@ijg.net	Tel: +264 (81) 958 3500
Hugo van den Heever	Corporate Advisor	hugo@ijg.net	Tel: +264 (81) 958 3542
Lucas Martin	Corporate Advisory Associate	lucas@ijg.net	Tel: +264 (81) 958 3541

No representation is given about, and no responsibility is accepted, for the accuracy or completeness of this document. Any views reflect the current views of IJG Holdings (Pty) Ltd. The views reflected herein may change without notice. IJG Holdings (Pty) Ltd provides this document to you for information purposes only and should not be constructed as and shall not form part of an offer or solicitation to buy or sell securities or derivatives. It may not be reproduced, distributed or published by any recipient for any purposes.



**Independent. Focused.
Personalised.**